



520 Green Lane
Union, NJ 07083

T: (908) 662-8448
F: (908) 662-8496

dfranco@sjindustries.com

Deborah M. Franco, Esq.
VP, Rates, Regulatory and Sustainability

June 1, 2021

Electronic Filing

Aida Camacho-Welch
Office of the Secretary
NJ Board of Public Utilities
44 South Clinton Avenue
P. O. Box 350
Trenton, NJ 08625-0350

Re: In the Matter of the Petition of South Jersey Gas Company to Revise the Level of Its Basic Gas Supply Service ("BGSS") Charge and Conservation Incentive Program ("CIP") Charge for the Year Ending September 30, 2022
BPU Docket No. _____

Dear Secretary Camacho-Welch:

Enclosed, please find copies of South Jersey Gas Company's Petition, Case Summary, Testimony and Schedules in the referenced matter, which have been filed electronically today through the Board's e-filing program. Due to the pandemic, and in accordance with the New Jersey Board of Public Utilities ("BPU") March 19, 2020 and May 20, 2020 Orders issued in BPU Docket No. EO20030254, hard copies are not being provided at this time, but can be provided at a later time, as needed.

Please do not hesitate to contact me with any questions you may have. Thank you for your attention to this matter.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "Deborah M. Franco".

Deborah M. Franco, Esq.

DMF:caj
Enclosures

cc: Stacy Peterson, Director (BPU Staff)
Stefanie A. Brand, Esq., Director (Division of Rate Counsel)
Terel Klein, Esq. (Department of Law)

**STATE OF NEW JERSEY
BOARD OF PUBLIC UTILITIES**

IN THE MATTER OF THE PETITION OF	: BPU DOCKET NO. _____
SOUTH JERSEY GAS COMPANY	:
TO REVISE THE LEVEL OF ITS	:
BASIC GAS SUPPLY SERVICE (“BGSS”)	:
CHARGE AND CONSERVATION INCENTIVE	:
PROGRAM (“CIP”) CHARGE FOR THE	:
YEAR ENDING SEPTEMBER 30, 2022:	:

CASE SUMMARY, PETITION, TESTIMONY AND SCHEDULES

June 1, 2021

**STATE OF NEW JERSEY
BOARD OF PUBLIC UTILITIES**

IN THE MATTER OF THE PETITION OF : CASE SUMMARY
SOUTH JERSEY GAS COMPANY TO :
REVISE THE LEVEL OF ITS BASIC GAS : DOCKET NO.
SUPPLY SERVICE (BGSS) CHARGE AND :
CONSERVATION INCENTIVE :
PROGRAM (CIP) CHARGE FOR THE :
YEAR ENDING SEPTEMBER 30, 2022 :

By this Petition, South Jersey Gas Company (“South Jersey”) seeks authorization to increase the current level of its Periodic Basic Gas Supply Service (“BGSS”) charge, decrease the charges related to its Balancing Service Clause (“BSC”) charges, and decrease the current level of its Conservation Incentive Program (“CIP”) charge.

The BGSS permits South Jersey to pass through to its customers increases or decreases in the cost of purchased gas. The BGSS clause provides no profit to South Jersey. By this Petition, South Jersey proposes to increase its current periodic BGSS charge of \$0.275910 per therm, including taxes, to \$0.505572 per therm, including taxes, for the BGSS year ending September 30, 2022.

The CIP program is an incentive-based conservation program. It requires South Jersey to limit its recovery from customers of non-weather-related margin revenue loss to the level of BGSS cost reductions South Jersey is able to achieve. By this Petition, South Jersey Gas seeks authorization to implement an overall increase in the level of its CIP charges and implement the following CIP charges:

- RSG Non-Heating: (\$0.006676) per therm
- RSG Heating: \$0.009715 per therm

- GSG: \$0.025336 per therm
- GSG-LV: \$0.015953 per therm

The combined effect of the proposed BGSS, BSC and CIP rate changes, if approved, for an average residential heating customer utilizing 100 therms of gas during a winter heating month, would be an increase of \$15.72 or 10.6%.

**STATE OF NEW JERSEY
BOARD OF PUBLIC UTILITIES**

IN THE MATTER OF THE PETITION OF : BPU DOCKET NO.
SOUTH JERSEY GAS COMPANY TO :
REVISE THE LEVEL OF ITS BASIC GAS : PETITION
SUPPLY SERVICE (“BGSS”) CHARGE :
AND CONSERVATION INCENTIVE :
PROGRAM (“CIP”) CHARGE FOR THE :
YEAR ENDING SEPTEMBER 30, 2022 :

TO THE HONORABLE COMMISSIONERS OF THE BOARD OF PUBLIC UTILITIES:

Petitioner, South Jersey Gas Company (“Petitioner”, "South Jersey," or "Company"), a public utility corporation of the State of New Jersey, with its principal office at One South Jersey Place, Atlantic City, New Jersey, hereby petitions this Honorable Board ("Board") for authority to: 1) increase the level of its Periodic Basic Gas Supply Service (“BGSS”) charge; 2) decrease the level of its Balancing Service Clause (“BSC”) charge associated with its Rider J – General Service (BSC-GS); 3) decrease the level of its BSC charge associated with its Rider I – Large Volume (BSC-LV); and 4) decrease the level of its Conservation Incentive Program (“CIP”) charge for the year ending September 30, 2022.

I. BACKGROUND

1. South Jersey is engaged in the transmission, distribution, transportation, and sale of natural gas within its defined service territory within the State of New Jersey. Said service territory includes all or portions of the following Counties: Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, and Salem. Within its service territory, South Jersey serves approximately 407,400 customers.

II. BGSS BACKGROUND

2. On January 5, 1978, the Board, in combined Docket Nos. 769-988 and 7712-1161, approved the adoption of a Raw Materials Adjustment Clause for the Company, effective for the period from January 1, 1978 through October 31, 1978. The clause subsequently became referred to as the "Levelized Gas Adjustment Clause" or "LGAC". It was understood that after October 31, 1978 the clause would be adjusted annually, and each such adjustment would be effective for a twelve-month period, generally commencing each November 1, from and after November 1, 1978. Each year thereafter, such an adjustment was made.

3. The LGAC mechanism was replaced by the BGSS price structure in the Board's Order Approving BGSS Price Structure, Docket No. GX01050304, dated January 6, 2003 ("2003 BGSS Order").

4. Attached to the 2003 BGSS Order was "Attachment A", which was incorporated therein. Attachment A provided for the creation of a BGSS pricing mechanism, consisting of a Monthly BGSS pricing mechanism and a Periodic BGSS pricing mechanism. The applicability of Monthly and Periodic BGSS pricing was subsequently modified in South Jersey's base rate case and Global Settlement (Docket Nos. GR03080683, *et al*) approved by the Board on March 27, 2006. All Residential Sales (Rate Schedule RSG) customers, and all General Service Sales (Rate Schedule GSG) customers using less than 5,000 therms annually, are served under the Periodic BGSS pricing mechanism.

5. The 2003 BGSS Order required that South Jersey file its annual BGSS filing by June 1 of each year, with a request to implement its Periodic BGSS Rate on or before October 1 of that year.

6. The 2003 BGSS Order also provided that South Jersey may file two self-

implementing Periodic BGSS Rate increases, to be effective on December 1 of the same calendar year following implementation of a new Periodic BGSS Rate and on February 1 of the following year. Each such self-implementing increase may not exceed five percent (5%) of a 100 therm residential bill.

7. In Docket No. GR02090645, South Jersey, the Division of the Ratepayer Advocate, and the Staff of the Board executed a “Settlement – BGSS Minimum Filing Requirements” on May 7, 2003 (the “2003 Settlement”). The 2003 Settlement was approved by way of Board Order dated June 29, 2003.

8. This Petition complies with the Minimum Filing Requirements (“MFRs”) set forth in the 2003 Settlement as well as additional filing requirements agreed to by the parties since 2003.

9. On June 1, 2020, South Jersey made its annual BGSS filing in Docket No. GR20060383, where it proposed to decrease the Periodic BGSS Rate from the then current level of \$0.447769 per therm to \$0.301985 per therm.¹

10. By Order dated September 9, 2020, the Board approved a Periodic BGSS Rate of \$0.229419 per therm, on a provisional basis (“Board’s Provisional Order”).

11. By Order dated May 5, 2021, the Board approved, on a final basis, the Periodic BGSS Rate of \$0.275910 per therm (“May 2021 Order”). The final Periodic BGSS Rate of \$0.275910 per therm, consisted of the provisional rate of \$0.229419 per therm, previously approved by the Board’s Provisional Order, and an additional \$0.046491 per therm. The additional \$0.046491 per therm added to the provisional rate of \$0.229419 per therm represents fifty percent (50%) or \$12,123,066 of the gas supply and related costs incurred as a result of the resolution of a contract dispute with Antero Resources Corporation (“Antero”), one of the Company’s gas

¹ All rates quoted herein are inclusive of applicable taxes.

suppliers. Pursuant to the May 2021 Order, the remaining fifty percent (50%) or \$12,123,066 of the Antero costs will be included for recovery in this proceeding. South Jersey's gas supply contract with Antero and the costs associated with the dispute over that contract that the Company proposes to recover in this proceeding are discussed in further detail in the Direct Testimony of Maria C. Mendoza.

12. The May 2021 order also approved, on a final basis, the rates previously approved by the Board's Provisional Order including:

- i. a charge of \$16.530999 per Mcf for the gas cost portion of the Company's D-2 charge for Rate Schedule LVS;
- ii. a charge of \$16.610234 per Mcf for the gas cost portion of the Firm D-2 charge for Rate Schedule EGS-LV Firm;
- iii. a charge of \$8.265500 per Mcf for the Limited Firm D-2 charge for Rate Schedule EGS-LV and the D-2 charge for Rate Schedule FES;
- iv. a charge of \$0.152073 per therm for the monthly BGSS non-commodity rate applicable to Rate Schedules GSG, GSG-LV, EGS, LVS, EGS-LV and NGV;
- v. a charge for the Rider "I" BSC-LV for Opt-Out of \$0.002775 per therm, and charge for the Non-Opt-Out of \$0.088685 per therm; and
- vi. a charge for the Rider "J" BSC-GS of \$0.088685 per therm

III. REQUESTED PERIODIC BGSS RATE

13. The Company is proposing to increase its current Periodic BGSS Rate of \$0.275910 per therm to \$0.505572 per therm for the period beginning October 1, 2021 and ending September 30, 2022. This rate is based on seven (7) months of actual data through April 30, 2021, and seventeen (17) months of estimated data through September 30, 2022. Petitioner will update this information with actuals as this matter proceeds.

14. As reflected further in the Direct Testimony of Maria C. Mendoza, the primary drivers of the increase in the proposed Periodic BGSS Rate include (1) a significant increase in NYMEX/commodity prices year on year; (2) an increase in demand charges due to the Columbia rate case effective February 1, 2021; and (3) the continued recovery of the costs related to Antero. The Company has taken all reasonable steps to reduce its gas costs and manage the volatility of the natural gas commodity marketplace. Petitioner's efforts to manage its gas supply costs are addressed further in the testimony of Petitioner witness Mendoza.

15. Relatedly, the Company mitigates gas supply cost impacts through the approved margin sharing formula applicable to off-system sales, interruptible sales and transportation and capacity releases. In determining this rate, South Jersey has included a credit to BGSS gas costs of \$26.2 million, which represents eighty five percent (85%) of the gross margin generated by such sales and releases. This sharing margin sharing formula is referenced in further detail in the Direct Testimony of Maria C. Mendoza.

16. The projected pipeline demand type costs reflected in this filing pertaining to the purchase, storage and transportation of gas on the Transcontinental Gas Pipeline Company, LLC ("Transco"), Columbia Gas Transmission, LLC ("Columbia"), and Dominion Transmission, Inc. ("Dominion") pipeline systems reflect the most recent FERC approved jurisdictional rates for each pipeline.

17. Commodity charges forecasted to be incurred by South Jersey during the BGSS year ending September 30, 2022 have been projected utilizing: (1) the New York Mercantile Exchange ("NYMEX") strip pricing, as of May 6, 2021; and (2) estimated indices at the various locations where South Jersey expects to purchase gas during the forthcoming BGSS year. The liquefied natural gas ("LNG") costs reflected in the Company's proposed BGSS rate are based

upon the delivered cost of LNG using the NYMEX as of May 6, 2021, along with costs related to processing natural gas into liquefied natural gas. As discussed in the Direct Testimony of Maria C. Mendoza, in response to the changes in the LNG marketplace in 2012, the Company decided to construct, own and operate its own liquefaction facility at South Jersey's McKee City location to ensure that LNG is available at a reasonable cost. The LNG liquefaction facility has been in service since November of 2016.

18. In summary, by this Petition, South Jersey seeks authority to implement a rate increase, which, as calculated in this filing, will permit the Company to recover the Company's projected BGSS under-recovered balance of \$47.3 million projected through September 30, 2021. The Company proposes a Periodic BGSS Rate to \$0.505572 per therm for the 2021-22 BGSS Year. South Jersey also seeks authority to increase the Monthly BGSS non-commodity rate component to \$0.167519 per therm resulting in an increase of \$0.015446 per therm from the current rate of \$0.152073 per therm.

IV. BALANCING SERVICE CHARGE

19. The Company's Balancing Service Clause charges under its current Tariff Riders "I" and "J" have been updated as part of this filing. The proposed Balancing Service Clause rate changes, including the proposed calculations, for both rates are discussed in the Direct Testimony and Schedules of Maria C. Mendoza.

V. BEST VALUE PURCHASING POLICY

20. The Company's proposal in this Petition reflects implementation of its best value purchasing policy. Pursuant to this policy, it is the Company's goal to purchase the minimum

priced gas supplies feasible while maintaining security of supply and capacity and system integrity. By following this policy South Jersey is able to provide secure service to its customers, at reasonable prices, for this BGSS year and into the future.

21. The BGSS provides no profit to the Company. It merely allows the Company to pass through to its customers increases and decreases in the costs of gas and associated taxes experienced by the Company.

VI. SUPPORTING TESTIMONY

22. In support of the BGSS portion of this Petition, attached hereto and incorporated herein is the testimony of:

- a) Karen J. Crispin, Senior Rates Analyst, Rates and Regulatory Affairs; and
- b) Maria C. Mendoza, Manager, Gas Supply

VII. MINIMUM FILING REQUIREMENTS

22. A summary of the MFRs and their location in this filing is attached hereto as Exhibit C.

VIII. CIP BACKGROUND AND PROPOSAL

23. On October 12, 2006, the Board, in combined Docket Nos. GR05121019 and GR05121020, adopted a stipulation (“CIP Stipulation”) implementing the Conservation Incentive Program (“CIP”) for South Jersey on a three-year, Pilot Program basis. The CIP was then extended until September 30, 2013, with an additional automatic one-year extension, by Board Order dated January 21, 2010 in combined Docket Nos. GR05121019 and GR05121020.

24. On May 21, 2014, the Board approved the continuation of the CIP, with certain modifications, as set forth in more detail in the Stipulation executed by the parties in Docket No. GR13030185 (the “CIP Continuation Stipulation”). The changes approved by the Board became effective with the CIP year beginning October 1, 2014 and are reflected in the Company’s filing in this proceeding.

25. To promote conservation, the CIP was devised as an incentive-based program in which South Jersey is required to limit the recovery of non-weather related margin revenue loss to the level of BGSS cost reductions South Jersey is able to achieve. Because of these BGSS savings, customer bills will not increase as a result of the Company’s recovery of such non-weather margin revenue losses through the CIP mechanism.

26. The CIP Continuation Stipulation established a Modified BGSS Savings Test with three categories of BGSS savings: (1) permanent savings achieved through permanent capacity releases or contract terminations; (2) gas cost savings from reductions of capacity on a long-term basis (*i.e.* for periods of at least one (1) year); and (3) savings associated with avoided capacity costs to meet residential customer growth.

27. The attached Direct Testimony of Daniel P. Yardley demonstrates that sufficient BGSS savings exist to support South Jersey’s proposed CIP charge.

28. The CIP Continuation Stipulation also provided that South Jersey would implement a package of incremental conservation programs designed to aid customers in reducing their costs of natural gas. Furthermore, South Jersey committed to assessing the need to develop and implement future programs, if appropriate.

29. In the CIP Continuation Stipulation, South Jersey agreed to provide five hundred thousand dollars (\$500,000) annually of shareholder money to fund CIP programs. The CIP

Continuation Stipulation further provided that in any year in which the \$500,000 was not expended, the difference between \$500,000 and the actual amount spent will be carried over and added to the amount to be spent in the following year.

30. In the CIP Stipulation, it was agreed that the Company would provide quarterly reports to the BPU Staff and Rate Counsel documenting expenditures for these programs, and the Company has been doing so for the past fifteen years. At this time, the Company requests a waiver of the quarterly reporting requirement for that of an annual reporting requirement.

31. The attached Direct Testimony of W. Peter Druckenmiller, Program Manager, Energy Efficiency and Conservation for South Jersey, explains the Company's incurred and projected CIP expenditures for the 2020-2021 CIP Year. South Jersey projects that it will invest \$500,000 in conservation programs by September 30, 2021.

32. It was agreed in the CIP Stipulation that South Jersey would make an annual CIP filing based upon seven (7) months of actual data and five (5) months of projected data, to be filed on or before June 1 of each year. The filing is to document actual results, perform the required CIP collection tests, and propose the new CIP rate. This Petition is in conformity with these provisions of the CIP Stipulation.

33. Rider "M" of the Company's tariff contains a Board Approved Return-on-Equity ("ROE") limitation on recoveries from customers pursuant to the CIP, consistent with South Jersey's former Temperature Adjustment Clause (the "ROE Test"). Under this provision, the CIP may not contribute toward earnings in excess of a 9.60% ROE, consistent with South Jersey's base rate case Order dated September 23, 2020 in Docket No. GR20030243. After recovery of the CIP margin revenues, South Jersey's ROE for the period October 1, 2020 through September 30, 2021 is projected to be 8.35%. As a result, the ROE test will not act as a limitation on South Jersey's

recovery through the CIP for the upcoming 2021-2022 CIP year. The projected ROE calculation is provided in Exhibit A, attached to this Petition and is discussed in the Direct Testimony of Daniel P. Yardley.

34. The Company's CIP also contains benchmarks for customer usage by customer class. The CIP is calculated on a class-by-class basis by comparing actual usage for the CIP year to the benchmark usage. The difference, either positive or negative, is then multiplied by revenue margins per customer class, and the result is divided by forecasted sales units. The result, either positive or negative, is then either a charge or credit to the CIP on a class-by-class basis.

35. The CIP charge was initially set at \$0.000 for the period October 1, 2006 through September 30, 2007 and, thereafter, annual petitions were filed to adjust the CIP charge.

36. On June 1, 2020, South Jersey filed a petition in Docket No. GR20060383 seeking to establish provisional CIP rates for the October 1, 2020 through September 30, 2021 CIP year. By the Board's Provisional Order, the following CIP rates per therm were implemented on a provisional basis:

- RSG Non-Heating (\$0.116750)
- RSG Heating \$0.068327
- GSG \$0.028824
- GSG-LV \$0.017343

By its May 2021 Order, the Board approved these provisional rates as final.

37. In this Petition, South Jersey proposes to establish the CIP rates for the period from October 1, 2021 through September 30, 2022. The proposed CIP rates per therm are as follows and shown in Daniel Yardley's Testimony, Schedule DPY-7:

- RSG Non-Heating (\$0.006676)
- RSG Heating \$0.009715

- GSG \$0.025336
- GSG-LV \$0.015953

38. Reflective in Daniel Yardley’s Testimony, Schedule DPY-5, in computing the non-weather CIP value, the margin impact of weather is first to be deducted from the total CIP charge or credit. The weather-related component of the CIP is recovered through the CIP. However, this portion is not subject to the Modified BGSS Savings Test. By this Petition, South Jersey seeks to recover \$18.1 million of weather-related margin revenues. The non-weather related CIP component is subject to a dual eligibility test comprised of the Modified BGSS Savings Test and a Margin Revenue Test established in the CIP Continuation Stipulation. In order to be eligible for recovery, non-weather related CIP impacts must pass both cost recovery tests. Amounts that do not pass one or both tests may still be recoverable in future years.

39. South Jersey’s non-weather related margin excess, related to the 2020-21 CIP year, is \$10.2 million. This amount was determined by subtracting the weather related deficiency component of \$18.1 million, from the total CIP deficiency of \$7.9 million. By this Petition, South Jersey seeks to credit \$10.2 million of non-weather related margin revenue through the CIP.

40. South Jersey is providing BGSS savings information in the Direct Testimonies of Maria C. Mendoza and Daniel P. Yardley. South Jersey’s permanent BGSS savings realized from the permanent capacity releases or contract terminations (Category One of the Modified BGSS Savings Test) total \$5.3 million per year. BGSS savings realized from gas cost savings from reductions of capacity on a long-term basis (Category Two of the Modified BGSS Savings Test) total \$1.9 million. BGSS savings realized from avoided capacity costs to meet residential customer growth (Category Three of the Modified BGSS Savings Test) total \$0.2 million. Therefore, the total BGSS savings for the 2021-22 CIP year are \$7.4 million. Since the non-weather CIP amount

is a credit to customers, the BGSS Savings test and the variable margin revenue test shown on Schedule No. DPY-5 are not applicable.

41. In this proceeding, South Jersey is comparing customer usage for the period October 1, 2020 through September 30, 2021 against the benchmark. The difference is to be recovered for the BGSS year from October 1, 2021 through September 30, 2022.

42. In support of the CIP portion of this Petition, attached hereto and incorporated herein is the testimony of:

- A. W. Peter Druckenmiller, Program Manager, Residential Energy Efficiency, South Jersey (Exhibit F);
- B. Daniel P. Yardley, Principal, Yardley & Associates (Exhibit G).

IX. PUBLIC NOTICE

43. South Jersey will provide notice of the filing of this Petition for its BGSS and CIP charges and modification of its Tariff to all its customers through the publication of a Public Notice in newspapers of general circulation within the Company's service territory. A copy of the proposed Public Notice is attached hereto as Exhibit B.

X. MISCELLANEOUS

44. The effect of the proposed CIP change, if approved, for an average residential heating customer utilizing 100 therms of gas in a winter month would be a decrease of \$5.86, or 3.9%.

45. The combined effect of the proposed BGSS, BSC and CIP changes, if approved, for an average residential heating customer utilizing 100 therms of gas in a winter month would

be an increase of \$15.72 or 10.6%.

46. Petitioner is serving notice and a copy of this Petition, together with a copy of the exhibits and schedules annexed hereto on the Director, Division of Rate Counsel via electronic mail in lieu of providing hard copies. Due to the pandemic, and in accordance with the BPU's March 19, 2020 and May 20, 2020 Orders issued in BPU Docket No. EO20030254, hard copies cannot be provided at this time, but can be provided at a later time, as needed.

47. Similarly, Petitioner is also serving this notice and a copy of this Petition on the Department of Law and Public Safety via electronic mail in lieu of providing hard copies, but hard copies can be provided at a later time, as needed.

48. To the extent necessary, South Jersey Gas respectfully requests a waiver of the need to provide hard copies in connection with this Petition to the Board, Rate Counsel and the Department of Law subject to copies being provided at a later time, as needed.

Respectfully submitted,

SOUTH JERSEY GAS COMPANY

A handwritten signature in dark ink, appearing to read "Deborah M. Franco", is written over a horizontal line.

By: Deborah M. Franco, Esq.
VP, Rates, Regulatory and
Sustainability
South Jersey Utilities, Inc.

Dated: June 1, 2021

Communications addressed to the Petitioner
in this case are to be sent to:

Deborah M. Franco, Esq.
Vice President, Rates, Regulatory and Sustainability
South Jersey Utilities, Inc.
520 Green Lane
Union, New Jersey 07083
908-662-8448
dfranco@sjindustries.com

Cindy Capozzoli
Director, Rates
SJI Utilities, Inc.
1 South Jersey Place
Atlantic City, New Jersey 08401
ccapozzoli@sjindustries.com

VERIFICATION

I, Cindy Capozzoli, of full age, being duly sworn according to law, upon my oath, depose and say:

1. I am Director, Rates of SJI Utilities Inc., the parent company to South Jersey Gas Company ("Company"), and I am authorized to make this verification on behalf of the Company.

2. I have reviewed the within petition and the information contained therein is true according to the best of my knowledge, information, and belief.

Cindy Capozzoli

Cindy Capozzoli
Director, Rates

Sworn to and subscribed
to before me this 1st day
of June, 2021.

Carolyn A. Jacobs

Notary Public
CAROLYN A. JACOBS

NOTARY PUBLIC OF NEW JERSEY

My Commission Expires October 28, 2023



ROE CALCULATION
(S in Thousands)

	Sept 2020 Actual	Oct 2020 Actual	Nov 2020 Actual	Dec 2020 Actual	Jan 2021 Actual	Feb 2021 Actual	March 2021 Actual	April 2021 Actual	May 2021 Forecast	June 2021 Forecast	July 2021 Forecast	Aug 2021 Forecast	Sept 2021 Forecast	12 Mos 9/30/2021 Total
Net Income	(1,829)	3,882	14,410	25,110	34,668	28,237	20,712	7,282	(412)	(2,817)	(3,522)	(3,174)	(3,140)	121,236
Incentive Items:														
OSS Margin	57.6	45.1	184.8	208.1	187.0	177.0	172.1	38.5	49.1	48.1	49.1	49.2	47.9	1,256.0
Interruptible Margin	2.2	2.6	5.1	4.5	5.6	(2.4)	44.1	3.5	1.1	1.0	0.9	1.2	1.1	68.4
Storage Incentive	205.7		(34.2)							185.4			112.7	263.9
CURT/AIRP														0.0
EET	360.0	360.7	354.7	351.3	346.6	356.8	354.0	382.4	357.9	355.3	379.5	380.9	383.4	4,363.6
Total Incentives	625	408	510	564	539	531	570	424	408	590	430	431	545	5,952
Net Income Less Incentives	(2,454)	3,474	13,900	24,546	34,129	27,706	20,142	6,858	(820)	(3,407)	(3,952)	(3,605)	(3,685)	115,284

	Sep 2020	Oct 2020	Nov 2020	Dec 2020	Jan 2021	Feb 2021	Mar 2021	Apr 2021	May 2021	Jun 2021	Jul 2021	Aug 2021	Sep 2021	13 Mo Avg Total
Beg Bal	1,193,759	1,291,930	1,295,812	1,310,222	1,335,332	1,370,000	1,398,237	1,418,949	1,426,231	1,425,819	1,423,002	1,419,480	1,416,306	
Net Income	(1,829)	3,882	14,410	25,110	34,668	28,237	20,712	7,282	(412)	(2,817)	(3,522)	(3,174)	(3,140)	
Dividends														
Equity	100,000													
Other Adj														
Common Equity	1,291,930	1,295,812	1,310,222	1,335,332	1,370,000	1,398,237	1,418,949	1,426,231	1,425,819	1,423,002	1,419,480	1,416,306	1,413,166	1,380,345

CIP ROE	8.35%
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CIP ROE Approved 9/23/20	9.60%
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NOTICE OF FILING OF PETITION AND OF PUBLIC HEARING

IN THE MATTER OF THE PETITION OF SOUTH JERSEY GAS COMPANY TO REVISE THE LEVEL OF ITS BASIC GAS SUPPLY SERVICE (“BGSS”) CHARGE AND CONSERVATION INCENTIVE PROGRAM (“CIP”) CHARGE FOR THE YEAR ENDING SEPTEMBER 30, 2022

B.P.U. Docket No. _____

PLEASE TAKE NOTICE that, on June 1, 2021, South Jersey Gas Company (“South Jersey” or the “Company”) filed its combined 2021-22 Basic Gas Supply Service (“BGSS”) and Conservation Incentive Program (“CIP”) petition (“Petition”) with the New Jersey Board of Public Utilities (“Board”). The BGSS component of the Petition was filed pursuant to the “Order Approving BGSS Price Structure” issued by the Board on January 6, 2003 in Docket No. GX01050304 (“Generic BGSS Order”). BGSS rates are designed to recover South Jersey’s cost of gas applicable to customers who purchase gas from South Jersey. The Company earns no profit from the BGSS. The CIP component of the Petition sought a price adjustment for all applicable service customers. The CIP is an incentive-based program that requires South Jersey to reduce gas supply related costs and limits recovery of non-weather-related revenue loss to the level of gas supply costs savings achieved. The Company’s Balancing Service Clause (“BSC”) charges under its current Tariff Riders “I” and “J” were also updated as part of the Petition. Pursuant to its filing, South Jersey requested that the Board allow it to change its BGSS, BSC and CIP Charges.

The impact of the Company's combined proposals on the overall bill for gas service for a residential heating customer using 100 therms in a winter month would be an increase of \$15.72, or 10.6%, resulting from South Jersey’s proposed: 1) BGSS increase of \$22.97, or 15.4%; 2) Rider “J” Balancing Service Clause - General Service (“BSC-GS”) decrease of \$1.39, or 0.9%; and 3) CIP decrease of \$5.86, or 3.9%.

Related to the Company’s Rider “I” Balancing Service Clause - Large Volume (“BSC-LV”), the Company proposes to decrease its current Opt-Out BSC-LV rate of \$0.002775 per therm to \$0.002279 per therm, after taxes, and to decrease its current Non Opt-Out BSC-LV rate of \$0.088685 per therm to \$0.074807 per therm, after taxes. The proposed Non Opt-Out BSC-LV rate is equal to the Company’s proposed Rider “J” BSC-GS rate. All Balancing charge revenues from sales and transportation customers are credited to BGSS recoveries.

The chart below demonstrates the impact of the Periodic BGSS, BSC and CIP rate changes:

Customer Type	Therm Level	Rates		Change	
		Bill as of June 1, 2021	Proposed Bill as of October 1, 2021	Amount	Percent
Residential Heat Sales	100	\$148.95	\$164.67	\$15.72	10.6%
Residential Non-Heat Sales	15	\$28.49	\$33.38	\$4.89	17.2%
General Service	500	\$631.86	\$738.00	\$106.14	16.8%
General Service - LV	15,646	\$16,853.02	\$16,614.13	(\$238.89)	(1.4)%

TAKE FURTHER NOTICE that other changes in South Jersey’s price for BGSS service may also occur if South Jersey elects to adjust its BGSS rates upward upon thirty days’ notice to Board Staff and Rate Counsel, pursuant to the Generic BGSS Order. Any such self-implementing increases will be limited to a maximum of 5 percent (5%) of the total

residential bill, effective December 1, 2021, and to a maximum of five percent (5%) of the total residential bill, effective February 1, 2022, as demonstrated in the chart below.

Customer Type	Therm Level	Rates		Change	
		Bill as of October 1, 2021	Proposed Bill Including December and February 5 Percent Increases	Amount	Percent
Residential Heat Sales	100	\$164.67	\$181.55	\$16.88	10.3%
Residential Non-Heat Sales	15	\$33.38	\$35.91	\$2.53	7.6%
General Service	500	\$738.00	\$822.38	\$84.38	11.4%
General Service - LV	15,646	\$16,614.13	\$16,614.13	\$0	0%

Further, these self-implementing increases will be provisional and subject to true-up in connection with the subsequent annual BGSS filing. Pursuant to the Generic BGSS Order, South Jersey is permitted to decrease its BGSS rate at any time upon five days' notice and supporting documentation to the Board and the New Jersey Division of Rate Counsel ("Rate Counsel").

The Board has the statutory authority to establish BGSS, BSC and CIP Charges at levels it finds just and reasonable. Therefore, the Board may establish BGSS, BSC and CIP Charges at levels other than those proposed by South Jersey. South Jersey's natural gas costs addressed in this Petition will remain subject to audit by the Board, and Board approval shall not preclude or prohibit the Board from taking any such actions deemed appropriate as a result of any such audit.

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

A copy of the Notice of Filing and Public Hearings on the Petition is being served upon the clerk, executive, or administrator of each municipality and county within the Company's service territory. The Petition and this Notice have also been sent to Rate Counsel, who will represent the interests of all South Jersey customers in this proceeding. Copies of the Petition are available online at

www.southjerseygas.com/About-South-Jersey-Gas/Regulatory-Compliance-Tariff-Information.aspx.

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: TBD

Public Hearing Times: 4:30 pm and 5:30 pm

Dial In: 1 866 984 3164

Conference ID: TBD

Representatives of 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 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, 48 hours prior to the above hearings to the Board's Secretary at board.secretary@bpu.nj.gov.

The Board will also accept written and/or emailed comments. While all comments will be given equal consideration and will be made part of the final record of this proceeding, the preferred method of transmittal is via email or the portal to ensure timely receipt while the Board continues to work remotely due to the COVID-19 pandemic. Emailed comments may be filed with the Secretary of the Board, 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 BPUITHELPDESK@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 be submitted to the Board Secretary, Aida Camacho-Welch, at the Board of Public Utilities, 44 South Clinton Avenue, P.O. Box 350, Trenton, NJ 08625-0350. All comments should include the name of the petition and the docket number.

SOUTH JERSEY GAS COMPANY

By: Melissa Orsen, President and Chief Operations Officer

South Jersey Gas Company
2021/22 BGSS Filing
MINIMUM FILING REQUIREMENT (MFR) INDEX

Minimum Filing Requirement		Schedule(s)
1. Motion, Supporting Testimony & Tariff Modifications In support of its filing, a GDC should provide supporting testimony which addresses any material events or major factors affecting either the prior period's deferred gas balance or its forecasted BGSS rate. In addition to the associated motion, redefined tariff sheets should be provided for all proposed tariff changes.		Exhibit D -Testimony of Karen J. Crispin Exhibit E - Testimony of Maria C. Mendoza Schedule KJC-17
2. Computation of Proposed BGSS Rates A summary schedule should show all of the forecasted BGSS cost components and applicable credits which comprise the basis for the proposed BGSS rates that are to become effective October 1st. The cost components and applicable credits should be provided with all material amounts broken out separately. A plain English explanation in narrative form regarding this summary schedule should be provided.		Schedule KJC-1,KJC-3, KJC-6 Exhibit D - Testimony of Karen J. Crispin Schedule MCM-12 Exhibit E - Testimony of Maria C. Mendoza
3. Public Notice with Proposed Impact on Bills A copy of the Company's Public Notice should be provided with details concerning the impact of the proposed BGSS rates on typical gas bills at various winter therm utilization levels.		Attached as Exhibit B to the Petition
4. Actual and Forecasted Refund Amounts Schedules should be provided which show actual and estimated supplier refund amounts for the reconciliation period as well as the estimated supplier refunds for the projected period beginning October 1st. The schedule should identify the supplier refunds by month and should provide associated information on the applicable FERC docket involved. A plain English explanation in narrative form should be provided.		Schedule MCM-8 Exhibit E -Testimony of Maria C. Mendoza
5. Cost of Gas Sendout by Component Monthly data showing the derivation of all cost components shown on the BGSS Computation Schedule should be provided for the reconciliation and projected periods. The monthly data should also provide detail on applicable volumes by customer classification.		Schedule KJC-1, KJC-2, KJC-4, KJC-5, KJC-7, KJC-8, KJC-11, KJC-13, KJC-15 Schedule MCM-2, MCM-3
6. BGSS Contribution and Credit Offsets Monthly data showing the derivation of all BGSS cost offsets, including interruptible margins, capacity transactions, pipeline refunds and other credits should be provided for the reconciliation and projected periods. Any applicable FERC Orders will be included. All calculations showing how such offsets were determined should be included. A plain English explanation in narrative form should be provided regarding the BGSS contribution and Credit Offsets. In addition, the Company shall document through testimony for any non-bid releases and/or affiliate contracts, the decision-making process that the Company went through in each case to arrive at its determination to release capacity on a non-biddable basis or enter into any affiliate contract. Such testimony shall include documentation showing the impact that the non-biddable capacity release or affiliate contract was projected to have on total BGSS costs at the time the Company committed to the transaction. In addition, for each non-biddable capacity release, the Company shall determine whether the transaction could have been structured as an off-system sale, and, if so demonstrate that prior to releasing the capacity, the Company compared the benefit to Periodic BGSS customers of making the capacity release compared to the benefit that could have been achieved by structuring the transaction as an off-system sale and the Company shall provide documentation supporting this comparison in its filing.		Schedule KJC-9, KJC-12 Schedule MCM-8 Exhibit E - Testimony of Maria C. Mendoza
7. Over/Under Recovery Comparisons Schedules should be provided which show the derivation of the monthly over or under recoveries plus cumulative balances for the reconciliation and projected period. For the reconciliation period, a schedule should also show the calculation of the monthly actual or estimated accrued interest. These schedules should include prospective data shown for the projected period based on the prevailing BGSS rate and, alternatively, based on the requested BGSS rate.		Schedule KJC-3, KJC-10, KJC-14
8. Wholesales Gas Pricing Assumptions The GDC should provide schedules which detail the monthly gas prices for the reconciliation and projected periods. The schedules should show the prices utilized in developing the existing BGSS rate and those utilized for projecting the proposed BGSS rate. To the degree third party price indexes or forecasts are the basis for such gas prices, associated documentation should also be provided. A plain English explanation in narrative form regarding these schedules should be provided.		Schedule MCM-2, MCM-5 (Confidential), MCM-14 Exhibit E - Testimony of Maria C. Mendoza

South Jersey Gas Company
2021/22 BGSS Filing
MINIMUM FILING REQUIREMENT (MFR) INDEX

Minimum Filing Requirement		Schedule(s)
9. Gas Cost Underrecovery Adjustment ("GCUA") Recoveries and Balances Schedules should be provided that show monthly data for the GCUA since its inception. The data should provide the unamortized balances, recoveries, and accrued interest by month with any associated workpapers.		N/A
10. Historical Service Interruptions A schedule should be provided which details any service interruptions during the past 12 months. The schedule should show the dates of the interruptions, the service categories affected, the number of customers affected and whether each interruption was operational or economic in nature.		Schedule KJC-16
11. Gas Price Hedging Activities The GDC should provide copies of its last four quarterly hedging reports as filed with the Board. It should also provide a schedule covering both the reconciliation and projected period which shows monthly gas purchases volume requirements and price hedged volumes broken down into discretionary and non-discretionary components which allow evaluation of compliance with the GDC's established hedging objectives. A plain English explanation in narrative form regarding these hedging activities should be provided. The Company shall include in all future its next annual BGSS filings testimony that reflects these goals/targets and how the Company managed to such goals/targets.		Schedule MCM-5 (Confidential), MCM-9 Exhibit E - Testimony of Maria C. Mendoza
12. Storage Gas Volumes, Prices and Utilization Schedules should be provided which show the GDC's monthly data for LNG, LPG, and pipeline storage volumes. The schedules should show volumes and dollars for balances, injections, and withdrawals with all data shown on a Decatherm basis.		Schedule KJC-7, KJC-15 Schedule MCM-3
13. Affiliate Gas Supply Transactions The GDC's filing should have disclosure of all gas supply and capacity transactions with any affiliates during the reconciliation or forecasted periods. The disclosure should provide the nature, terms, and conditions of any such transactions, the dates of the transactions, and evidence that the gas supply or capacity resources transactions were at market rates.		Schedule MCM-10 (Confidential)
14. Projected Supply and Demand Data with Design Peak Day Schedules should be provided that show the GDC's firm requirements and gas supplies by component on an annual, heating season and non-heating season basis. The data should be provided for the reconciliation period and the two prior and two prospective annual periods.		Schedule MCM-1, MCM-4, MCM-6
15. Actual Peak Day Supply and Demand The GDC should provide data for the five highest demand days for each of the last three years, showing date, temperature or heating degree day, firm and interruptible volumes and the sources of supply used to meet the associated volume requirement.		Schedule MCM-7
16. Capacity Contract Changes The GDC filing should provide details concerning any changes to its interstate pipeline contracts (entitlements, storage capacities, daily deliverability, transportation, or associated costs) which have been made or occurred during the past 24 months or are planned for the next 12 months. To the degree any significant changes have been made or are planned, a narrative should discuss operational and cost consequences as well as the rationale for the changes.		Schedule MCM-13 Exhibit E - Testimony of Maria C. Mendoza
17. FERC Pipeline Activities The GDC's filing should provide details on any pending FERC dockets which should affect the cost of services received from the GDC's supplying pipelines. The GDC should also provide details concerning its participation in such dockets and a listing of any filings or testimony made by the GDC or on its behalf.		Schedule MCM-11
18. Changes to Firm Transportation and Storage Contracts		Schedule MCM-13

**BEFORE THE
NEW JERSEY BOARD OF PUBLIC UTILITIES**

SOUTH JERSEY GAS COMPANY

**Direct Testimony
of
Karen J. Crispin,
Senior Rates Analyst, Rates and Regulatory Affairs**

**On Behalf of
South Jersey Gas Company**

1 **I. INTRODUCTION**

2 **Q. PLEASE STATE YOUR NAME, AFFILIATION AND BUSINESS**

3 **ADDRESS.**

4 **A.** My name is Karen J. Crispin, and I am a Senior Rates Analyst, Rates and Regulatory
5 Affairs, for South Jersey Gas Company (“SJG”, “South Jersey” or the “Company”).
6 My business address is One South Jersey Place, Atlantic City, NJ 08401.

7 **Q. PLEASE SUMMARIZE YOUR EDUCATIONAL AND PROFESSIONAL**
8 **BACKGROUND.**

9 **A.** I joined South Jersey in June 2012 as a Staff Rates Analyst. In June of 2014, I was
10 promoted to my current role as Senior Rates Analyst for SJG. Prior to my
11 employment with South Jersey, I held various accounting positions including Senior
12 Accountant at American Water Works and Tax Accountant at Stringari and Cimer
13 CPAs. I received a Bachelor of Science degree in Business Administration with a
14 concentration in Accounting from Rowan University in 1998.

15 In my current role, I provide support for the Company’s rates and related filings
16 before the Board of Public Utilities (“BPU” or “Board”) and assist with the
17 development of the Company’s tariff.

18 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

19 **A.** The purpose of my testimony in this proceeding is to: (1) review the actual results of
20 the Basic Gas Supply Service (“BGSS”) Clause for the 2020-21 year; (2) present the
21 projected gas costs and recoveries in the 2021-22 BGSS year; (3) support the BGSS
22 charges proposed to become effective October 1, 2021; and (4) support proposed
23 revisions to South Jersey’s tariff.

1 **Q. DO YOU SPONSOR ANY SCHEDULES AS PART OF YOUR**
2 **TESTIMONY?**

3 **A.** Yes. My testimony includes the following schedules which were prepared or
4 compiled under my supervision and direction:

5 (i) Schedule KJC-1 contains the derived calculations of the 2021-22
6 Periodic BGSS Rate and the gas cost portion of the Company's D-2 charge for Rate
7 Schedule FES, EGS-LV Firm, EGS-LV Limited Firm and LVS;

8 (ii) Schedule KJC-2 contains the statement of gas sendout for the
9 twelve-month period ending September 30, 2022;

10 (iii) Schedule KJC-3 contains a statement of (over)/under recoveries of
11 gas costs for the twelve-month period ending September 30, 2022 based on the
12 projected Periodic BGSS Rate effective October 1, 2021, and a statement of (over)/
13 under recoveries of gas costs for the twelve-month period ending September 30,
14 2022 assuming the current Periodic BGSS Rate;

15 (iv) Schedule KJC-4 contains projected normalized sales and
16 transportation services throughput volumes for the twelve-month period ending
17 September 30, 2022;

18 (v) Schedule KJC-5 contains the gas costs recoveries for the twelve-
19 month period ending September 30, 2022;

20 (vi) Schedule KJC-6 contains details of the derivation of the monthly
21 BGSS non-commodity charge used in setting the Monthly BGSS rates charged to

1 our large commercial and industrial sales customers for the twelve-month period
2 ending September 30, 2022.

3 (vii) Schedule KJC-7 contains the detailed projected use of various
4 storage inventories for the twelve-month period ending September 30, 2022;

5 (viii) Schedule KJC-8 contains the calculations of non-firm gas cost
6 recovery rates for the twelve-month period ending September 30, 2022;

7 (ix) Schedule KJC-9 contains details of the derivation of the credit to gas
8 costs from interruptible sales, interruptible transportation, off-system sales, and off-
9 system and on-system capacity releases for the twelve-month period ending
10 September 30, 2022;

11 (x) Schedule KJC-10 contains a summary of actual and projected results
12 for the twelve-month period ending September 30, 2021;

13 (xi) Schedule KJC-11 contains the statement of gas sendout for the
14 twelve-month period ending September 30, 2021;

15 (xii) Schedule KJC-12 contains details of the derivation of the credit to
16 gas costs from interruptible sales, interruptible transportation, off-system sales, and
17 off-system and on-system capacity releases for the twelve-month period ending
18 September 30, 2021;

19 (xiii) Schedule KJC-13 contains details of gas costs recovered through
20 sales for the twelve-month period ending September 30, 2021;

(xiv) Schedule KJC-14 contains the computation of interest on the cumulative over or under-recovery for the twelve-month period ending September 30, 2021;

(xv) Schedule KJC-15 contains the detailed projected use of various storage inventories for the twelve-month period ending September 30, 2021;

(xvi) Schedule KJC-16 contains statement of historical service interruptions for the twelve-month period ending September 30, 2021; and

(xvii) Schedule KJC-17 contains the proposed tariff pages reflecting South Jersey's proposed changes to its Periodic BGSS Rate, BSC charges, and D-2 gas cost component for Rate Schedules FES, EGS-LV Firm, EGS-LV Limited Firm and LVS.

II. REGULATORY HISTORY

Q. PLEASE DESCRIBE THE REGULATORY HISTORY OF THE BASIC GAS SUPPLY SERVICE ("BGSS") CLAUSE.

A. On January 6, 2003, the Board issued its "Order Approving BGSS Price Structure" in Docket No. GX01050304 ("BGSS Order"). The BGSS Order provided for the creation of a BGSS pricing mechanism, consisting of a Monthly BGSS charge and a Periodic BGSS Rate. The applicability of Monthly and Periodic BGSS pricing was subsequently modified in South Jersey's base rate case and Global Settlement (Docket No. GR03080683, *et al*) approved by the Board on March 27, 2006.

1 The Monthly BGSS charge is currently applicable to all Rate Schedule GSG
2 sales customers having an annualized usage of 5,000 therms or more and to all sales
3 customers served under Rate Schedules GSG-LV, LVS, EGS and EGS-LV. South
4 Jersey's Monthly BGSS charge was first implemented March 1, 2003 and is filed
5 with the Board each month utilizing the BGSS pricing formula approved by the
6 BGSS Order.

7 The Periodic BGSS Rate is currently applicable to all sales customers served
8 under Rate Schedule RSG, and all Rate Schedule GSG sales customers having
9 annualized usage of less than 5,000 therms.

10 The BGSS Order required that South Jersey file its annual BGSS filing with the
11 Board each year by June 1, with a request to implement its Periodic BGSS Rate on
12 or before October 1 of that year. The BGSS Order also provided that South Jersey
13 may file notice for two self-implementing rate increases to the Periodic BGSS Rate,
14 to be effective on or about December 1 and/or February 1, following the October 1
15 effective date. Each such self-implementing increase may not exceed five percent
16 (5%) of a 100 therm residential bill.

17 On May 7, 2003, in Docket No. GR02090645, the parties to the proceeding
18 entered a Settlement regarding the Minimum Filing Requirements ("MFRs") for the
19 annual BGSS proceedings. This settlement was approved by Board Order dated June
20 29, 2003. On May 8, 2019, in Docket No. GR18060609, the Board approved an
21 update of the BGSS MFRs. Attached to this Petition as Exhibit C is a listing of the
22 MFRs and references to the schedules in this filing satisfying those MFRs.

1 On June 1, 2020, South Jersey made its annual filing in Docket No.
2 GR20060383, where it proposed to decrease the Periodic BGSS Rate from the then
3 current rate of \$0.447769 per therm to \$0.301985 per therm.¹

4 By Order dated September 09, 2020, the Board approved a Periodic BGSS Rate
5 of \$0.229419 per therm, on a provisional basis (“Board’s Provisional Order”).

6 By Order dated May 5, 2021, the Board approved, on a final basis, the Periodic
7 BGSS Rate of \$0.275910 per therm effective June 1, 2021 (“May 2021 Order”). The
8 final Periodic BGSS Rate would result in a monthly increase of \$4.65 or 3.2% for
9 residential heating customer using 100 therms of gas during a winter month.

10 The final Periodic BGSS Rate of \$0.275910 per therm consisted of the
11 provisional rate of \$0.229419 per therm, previously approved by the Board’s
12 Provisional Order, and an additional \$0.046491 per therm. The additional \$0.046491
13 per therm added to the provisional rate of \$0.229419 per therm represents fifty
14 percent (50%) or \$12,123,066 recovery of the gas supply and related costs incurred
15 as a result of the resolution of a contract dispute with Antero Resources Corporation
16 (“Antero”), one of the Company’s gas suppliers. Pursuant to the May 2021 Order,
17 the remaining fifty percent (50%) or \$12,123,066 of the Antero costs will be included
18 for recovery in this proceeding. South Jersey’s gas supply contract with Antero and
19 the costs associated with the dispute over that contract that the Company proposes to
20 recover in this proceeding are discussed in further detail in the Direct Testimony of
21 Maria C. Mendoza.

¹ All rates quoted herein are inclusive of all applicable taxes, unless otherwise noted.

1 **III. BGSS RATES CALCULATION**

2 **Q. PLEASE DESCRIBE HOW THE 2021-22 BGSS RATES ARE**
3 **CALCULATED.**

4 **A.** Schedule KJC-1 sets forth the derivation of the proposed Periodic BGSS Rate of
5 \$0.505572 per therm, which charges consists of commodity, deferred balance, and
6 non-commodity gas costs. The rate derivation begins with a projected beginning
7 inventory of \$24,019,117 as of October 1, 2021, shown on line 1, plus projected
8 purchases of \$208,376,910 for the twelve-month period ending September 30, 2022,
9 shown on line 2, less the estimated under-recovery of \$47,321,055 as of September
10 30, 2021, shown on line 3, less estimated interest on monthly over recoveries during
11 the twelve-month period ending September 30, 2021 of \$0, shown on line 4, less the
12 projected ending inventory of \$21,787,482 for the twelve-month period ending
13 September 30, 2022, shown on line 5, less projected credits, refunds, etc. of
14 \$67,078,632 for the twelve-month period ending September 30, 2022, shown on line
15 6, less projected gas cost recoveries \$50,176,586 not subject to the recoverable unit
16 gas cost of the Periodic BGSS for the twelve-month period ending September 30,
17 2022, shown on line 7, to equal total net recoverable gas costs of \$140,674,382,
18 shown on line 8. The estimated under-recovery of \$47,321,055 as of September 30,
19 2021, shown on line 3, includes \$24,246,132 of Antero costs.

20 Assuming projected applicable sales volumes of 296,681,876 therms, shown
21 on line 9, the total net recoverable gas costs of \$140,674,382 derives a pre-tax
22 Periodic BGSS Rate of \$0.474159 per therm, shown on line 10. The calculation of
23 New Jersey sales and use tax at a rate of 6.625% derives the sales tax component of

1 \$0.031413 per therm, shown on line 11. The result is the total levelized after-tax
2 Periodic BGSS Rate of \$0.505572 per therm, as shown on line 12.

3 The total monthly non-commodity costs of \$6,196,121 for the twelve-
4 month period ending September 30, 2022, shown on Schedule KJC-6, line 3, are
5 applied to the Monthly BGSS customers, and the applicable sales volumes of
6 39,438,018 shown on line 4, were utilized to derive a monthly non-commodity cost
7 rate of \$0.167519 per therm, which is shown on line 6.

8 **Q. PLEASE PROVIDE A SUMMARY OF PROJECTED PROOF OF**
9 **RECOVERY FOR THE 2021-22 BGSS CLAUSE YEAR.**

10 **A.** Schedule KJC-3, page 1, provides a projected summary of the 2021-22 BGSS year
11 on a proof of recovery basis, based on South Jersey's proposed rate of \$0.474159 per
12 therm, excluding taxes. Schedule KJC-3, page 1, also provides a summary by month
13 of the 2021-22 BGSS year based on the calculated gas cost levels, credits thereto and
14 gas cost recoveries. In summary, Schedule KJC-3, page 1, column 8, shows that the
15 2021-22 BGSS year will end with a near zero balance at September 30, 2022.
16 Schedule KJC-3, page 2, column 9, reflects the projected (over)/under recovered
17 balance as of September 30, 2022 based on the Company's current Periodic BGSS
18 Rate of \$0.258120 per therm, excluding taxes.

19 **Q. PLEASE EXPLAIN SOUTH JERSEY'S PROPOSED INCREASE IN ITS**
20 **ANNUAL PERIODIC BGSS RATE FOR THE 2021-22 BGSS YEAR.**

21 **A.** South Jersey is proposing an overall increase of \$0.229662 per therm to its Periodic
22 BGSS Rate for the 2021-22 BGSS year. As reflected in Schedule KJC-1, for the
23 2021-22 BGSS year, South Jersey has calculated the Periodic BGSS Rate at

1 \$0.474159 per therm, excluding taxes, or \$0.505572 per therm, including taxes, for
2 Rate Schedule RSG and for Rate Schedule GSG Customers where annual customer
3 usage is less than 5,000 therms.

4 Moreover, since customers served under Rate Schedules GSG-LV, EGS, LVS
5 and EGS-LV, and customers served under Rate Schedule GSG, whose annual
6 consumption is 5,000 therms or greater, recover some or all of their fixed gas costs
7 through their Monthly BGSS charge, as prescribed in Rider “A” of South Jersey’s
8 tariff, the calculated Monthly BGSS non-commodity rate component in Schedule
9 KJC-6 would be \$0.167519 per therm, which is an increase of \$0.015446 per therm
10 from the current rate of \$0.152073 per therm.

11 Pursuant to Rate Schedule LVS, Special Provision (n), of the Company’s
12 currently approved Tariff, the gas cost portion of the Firm D-2 charge is composed
13 of the system weighted average interstate pipeline demand charge, plus the system
14 weighted average gas reservation charge as of October 1 of each year, plus applicable
15 taxes. Pursuant to Rate Schedule EGS-LV, Special Provision (f), of the Company’s
16 currently approved tariff, the gas cost portion of the Firm D-2 charge is composed of
17 the highest pipeline demand cost imposed on the Company by any interstate pipeline
18 as of October 1 of each year, plus applicable taxes. The Firm FES and Limited Firm
19 EGS-LV gas cost portion of the D-2 rate is one-half the weighted average of all
20 interstate pipeline demand charges applicable to the Company at October 1 of each
21 year, plus applicable taxes.

22 Therefore, in accordance with South Jersey’s tariff, South Jersey proposes, on
23 Schedule KJC-1, line 18, that the gas cost portion of the D-2 charge for Rate Schedule

1 LVS be set at \$16.471655 per Mcf. South Jersey also proposes that the gas cost
2 portion of the Firm D-2 charge for Rate Schedule EGS-LV be set at \$16.541730 per
3 Mcf. Lastly, South Jersey proposes that the gas cost portion of the Limited Firm D-
4 2 and Firm D-2 charges for Rate Schedules EGS-LV Limited Firm and FES be set at
5 \$8.235828 per Mcf.

6 **Q. IS THE COMPANY PROPOSING A CHANGE TO ITS CURRENT**
7 **BALANCING CHARGE RATES?**

8 A. Yes. The Company proposes to decrease its Rider “J” balancing charge rate,
9 for all applicable Rate Schedules per its current tariff, from \$0.088685 per therm to
10 \$0.074807 per therm effective October 1, 2021.

11 The Company also proposes to decrease its current Rider “I” Opt-Out balancing
12 charge rate of \$0.002775 per therm to \$0.002279 per therm. Additionally, the
13 Company proposes to decrease its current Non Opt-Out balancing charge rate of
14 \$0.088685 per therm to \$0.074807 per therm. The Non Opt-Out balancing charge
15 rate is equal to the Company’s proposed Rider “J” BSC rate of \$0.074807 per therm.
16 Both changes are proposed to be effective October 1, 2021.

17 The Company’s calculations of its current balancing costs and the proposed rate
18 changes are presented in the Direct Testimony and Schedules of Maria C. Mendoza.
19

20 **IV. REVIEW OF 2020-21 BGSS YEAR**

21 **Q. PLEASE PROVIDE A SUMMARY OF ACTUAL AND PROJECTED**
22 **RESULTS RELATED TO THE 2020-21 BGSS CLAUSE.**

1 A. A summary of actual and projected results for the twelve-month period ending
2 September 30, 2021 is attached hereto as Schedule KJC-10. The projected under-
3 recovery as of September 30, 2021 is \$47,321,055, based on actual data as of April
4 2021 and projected data through September 2021, which is comprised of gas cost
5 levels, credits thereto and gas cost recoveries.

6 Schedule KJC-10 is presented in three sections: 1) recoverable costs, 2) gas
7 cost recoveries, and 3) the difference between these amounts, which represents the
8 over or under recovery of gas costs.

9 Recoverable costs are the costs of the gas delivered less supplier refunds,
10 credits, and other adjustments.

11 Gas cost recoveries represent the cost of gas that the Company has recovered
12 through firm and non-firm sales. Firm recoveries are broken down among recoveries
13 from monthly and periodic firm sales. If the gas cost recoveries are greater than the
14 recoverable costs the Company has incurred, the Company is over-recovered.
15 Conversely, if the gas cost recoveries are less than the recoverable costs, the Company
16 is under-recovered. The elements of Schedule KJC-10 are explained in more detail
17 below.

18 Recoverable Costs

19 This section presents the components of net recoverable costs that the
20 Company has incurred. Column 1 of Schedule KJC-10 presents the gas sendout, in
21 dollars, for each month. These amounts represent the dollar value of gas that flowed
22 into the Company's distribution system during the months indicated and are also
23 detailed on Schedule KJC-11.

1 Column 2 of Schedule KJC-10 presents refunds received from suppliers,
2 shared margin credits, and other credits and charges. Refunds from suppliers are
3 generally made as a result of actions taken by the Federal Energy Regulatory
4 Commission ("FERC"). The detail of these amounts, including related FERC docket
5 numbers, are listed in Maria C. Mendoza's Testimony, Schedule MCM-8, page 1.

6 Column 3 of Schedule KJC-10 presents the monthly totals of net recoverable
7 costs, which are equal to gas sendout (Column 1) less supplier refunds, credits, and
8 other adjustments of recoverable costs (Column 2).

9 Monthly Interruptible, Off-System Sales, and Capacity release credits to the
10 Periodic BGSS are detailed on Schedule KJC-12.

11 Gas Cost Recoveries

12 Columns 4 through 8 on Schedule KJC-10 present the recoveries from
13 customers of the Company's recoverable gas costs during the Base BGSS Year, as
14 shown in more detail on Schedule KJC-13.

15 Column 4 presents recoveries of gas costs from sales to residential and small
16 commercial customers that are subject to the Periodic BGSS Rate. Column 5 presents
17 recoveries of gas costs from sales to the Company's larger commercial customers who
18 are subject to the Monthly BGSS rate. Column 6 presents the monthly totals of the
19 gas cost recoveries from firm sales. Column 7 presents recoveries of gas costs from
20 sales to non-firm customers. Column 8 presents the monthly totals of the gas cost
21 recoveries from firm and non-firm sales.

1 (Over)/Under Recovery

2 Column 9 on Schedule KJC-10 presents the monthly (over) or under-recovery
3 of gas costs, which is the difference between net recoverable costs (Column 3) and
4 total gas cost recoveries (Column 8). Column 10 is the accumulation of the monthly
5 amounts from Column 9 added to the preceding month's cumulative balance. The
6 October 1, 2020 beginning balance of \$27,042,564 is the carry-forward balance of the
7 actual under-recovery of gas costs during the BGSS period October 1, 2019 through
8 September 30, 2020. The carry-forward balance also includes interest due to
9 customers for the period, if any, from over-recovered balances. No interest was due
10 to customers for the BGSS period ending September 30, 2020. During the period
11 from October 1, 2020 through September 30, 2021 ("BGSS Base Year"), the
12 Company is projecting that interest will not be due to customers as shown on Schedule
13 KJC-14, which is fully discussed below.

14 **Q. PLEASE EXPLAIN SCHEDULE KJC-11.**

15 **A.** Schedule KJC-11 is a statement of combined gas sendout for the BGSS Base Year.
16 This schedule supports the amounts shown in Column 1 of Schedule KJC-10.

17 Columns 1 and 2 of Schedule KJC-11, Page 1, reflect the monthly total
18 quantity and cost, respectively, of gas and fuel purchased (natural gas and liquefied
19 natural gas ("LNG")) in the periods indicated. Column 1 shows the quantities
20 purchased in dekatherms. Column 3 shows the average rate.

21 Columns 4 and 5 of Schedule KJC-11, Page 1, show the total inventory at the
22 beginning of each month and the total at the end of each month, respectively, all in
23 dekatherms. Column 8 reflects the quantities of gas sendout in dekatherms and is

1 calculated by adding the purchases for the month (Column 1) to beginning inventory
2 balance (Column 4) and subtracting the ending inventory balance (Column 5). The
3 result represents the gas sendout quantity for the month.

4 **Q. HOW IS THE DOLLAR AMOUNT OF SENDOUT CALCULATED?**

5 **A.** For each type of inventory (natural gas and LNG), an average monthly relief rate is
6 applied to the total of the withdrawal volumes to arrive at the sendout dollars. The
7 balances and activity in each of these types of storage are detailed in Schedule KJC-
8 15. The dollar amount presented in Column 9 of Schedule KJC-11, Page 1, includes
9 the cost of sendout for all inventory withdrawals, demand costs and the cost of gas
10 and fuel delivered directly to the city gate.

11 Column 10 of Schedule KJC-11, Page 1, presents the composite average
12 monthly rate. It is computed by dividing the total dollars of sendout in Column 9
13 by the total volumes of gas sendout in Column 8.

14 **Q. WHAT IS THE PROJECTED CARRYING COST ASSOCIATED WITH**
15 **THE 2020-21 BGSS CLAUSE?**

16 **A.** Schedule KJC-14 is a computation of interest on the cumulative over or under-
17 recovery for the BGSS Base Year. Interest on the cumulative over or under-
18 recovery was computed on the average of the beginning and ending balances for
19 each month, using a rate equivalent to one-twelfth of the Company's authorized
20 annual rate of return of 6.900% through September 30, 2021, as established in the
21 Company's most recent base rate case in Docket No. GR20030243. The
22 cumulative over or under-recovery amounts used in these calculations are from
23 Column 10 of Schedule KJC-10. The schedule shows a projected interest amount

1 of \$0 due to the Company. Since the Company is not entitled to collect interest on
2 BGSS balances, no interest will be charged or credited for this period. South Jersey
3 calculated BGSS interest in accordance with Board policy, as determined in Docket
4 Nos. GR87091101 and GR89080731.

5 **Q. HAS THE COMPANY IMPLEMENTED ANY SERVICE**
6 **INTERRUPTIONS OVER THE LAST 12 MONTHS?**

7 **A.** Yes, see Schedule KJC-16 for the statement of historical service interruptions for
8 the BGSS Base Year.

9

10 **V. TARIFF CHANGES**

11 **Q. PLEASE PROVIDE THE COMPANY'S PROPOSED TARIFF PAGES.**

12 **A.** Schedule KJC-17 consists of the proposed tariff pages reflecting South Jersey's
13 proposed changes to its Periodic BGSS Rate, BSC charges, and D-2 gas cost
14 component for Rate Schedules FES, EGS-LV Firm, EGS-LV Limited Firm and
15 LVS. All tariff pages in Schedule KJC-17 have been black lined for review
16 purposes.

17 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

18 **A.** Yes, it does.

South Jersey Gas Company
Calculation of Charge for Periodic Basic Gas Supply Service
October 1, 2021 through September 30, 2022

1. Beginning Inventory, October 1, 2021	(Schedule KJC-2)	\$24,019,117	
2. Plus Projected Purchases October 1, 2021 through September 30, 2022	(Schedule KJC-2)	\$208,376,910	
3. Less: Estimated Under Recovery from September 30, 2021	(Schedule KJC-10)	\$47,321,055	
4. Less: Estimated Interest on monthly over recoveries during the period	(Schedule KJC-14)	\$0	
5. Less: Projected Ending Inventory for September 30, 2022	(Schedule KJC-2)	\$21,787,482	
6. Less: Projected Credits, Refunds, etc. October 1, 2021 through September 30, 2022	(Schedule KJC-3)	\$67,078,632	
7. Less: Projected Gas Cost Recoveries from System Sales not subject to the recoverable unit Gas Cost of the BGSS Periodic	(Schedule KJC-5)	\$50,176,586	
8. Net Recoverable Gas Costs		<u>\$140,674,382</u>	
9. Applicable Therm Sales, October 1, 2021 through September 30, 2022	(Schedule KJC-4, pg 2)	296,681,876	Therms
10. Recoverable Unit Gas Cost Through BGSS-Periodic excluding taxes		\$0.474159	per thm
11. Plus: 6.625% Sales Tax		\$0.031413	
12. Total Levelized BGSS-Periodic including taxes		<u>\$0.505572</u>	per thm

<u>D-2 FES/EGS-LV/LVS RATE DERIVATION</u>	<u>Capacity</u>	<u>FES</u>	<u>EGS-LV-FIRM</u>	<u>EGS-LV-LF</u>	<u>LVS</u>
13. Transco Demand (MCFs)	116,826	\$ 15.513932	\$ 15.513932		
14. Columbia Demand (MCFs)	67,633	\$ 13.864860	\$ 13.864860		
15. D-2 Rate (Greater of Transco or Columbia or FTF)			\$ 15.513932		
16. Weighted Average Demand Rate (Transco, Columbia, FTF)		\$ 15.448211		\$ 15.448211	\$ 15.448211
17. D-2 Gas Cost Component per MCF (Excluding Taxes)		\$ 7.724106	\$ 15.513932	\$ 7.724106	\$ 15.448211
18. D-2 Gas Cost Component per MCF (Including Taxes)		\$ 8.235828	\$ 16.541730	\$ 8.235828	\$ 16.471655

South Jersey Gas Company
Statement of Gas Sendout
For the Projected Period October 1, 2021 through September 30, 2022

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	PURCHASES			INVENTORY VOLUMES		SENDOUT		
PERIOD	Amount	Dth	Average Rate (col 1/2)	Beginning Dth	Ending Dth	Dth (col 2+4-5)	\$	Average Rate (col 7/6)
Oct 2021	\$13,691,728	2,953,284	\$4.63610	8,895,505	9,324,407	2,524,382	\$12,428,261	\$4.92329
Nov 2021	\$19,589,124	4,611,170	\$4.24819	9,324,407	8,979,758	4,955,819	\$20,456,108	\$4.12769
Dec 2021	\$23,900,161	6,012,127	\$3.97533	8,979,758	7,757,117	7,234,768	\$27,044,011	\$3.73806
Jan 2022	\$25,743,031	6,473,076	\$3.97694	7,757,117	5,548,886	8,681,307	\$31,748,100	\$3.65706
Feb 2022	\$21,754,422	5,356,214	\$4.06153	5,548,886	3,363,673	7,541,427	\$27,691,451	\$3.67191
Mar 2022	\$20,261,683	5,181,288	\$3.91055	3,363,673	2,277,855	6,267,106	\$23,193,067	\$3.70076
Apr 2022	\$16,369,756	4,313,703	\$3.79483	2,277,855	3,268,411	3,323,147	\$13,864,528	\$4.17211
May 2022	\$14,741,511	3,657,898	\$4.03005	3,268,411	4,718,997	2,207,312	\$11,375,743	\$5.15366
Jun 2022	\$13,209,210	2,945,015	\$4.48528	4,718,997	5,877,746	1,786,266	\$10,507,063	\$5.88214
Jul 2022	\$13,302,142	2,944,315	\$4.51791	5,877,746	6,930,191	1,891,870	\$10,818,748	\$5.71855
Aug 2022	\$13,155,248	2,889,859	\$4.55221	6,930,191	7,955,327	1,864,723	\$10,747,165	\$5.76341
Sep 2022	\$12,658,893	2,761,235	\$4.58450	7,955,327	8,793,013	1,923,549	\$10,734,303	\$5.58047
TOTAL	\$208,376,910	50,099,182	\$4.15929			50,201,674	\$210,608,546	\$4.19525
BEGINNING INVENTORY	<u>\$24,019,117</u>	<u>8,895,505</u>	<u>\$2.70014</u>					
	<u><u>\$232,396,028</u></u>	<u><u>58,994,687</u></u>	<u><u>\$3.93927</u></u>					
ENDING INVENTORY	<u>\$21,787,482</u>	<u>8,793,013</u>	<u>\$2.47782</u>					

South Jersey Gas Company
Statement of Gas Sendout
For the Projected Period October 1, 2021 through September 30, 2022

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	PURCHASES				SENDOUT			
				Average Commodity Rate				Average Commodity Rate
PERIOD	Dth	Demand and Storage	Commodity	(col 3/1)	Dth	Demand and Storage	Commodity	(col 7/5)
Oct 2021	2,953,284	\$6,243,587	\$7,448,141	\$2.52199	2,524,382	\$6,243,587	\$6,184,674	\$2.44998
Nov 2021	4,611,170	\$7,079,014	\$12,510,111	\$2.71300	4,955,819	\$7,079,014	\$13,377,094	\$2.69927
Dec 2021	6,012,127	\$7,313,457	\$16,586,704	\$2.75887	7,234,768	\$7,313,457	\$19,730,553	\$2.72719
Jan 2022	6,473,076	\$7,319,361	\$18,423,671	\$2.84620	8,681,307	\$7,319,361	\$24,428,739	\$2.81395
Feb 2022	5,356,214	\$7,009,038	\$14,745,384	\$2.75295	7,541,427	\$7,009,038	\$20,682,413	\$2.74251
Mar 2022	5,181,288	\$7,180,458	\$13,081,225	\$2.52471	6,267,106	\$7,180,458	\$16,012,609	\$2.55502
Apr 2022	4,313,703	\$6,189,516	\$10,180,240	\$2.35998	3,323,147	\$6,189,516	\$7,675,012	\$2.30956
May 2022	3,657,898	\$6,282,037	\$8,459,475	\$2.31266	2,207,312	\$6,282,037	\$5,093,706	\$2.30765
Jun 2022	2,945,015	\$6,298,852	\$6,910,358	\$2.34646	1,786,266	\$6,298,852	\$4,208,210	\$2.35587
Jul 2022	2,944,315	\$6,267,623	\$7,034,519	\$2.38919	1,891,870	\$6,267,623	\$4,551,125	\$2.40562
Aug 2022	2,889,859	\$6,267,076	\$6,888,172	\$2.38357	1,864,723	\$6,267,076	\$4,480,089	\$2.40255
Sep 2022	2,761,235	\$6,160,098	\$6,498,795	\$2.35358	1,923,549	\$6,160,098	\$4,574,205	\$2.37800
TOTAL	50,099,182	\$79,610,116	\$128,766,794	\$2.57024	50,201,674	\$79,610,116	\$130,998,430	\$2.60944

South Jersey Gas Company
Statement of (Over) Under Recoveries of Gas Costs
For the Projected Period October 1, 2021 through September 30, 2022
Based on BGSS-Periodic Rate Effective Oct 1, 2021

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	RECOVERABLE COSTS			GAS COST RECOVERIES			(OVER) UNDER RECOVERY	
		LESS SUPPLIER REFUNDS CREDITS & Other (a)	NET RECOVERABLE COSTS (COL 1-2)		BGSS-MONTHLY FIRM SALES and OTHER COST RECOVERIES	TOTAL RECOVERIES (COL 4+5)	MONTHLY (OVER) UNDER RECOVERY (COL 3 &6)	CUMULATIVE (OVER) UNDER RECOVERY
PERIOD	GAS SENDOUT			BGSS-Periodic FIRM SALES				
BALANCE BEGINNING OCTOBER 1, 2021								\$47,321,055 ¹
Oct 2021	\$12,428,261	\$3,950,620	\$8,477,641	\$2,485,428	\$1,460,200	\$3,945,627	\$4,532,014	\$51,853,068
Nov 2021	\$20,456,108	\$8,417,640	\$12,038,467	\$8,583,139	\$3,541,468	\$12,124,607	(\$86,140)	\$51,766,928
Dec 2021	\$27,044,011	\$8,400,556	\$18,643,454	\$16,262,863	\$5,098,449	\$21,361,312	(\$2,717,857)	\$49,049,071
Jan 2022	\$31,748,100	\$8,874,695	\$22,873,405	\$28,651,014	\$9,885,931	\$38,536,945	(\$15,663,540)	\$33,385,531
Feb 2022	\$27,691,451	\$7,972,739	\$19,718,712	\$26,308,174	\$8,276,394	\$34,584,568	(\$14,865,856)	\$18,519,674
Mar 2022	\$23,193,067	\$8,394,301	\$14,798,765	\$23,096,634	\$7,481,460	\$30,578,094	(\$15,779,328)	\$2,740,346
Apr 2022	\$13,864,528	\$3,534,778	\$10,329,750	\$15,671,480	\$4,992,794	\$20,664,275	(\$10,334,525)	(\$7,594,179)
May 2022	\$11,375,743	\$3,459,127	\$7,916,616	\$6,442,310	\$2,379,995	\$8,822,305	(\$905,690)	(\$8,499,869)
Jun 2022	\$10,507,063	\$3,500,833	\$7,006,230	\$4,000,279	\$1,783,219	\$5,783,498	\$1,222,732	(\$7,277,137)
Jul 2022	\$10,818,748	\$3,519,416	\$7,299,332	\$3,353,848	\$1,878,871	\$5,232,719	\$2,066,613	(\$5,210,524)
Aug 2022	\$10,747,165	\$3,530,256	\$7,216,909	\$2,644,790	\$1,586,063	\$4,230,852	\$2,986,056	(\$2,224,468)
Sep 2022	\$10,734,303	\$3,523,669	\$7,210,633	\$3,174,423	\$1,811,971	\$4,986,394	\$2,224,239	(\$228)
TOTALS	\$210,608,546	\$67,078,632	\$143,529,913	\$140,674,382	\$50,176,815	\$190,851,196	(\$47,321,283)	

¹ Represents projected (over) / under-recovery position as of Sept. 30, 2021 as shown on Schedule KJC-1

(a) Includes supplier refunds, shared margins, storage incentive mechanism, company gas use admin costs, and cost of gas for interruptible and off-system sales

South Jersey Gas Company
Statement of (Over) Under Recoveries of Gas Costs
For the Projected Period October 1, 2021 through September 30, 2022
Assuming Current BGSS-Periodic Rate

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
PERIOD	RECOVERABLE COSTS			GAS COST RECOVERIES				(OVER) UNDER RECOVERY	
	GAS SENDOUT	LESS SUPPLIER REFUNDS CREDITS & OTHER (a)	NET RECOVERABLE COSTS (COL 1-2)	BGSS-Periodic FIRM SALES	BGSS-Monthly FIRM SALES	OTHER COST RECOVERIES	TOTAL RECOVERIES (COL 4+5+6)	MONTHLY (OVER) UNDER RECOVERY (COL 3-7)	CUMULATIVE (OVER) UNDER RECOVERY
BALANCE BEGINNING OCTOBER 1, 2021									\$47,321,055 ¹
Oct 2021	\$12,428,261	\$3,950,620	\$8,477,641	\$1,353,003	\$473,371	\$1,078,041	\$2,904,415	\$5,573,226	\$52,894,281
Nov 2021	\$20,456,108	\$8,417,640	\$12,038,467	\$4,672,441	\$975,672	\$2,879,901	\$8,528,013	\$3,510,454	\$56,404,735
Dec 2021	\$27,044,011	\$8,400,556	\$18,643,454	\$8,853,086	\$1,136,099	\$4,511,425	\$14,500,610	\$4,142,844	\$60,547,579
Jan 2022	\$31,748,100	\$8,874,695	\$22,873,405	\$15,596,877	\$2,759,424	\$8,048,168	\$26,404,469	(\$3,531,064)	\$57,016,515
Feb 2022	\$27,691,451	\$7,972,739	\$19,718,712	\$14,321,495	\$2,032,527	\$7,092,986	\$23,447,008	(\$3,728,296)	\$53,288,218
Mar 2022	\$23,193,067	\$8,394,301	\$14,798,765	\$12,573,215	\$1,839,137	\$6,391,152	\$20,803,504	(\$6,004,738)	\$47,283,480
Apr 2022	\$13,864,528	\$3,534,778	\$10,329,750	\$8,531,152	\$1,096,807	\$4,403,816	\$14,031,776	(\$3,702,026)	\$43,581,454
May 2022	\$11,375,743	\$3,459,127	\$7,916,616	\$3,507,028	\$591,187	\$2,000,617	\$6,098,832	\$1,817,784	\$45,399,237
Jun 2022	\$10,507,063	\$3,500,833	\$7,006,230	\$2,177,649	\$488,067	\$1,425,038	\$4,090,754	\$2,915,476	\$48,314,713
Jul 2022	\$10,818,748	\$3,519,416	\$7,299,332	\$1,825,749	\$741,542	\$1,252,529	\$3,819,820	\$3,479,512	\$51,794,225
Aug 2022	\$10,747,165	\$3,530,256	\$7,216,909	\$1,439,756	\$618,863	\$1,059,954	\$3,118,573	\$4,098,335	\$55,892,560
Sep 2022	\$10,734,303	\$3,523,669	\$7,210,633	\$1,728,075	\$680,055	\$1,244,427	\$3,652,558	\$3,558,076	\$59,450,636
TOTALS	\$210,608,546	\$67,078,632	\$143,529,913	\$76,579,526	\$13,432,752	\$41,388,054	\$131,400,332	\$12,129,581	

¹ Represents projected (over) / under-recovery position as of Sept. 30, 2021 as shown on Schedule KJC-1.

(a) Includes supplier refunds, shared margins, storage incentive mechanism, company gas use admin costs, and cost of gas for interruptible and off-system sales

South Jersey Gas Company
Projected Normalized Sales & Services
October 1, 2021 through September 30, 2022

Summary (in Therms)

	(1)	(2)	(3)
	TOTAL SALES	TOTAL TRANSPORTATION	TOTAL THROUGHPUT
Oct 2021	6,806,140	13,522,927	20,329,067
Nov 2021	21,236,098	19,655,231	40,891,329
Dec 2021	37,798,103	23,336,629	61,134,732
Jan 2022	68,684,038	27,043,896	95,727,934
Feb 2022	61,702,277	25,487,450	87,189,728
Mar 2022	54,709,360	25,403,260	80,112,620
Apr 2022	37,163,036	19,271,189	56,434,225
May 2022	15,862,702	15,363,963	31,226,665
Jun 2022	10,299,782	14,349,952	24,649,734
Jul 2022	9,853,332	17,265,999	27,119,331
Aug 2022	7,897,158	16,462,762	24,359,920
Sep 2022	9,256,153	13,273,580	22,529,733
TOTAL	<u>341,268,178</u>	<u>230,436,837</u>	<u>571,705,016</u>

South Jersey Gas Company
Projected Normalized Sales
October 1, 2021 through September 30, 2022

Sales (in Therms)

	(1)	(2)	(3)	(4)
	Firm Sales		Non-Firm Sales	
	BGSS- PERIODIC	BGSS-MONTHLY		
	RSG and GSG	GSG, GSG-LV, EGS, EGS-LV, LVS, NGV	IGS	TOTAL SALES
Oct 2021	5,241,760	1,564,381	0	6,806,140
Nov 2021	18,101,816	3,133,686	596	21,236,098
Dec 2021	34,298,332	3,499,771	0	37,798,103
Jan 2022	60,424,908	8,250,272	8,858	68,684,038
Feb 2022	55,483,865	6,218,413	0	61,702,277
Mar 2022	48,710,736	5,998,624	0	54,709,360
Apr 2022	33,051,108	4,111,928	0	37,163,036
May 2022	13,586,813	2,275,889	0	15,862,702
Jun 2022	8,436,578	1,863,063	141	10,299,782
Jul 2022	7,073,256	2,780,075	0	9,853,332
Aug 2022	5,577,854	2,319,247	57	7,897,158
Sep 2022	6,694,850	2,561,088	214	9,256,153
TOTAL	296,681,876	44,576,436	9,866	341,268,178

South Jersey Gas Company
Projected Normalized Services
October 1, 2021 through September 30, 2022

Services (in Therms)

	(1)	(2)	(3)	(4)
	Firm Transportation Services			Interruptible Transportation Service (ITS)
	FTS & CTS	Customer Owned Gas	TOTAL SERVICES	ITS
Oct 2021	10,417,297	2,225,918	12,643,215	879,712
Nov 2021	15,724,413	2,740,754	18,465,168	1,190,063
Dec 2021	19,020,576	3,300,098	22,320,674	1,015,955
Jan 2022	22,986,503	3,337,124	26,323,627	720,268
Feb 2022	21,811,488	2,778,847	24,590,335	897,115
Mar 2022	20,710,653	3,841,326	24,551,979	851,281
Apr 2022	16,189,820	2,226,617	18,416,437	854,752
May 2022	11,869,615	2,718,787	14,588,402	775,561
Jun 2022	9,994,888	3,684,991	13,679,879	670,072
Jul 2022	10,417,700	6,213,634	16,631,334	634,666
Aug 2022	10,054,468	5,573,628	15,628,096	834,666
Sep 2022	10,240,835	2,282,141	12,522,976	750,605
TOTAL	179,438,256	40,923,864	220,362,120	10,074,718

South Jersey Gas Company

Gas Cost Recoveries Summary

	FIRM GAS COST RECOVERIES	OTHER GAS COST RECOVERIES
Oct 2021	\$2,966,947	\$978,681
Nov 2021	\$9,566,958	\$2,557,649
Dec 2021	\$17,407,110	\$3,954,202
Jan 2022	\$31,418,586	\$7,118,359
Feb 2022	\$28,348,848	\$6,235,720
Mar 2022	\$24,943,918	\$5,634,175
Apr 2022	\$16,776,436	\$3,887,839
May 2022	\$7,041,645	\$1,780,661
Jun 2022	\$4,496,494	\$1,287,004
Jul 2022	\$4,103,538	\$1,129,181
Aug 2022	\$3,271,801	\$959,052
Sep 2022	\$3,862,626	\$1,123,768
Total	\$154,204,906	\$36,646,291

South Jersey Gas Company
Gas Cost Recoveries

	BGSS-Periodic			BGSS-Monthly			Yard and Street Lighting			Other	Total Firm Sales	
	RSG and GSG			LVS, EGS-LV Firm, EGS-LV Limited Firm, EGS, GSG-LV, NGV								
	Sales (in Therms)	Applicable Recoverable Unit Gas Cost (1)	Gas Cost Recovery	Sales (in Therms)	Gas Cost Recovery Rate (2)	Gas Cost Recovery	Sales (in Therms)	Gas Cost Recovery Rate (2)	Gas Cost Recovery	Other Cost Recoveries	Firm Sales (in Therms)	Gas Cost Recovery
Oct 2021	5,241,760	\$0.474159	\$2,485,428	1,538,919	\$0.307600	\$473,371	25,462	\$0.320000	\$8,148	\$978,681	6,806,140	\$3,945,627
Nov 2021	18,101,816	\$0.474159	\$8,583,139	3,108,224	\$0.313900	\$975,672	25,462	\$0.320000	\$8,148	\$2,557,649	21,235,502	\$12,124,607
Dec 2021	34,298,332	\$0.474159	\$16,262,863	3,474,309	\$0.327000	\$1,136,099	25,462	\$0.320000	\$8,148	\$3,954,202	37,798,103	\$21,361,312
Jan 2022	60,424,908	\$0.474159	\$28,651,014	8,224,811	\$0.335500	\$2,759,424	25,462	\$0.320000	\$8,148	\$7,118,359	68,675,180	\$38,536,945
Feb 2022	55,483,865	\$0.474159	\$26,308,174	6,192,951	\$0.328200	\$2,032,527	25,462	\$0.320000	\$8,148	\$6,235,720	61,702,277	\$34,584,568
Mar 2022	48,710,736	\$0.474159	\$23,096,634	5,973,162	\$0.307900	\$1,839,137	25,462	\$0.320000	\$8,148	\$5,634,175	54,709,360	\$30,578,094
Apr 2022	33,051,108	\$0.474159	\$15,671,480	4,086,466	\$0.268400	\$1,096,807	25,462	\$0.320000	\$8,148	\$3,887,839	37,163,036	\$20,664,275
May 2022	13,586,813	\$0.474159	\$6,442,310	2,250,427	\$0.262700	\$591,187	25,462	\$0.320000	\$8,148	\$1,780,661	15,862,702	\$8,822,305
Jun 2022	8,436,578	\$0.474159	\$4,000,279	1,837,602	\$0.265600	\$488,067	25,462	\$0.320000	\$8,148	\$1,287,004	10,299,641	\$5,783,498
Jul 2022	7,073,256	\$0.474159	\$3,353,848	2,754,614	\$0.269200	\$741,542	25,462	\$0.320000	\$8,148	\$1,129,181	9,853,332	\$5,232,719
Aug 2022	5,577,854	\$0.474159	\$2,644,790	2,293,785	\$0.269800	\$618,863	25,462	\$0.320000	\$8,148	\$959,052	7,897,101	\$4,230,852
Sep 2022	6,694,850	\$0.474159	\$3,174,423	2,535,627	\$0.268200	\$680,055	25,462	\$0.320000	\$8,148	\$1,123,768	9,255,938	\$4,986,394
Total	296,681,876		\$140,674,382	44,270,898		\$13,432,752	305,538		\$97,772	\$36,646,291	341,258,312	\$190,851,196

Notes:

(1) Recoverable Unit Gas Cost that underlies the BGSS rate in effect at the time of the sale.

(2) Gas Cost Recovery rate is calculated in accordance with the methodology described in the respective service classifications as approved by the BPU in Docket No. GX01050304.

South Jersey Gas Company
Other Gas Cost Recoveries

Rider "I" Opt In BSC - Balancing Service Charges				Rider "I" Opt Out BSC - Balancing Service Charges				Rider "J" BSC - Balancing Service Charges				Non-Commodity				D-2				Total Other Gas Cost Recoveries *			
Applicable Recoverable Unit Gas Sales (Therms) Cost Gas Cost Recovery				Applicable Recoverable Unit Gas Sales (Therms) Cost Gas Cost Recovery				Applicable Recoverable Unit Gas Sales (Therms) Cost Gas Cost Recovery				Applicable Recoverable Unit Gas Sales (Therms) Cost Gas Cost Recovery				Applicable Recoverable Unit Gas Sales (Therms) Cost Gas Cost Recovery				Sales (Therms) Gas Cost Recovery			
Oct 2021	1,178,712	\$0.070159	\$82,697	9,948,243	\$0.002137	\$21,259	9,115,650	\$0.070159	\$639,545	1,375,669	\$0.157110	\$216,131	2,466	7.724106	19,047.65	21,620,741	978,680			21,620,741	978,680		
Nov 2021	1,489,063	\$0.070159	\$104,471	11,510,301	\$0.002137	\$24,598	27,894,907	\$0.070159	\$1,957,079	2,879,854	\$0.157110	\$452,454	2,466	7.724106	19,047.65	43,776,592	2,557,650			43,776,592	2,557,650		
Dec 2021	1,314,955	\$0.070159	\$92,256	12,994,649	\$0.002137	\$27,770	46,896,167	\$0.070159	\$3,290,188	3,341,229	\$0.157110	\$524,941	2,466	7.724106	19,047.65	64,549,466	3,954,203			64,549,466	3,954,203		
Jan 2022	1,019,268	\$0.070159	\$71,511	13,053,955	\$0.002137	\$27,896	81,739,391	\$0.070159	\$5,734,754	8,052,641	\$0.157110	\$1,265,150	2,466	7.724106	19,047.65	103,867,721	7,118,359			103,867,721	7,118,359		
Feb 2022	1,196,115	\$0.070159	\$83,918	12,436,126	\$0.002137	\$26,576	73,561,025	\$0.070159	\$5,160,968	6,016,231	\$0.157110	\$945,210	2,466	7.724106	19,047.65	93,211,963	6,235,720			93,211,963	6,235,720		
Mar 2022	1,150,281	\$0.070159	\$80,703	13,431,756	\$0.002137	\$28,704	65,489,122	\$0.070159	\$4,594,651	5,798,932	\$0.157110	\$911,070	2,466	7.724106	19,047.65	85,872,557	5,634,176			85,872,557	5,634,176		
Apr 2022	1,153,752	\$0.070159	\$80,946	10,543,017	\$0.002137	\$22,530	44,695,994	\$0.070159	\$3,135,826	4,006,676	\$0.157110	\$629,489	2,466	7.724106	19,047.65	60,401,905	3,887,839			60,401,905	3,887,839		
May 2022	1,074,561	\$0.070159	\$75,390	10,211,935	\$0.002137	\$21,823	19,313,707	\$0.070159	\$1,355,030	1,969,127	\$0.157110	\$309,370	2,466	7.724106	19,047.65	32,571,796	1,780,661			32,571,796	1,780,661		
Jun 2022	969,072	\$0.070159	\$67,989	9,784,789	\$0.002137	\$20,910	12,819,270	\$0.070159	\$899,387	1,780,092	\$0.157110	\$279,670	2,466	7.724106	19,047.65	25,355,689	1,287,004			25,355,689	1,287,004		
Jul 2022	933,666	\$0.070159	\$65,505	13,451,922	\$0.002137	\$28,747	11,207,282	\$0.070159	\$786,292	1,461,334	\$0.157110	\$229,590	2,466	7.724106	19,047.65	27,056,669	1,129,182			27,056,669	1,129,182		
Aug 2022	1,133,666	\$0.070159	\$79,537	12,646,840	\$0.002137	\$27,026	9,052,894	\$0.070159	\$635,142	1,262,165	\$0.157110	\$198,299	2,466	7.724106	19,047.65	24,098,033	959,052			24,098,033	959,052		
Sep 2022	1,049,605	\$0.070159	\$73,639	9,453,270	\$0.002137	\$20,202	11,062,682	\$0.070159	\$776,147	1,494,067	\$0.157110	\$234,733	2,466	7.724106	19,047.65	23,062,090	1,123,769			23,062,090	1,123,769		
Total	13,662,718		\$958,562	139,466,804		\$298,041	412,848,090		\$28,965,009	39,438,018		\$6,196,107	29,592		228,571.74	605,445,221	\$36,646,291			605,445,221	\$36,646,291		

* All other recoveries besides Periodic and Monthly recoveries

**South Jersey Gas Company
Monthly BGSS Non-Commodity Rate**

1. Projected Annual Demand Costs	\$9,267,833
2. Less: Interruptible, OSS and Capacity Release Credit	\$(3,071,712)
3. Total Costs	<u>\$6,196,121</u>
4. Projected Annual Firm Sales Quantities subject to the BGSS (LVS, EGS-LV Firm, EGS-LV Limited Firm, EGS, GSG-LV, NGV)	<u>39,438,018</u> Therms
5. Monthly Non-Commodity Rate excluding Sales Tax	\$0.157110 /Therm
6. Monthly Non-Commodity Rate including Sales Tax	\$0.167519 /Therm

South Jersey Gas Company
Statement of Injections and Withdrawals - Natural Gas Inventory
For the period October 1, 2021 through September 30, 2022

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Injections		Inventory (Dth)		Withdrawals			Ending Inventory	
Period	Amount	Dth	Beginning	Ending	Sendout (Dth)	Average Relief Rate	Cost of Sendout from Storage	Ending Inventory (Dth)	Ending Inventory (\$)
Beginning Inventory								8,603,460	\$21,533,869
Oct 2021	\$1,074,886	418,753	8,603,460	8,973,854	48,359	\$2.4488	\$118,422	8,973,854	\$22,490,332
Nov 2021	\$655,614	247,073	8,973,854	8,641,205	579,722	\$2.4979	\$1,448,068	8,641,205	\$21,697,879
Dec 2021	\$911,268	338,222	8,641,205	7,440,564	1,538,863	\$2.5285	\$3,891,060	7,440,564	\$18,718,086
Jan 2022	\$62,320	22,419	7,440,564	5,299,333	2,163,650	\$2.5252	\$5,463,541	5,299,333	\$13,316,865
Feb 2022	\$109,158	41,441	5,299,333	3,187,120	2,153,654	\$2.5269	\$5,442,120	3,187,120	\$7,983,903
Mar 2022	\$443,661	188,985	3,187,120	2,138,302	1,237,803	\$2.5054	\$3,101,215	2,138,302	\$5,326,350
Apr 2022	\$2,948,424	1,255,981	2,138,302	3,064,358	329,925	\$2.4486	\$807,861	3,064,358	\$7,466,912
May 2022	\$3,408,488	1,470,486	3,064,358	4,505,944	28,900	\$2.4124	\$69,719	4,505,944	\$10,805,681
Jun 2022	\$2,769,052	1,184,999	4,505,944	5,670,693	20,250	\$2.4035	\$48,671	5,670,693	\$13,526,062
Jul 2022	\$2,556,374	1,081,245	5,670,693	6,728,938	23,000	\$2.3974	\$55,139	6,728,938	\$16,027,297
Aug 2022	\$2,489,442	1,057,136	6,728,938	7,760,074	26,000	\$2.3935	\$62,230	7,760,074	\$18,454,509
Sep 2022	\$1,967,950	853,392	7,760,074	8,603,460	10,006	\$2.3880	\$23,894	8,603,460	\$20,398,565

South Jersey Gas Company
2021-2022 BGSS Forecast
Calculation of Non-Firm Gas Cost Recovery Rates

	(1)	(2)	(3)	(4)	(5) (2) + (3) + (4)
	Tariff <u>ITS</u> \$/Thm	BGSS-Monthly w/line loss \$/Thm	NIBT \$/Thm	<u>Taxes</u>	Total <u>IGS</u> \$/Thm
Oct 2021	\$0.030300	\$0.285931	\$0.919600	\$0.079866	\$1.285398
Nov 2021	\$0.030300	\$0.292321	\$0.919600	\$0.080290	\$1.292211
Dec 2021	\$0.030300	\$0.305507	\$0.919600	\$0.081163	\$1.306271
Jan 2022	\$0.030300	\$0.314129	\$0.919600	\$0.081735	\$1.315463
Feb 2022	\$0.030300	\$0.306826	\$0.919600	\$0.081251	\$1.307676
Mar 2022	\$0.030300	\$0.286235	\$0.919600	\$0.079887	\$1.285722
Apr 2022	\$0.030300	\$0.239476	\$0.919600	\$0.076789	\$1.235865
May 2022	\$0.030300	\$0.233695	\$0.919600	\$0.076406	\$1.229700
Jun 2022	\$0.030300	\$0.236636	\$0.919600	\$0.076601	\$1.232837
Jul 2022	\$0.030300	\$0.240288	\$0.919600	\$0.076843	\$1.236730
Aug 2022	\$0.030300	\$0.240896	\$0.919600	\$0.076883	\$1.237379
Sep 2022	\$0.030300	\$0.239273	\$0.919600	\$0.076775	\$1.235649

South Jersey Gas Company
Monthly Interruptible/Off-System/Capacity Release Credits
For the Projected Period October 1, 2021 through September 30, 2022

	Interruptible				Capacity Release				Off-System Sales				Total Credit To BGSS
	Volumes (Dth)	Rate (\$/Dth)	Total Margins (\$)	85% Credit to BGSS (\$)	Volumes (Dth)	Rate (\$/Dth)	Total Margins (\$)	85% Credit to BGSS (\$)	Volumes (Dth)	Rate (\$/Dth)	Total Margins (\$)	85% Credit to BGSS (\$)	
Oct 2021	87,971	\$0.30099	\$26,479	\$22,507	7,195,100	\$0.08969	\$645,331	\$548,531	944,300	\$0.87838	\$829,453	\$705,035	\$1,276,073
Nov 2021	119,066	\$0.30545	\$36,368	\$30,913	3,565,200	\$0.10123	\$360,898	\$306,763	1,705,000	\$2.17589	\$3,709,900	3,153,415	\$3,491,091
Dec 2021	101,595	\$0.30099	\$30,579	\$25,993	3,684,040	\$0.10122	\$372,908	\$316,972	1,650,000	\$2.18909	\$3,612,000	3,070,200	\$3,413,165
Jan 2022	72,913	\$0.40905	\$29,825	\$25,351	4,426,967	\$0.10301	\$456,037	\$387,631	1,705,000	\$2.17589	\$3,709,900	3,153,415	\$3,566,397
Feb 2022	89,712	\$0.30099	\$27,003	\$22,952	4,141,356	\$0.10295	\$426,338	\$362,387	1,540,000	\$2.21831	\$3,416,200	2,903,770	\$3,289,109
Mar 2022	85,128	\$0.30099	\$25,623	\$21,779	4,426,967	\$0.10298	\$455,874	\$387,493	1,705,000	\$2.17589	\$3,709,900	3,153,415	\$3,562,687
Apr 2022	85,475	\$0.30099	\$25,727	\$21,868	6,963,000	\$0.09026	\$628,465	\$534,195	959,000	\$0.86113	\$825,825	701,951	\$1,258,014
May 2022	77,556	\$0.30099	\$23,344	\$19,842	7,195,100	\$0.08969	\$645,330	\$548,531	944,300	\$0.87838	\$829,453	705,035	\$1,273,408
Jun 2022	67,021	\$0.30287	\$20,299	\$17,254	6,963,000	\$0.09026	\$628,465	\$534,195	959,000	\$0.86113	\$825,825	701,951	\$1,253,400
Jul 2022	63,467	\$0.30099	\$19,103	\$16,238	7,195,100	\$0.08969	\$645,330	\$548,531	944,300	\$0.87838	\$829,453	705,035	\$1,269,804
Aug 2022	83,472	\$0.30160	\$25,175	\$21,399	7,195,100	\$0.08969	\$645,331	\$548,531	944,300	\$0.87838	\$829,453	705,035	\$1,274,965
Sep 2022	75,082	\$0.30353	\$22,790	\$19,371	6,963,000	\$0.08954	\$623,486	\$529,963	959,000	\$0.86113	\$825,825	701,951	\$1,251,285
Total	1,008,458	\$0.30970	\$312,315	\$265,467	69,913,930	\$0.09345	\$6,533,792	\$5,553,723	14,959,200	\$1.60123	\$23,953,185	\$20,360,208	\$26,179,398

South Jersey Gas Company
Statement of Annual Reconciliation of Gas Costs and Recoveries
For the Period October 1, 2020 through September 30, 2021

Period	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
	Recoverable Costs			Gas Cost Recoveries					(Over) Under Recovery	
	Gas Sendout	Less Supplier Refunds, Credits & Other (a)	Net Recoverable Costs (1-2)	From Firm Sales			Non Firm Sales	Total Recoveries (6+7)	Monthly (Over) Under Recovery (3-8)	Cumulative (Over) Under Recovery
				Periodic	Monthly	Total				
Under-recovery at October 1, 2020										
Oct-20	\$9,207,569	\$1,890,374	\$7,317,194	\$2,380,004	\$1,524,870	\$3,904,874	\$23,661	\$3,928,535	\$3,388,660	\$27,042,564 (b)
Nov-20	\$15,793,943	\$8,240,602	\$7,553,341	\$3,393,147	\$2,619,073	\$6,012,220	\$31,577	\$6,043,797	\$1,509,544	\$30,431,224
Dec-20	\$24,438,050	\$9,493,205	\$14,944,845	\$7,163,801	\$5,072,829	\$12,236,630	\$37,619	\$12,274,248	\$2,670,596	\$31,940,767
Jan-21	\$24,961,515	\$7,556,419	\$17,405,097	\$10,852,074	\$7,358,460	\$18,210,533	\$37,960	\$18,248,493	(\$843,397)	\$34,611,364
Feb-21	\$31,276,424	\$9,283,389	\$21,993,035	\$11,006,211	\$7,509,332	\$18,515,544	\$53,200	\$18,568,743	\$3,424,292	\$33,767,967
Mar-21	\$19,412,124	\$7,062,494	\$12,349,631	\$10,472,447	\$7,237,998	\$17,710,446	\$44,991	\$17,755,437	(\$5,405,807)	\$37,192,259
Apr-21	\$12,112,458	\$1,135,278	\$10,977,180	\$5,977,025	\$4,522,610	\$10,499,635	\$31,862	\$10,531,498	\$445,682	\$31,786,453
May-21 *	\$11,631,626	\$3,892,504	\$7,739,122	\$2,853,189	\$2,610,653	\$5,463,842	\$23,500	\$5,487,342	\$2,251,780	\$32,232,135
Jun-21 *	\$10,681,542	\$3,913,584	\$6,767,958	\$2,217,739	\$1,781,811	\$3,999,550	\$20,483	\$4,020,032	\$2,747,926	\$34,483,915
Jul-21 *	\$11,016,763	\$3,938,434	\$7,078,329	\$1,785,554	\$2,017,411	\$3,802,965	\$19,230	\$3,822,195	\$2,747,926	\$37,231,841
Aug-21 *	\$10,914,552	\$3,953,013	\$6,961,539	\$1,663,332	\$1,813,960	\$3,477,291	\$25,363	\$3,502,654	\$3,256,133	\$40,487,974
Sep-21 *	\$10,975,298	\$3,953,270	\$7,022,027	\$1,657,763	\$1,967,052	\$3,624,815	\$23,017	\$3,647,831	\$3,458,885	\$43,946,859
	<u>\$192,421,863</u>	<u>\$64,312,566</u>	<u>\$128,109,297</u>	<u>\$61,422,286</u>	<u>\$46,036,059</u>	<u>\$107,458,345</u>	<u>\$372,462</u>	<u>\$107,830,807</u>	<u>\$3,374,196</u>	<u>\$47,321,055</u>

Interest Expense (Sch KJC-14) \$0
Opening Balance, Sch KJC-3 \$47,321,055

* Forecast

(a) Includes supplier refunds, shared margins credits, storage incentive mechanism, interruptible and off-system sales costs of gas, and company gas use costs credited to the customers

(b) Represents opening balance as of September 30th.

South Jersey Gas Company
Statement of Combined Gas Sendout
For the Period October 1, 2020 through September 30, 2021

	(1)	(2)	(3=2/1)	(4)	(5)	(6)	(7=6/5)	(8)	(9)	(10=9/8)
	Purchases			Inventory				Sendout		
Period	Dth's	Amount	Average Rate	Beginning	Ending	Ending Amount	Average Rate	Dth's	Amount	Average Rate
Beginning Inventory					8,318,099	\$15,040,909	\$1.8082			
Oct-20	3,358,214	\$10,212,972	\$3.0412	8,318,099	8,789,086	\$16,046,313	\$1.8257	2,887,227	\$9,207,569	\$3.18907
Nov-20	4,629,376	\$15,485,382	\$3.3450	8,789,086	8,448,920	\$15,737,752	\$1.8627	4,969,542	\$15,793,943	\$3.17815
Dec-20	6,941,644	\$22,750,044	\$3.2773	8,448,920	7,205,814	\$14,049,747	\$1.9498	8,184,750	\$24,438,050	\$2.98580
Jan-21	6,233,157	\$21,626,470	\$3.4696	7,205,814	5,032,543	\$10,714,701	\$2.1291	8,406,428	\$24,961,515	\$2.96934
Feb-21	5,889,225	\$27,117,285	\$4.6046	5,032,543	2,771,499	\$6,555,562	\$2.3653	8,150,269	\$31,276,424	\$3.83747
Mar-21	4,576,133	\$17,499,788	\$3.8241	2,771,499	1,493,341	\$4,643,226	\$3.1093	5,854,291	\$19,412,124	\$3.31588
Apr-21	3,425,713	\$14,287,636	\$4.1707	1,493,341	2,585,164	\$6,818,405	\$2.6375	2,333,890	\$12,112,458	\$5.18982
May-21 *	3,752,303	\$15,721,345	\$4.1898	2,585,164	4,105,712	\$10,908,125	\$2.6568	2,231,755	\$11,631,626	\$5.21187
Jun-21 *	3,207,645	\$14,388,570	\$4.4857	4,105,712	5,468,304	\$14,615,153	\$2.6727	1,845,053	\$10,681,542	\$5.78929
Jul-21 *	3,227,989	\$14,562,529	\$4.5113	5,468,304	6,747,204	\$18,160,919	\$2.6916	1,949,089	\$11,016,763	\$5.65226
Aug-21 *	3,098,030	\$14,102,405	\$4.5521	6,747,204	7,908,692	\$21,348,772	\$2.6994	1,936,542	\$10,914,552	\$5.63610
Sep-21 *	2,975,790	\$13,645,644	\$4.5856	7,908,692	8,895,505	\$24,019,117	\$2.7001	1,988,977	\$10,975,298	\$5.51806
	<u>51,315,220</u>	<u>\$201,400,071</u>						<u>50,737,814</u>	<u>\$192,421,863</u>	

* Forecast

South Jersey Gas Company
Statement of Combined Gas Sendout
For the Period October 1, 2020 through September 30, 2021

	(1)	(2)	(3)	(4=3/1)	(5)	(6)	(7)	(8)	(9=7+8/5)
	*Purchases				**Sendout				
				Average Commodity Rate				Average Commodity Rate	
Period	Dth's	Demand & Storage	Commodity	\$/dth	Dth's	Demand & Storage	Commodity	Other Commodity Costs	\$/dth
Oct-20	3,358,214	\$5,848,701	\$4,364,271	\$1.2996	2,887,227	\$5,848,701	\$3,353,156	\$5,712	\$1.1634
Nov-20	4,629,376	\$5,810,974	\$9,674,408	\$2.0898	4,969,542	\$5,810,974	\$9,835,669	\$147,300	\$2.0088
Dec-20	6,941,644	\$6,245,540	\$16,504,504	\$2.3776	8,184,750	\$6,245,540	\$18,406,629	(\$214,119)	\$2.2227
Jan-21	6,233,157	\$6,242,077	\$15,384,393	\$2.4682	8,406,428	\$6,242,077	\$18,673,711	\$45,727	\$2.2268
Feb-21	5,889,225	\$7,059,827	\$20,057,458	\$3.4058	8,150,269	\$7,059,827	\$24,315,048	(\$98,451)	\$2.9713
Mar-21	4,576,133	\$7,503,507	\$9,996,282	\$2.1844	5,854,291	\$7,503,507	\$12,493,940	(\$585,322)	\$2.0342
Apr-21	3,425,713	\$6,475,007	\$7,812,629	\$2.2806	2,333,890	\$6,475,007	\$5,350,562	\$286,888	\$2.4155
May-21 *	3,752,303	\$6,285,785	\$9,435,560	\$2.5146	2,231,755	\$6,285,785	\$5,345,841		\$2.3954
Jun-21 *	3,207,645	\$6,305,269	\$8,083,301	\$2.5200	1,845,053	\$6,305,269	\$4,376,273		\$2.3719
Jul-21 *	3,227,989	\$6,275,839	\$8,286,690	\$2.5671	1,949,089	\$6,275,839	\$4,740,924		\$2.4324
Aug-21 *	3,098,030	\$6,270,964	\$7,831,441	\$2.5279	1,936,542	\$6,270,964	\$4,643,588		\$2.3979
Sep-21 *	2,975,790	\$6,164,390	\$7,481,254	\$2.5140	1,988,977	\$6,164,390	\$4,810,908		\$2.4188
	<u>51,315,220</u>	<u>\$76,487,880</u>	<u>\$124,912,191</u>	<u>\$2.4342</u>	<u>50,737,814</u>	<u>\$76,487,880</u>	<u>\$116,346,249</u>	<u>(\$412,266)</u>	<u>\$2.2850</u>

* Forecast

South Jersey Gas Company
Monthly Interruptible/Off-System/Capacity Release Credits
For the Period October 1, 2020 through September 30, 2021

Period	Interruptible				Capacity Releases				Off System Sales				Total Credit To BGSS
	Volumes Dths	Average Rate	Total Amount	85% Credit To BGSS	Volumes Dths	Average Rate	Total Amount	Credit 93% To BGSS	Volumes Dths	Average Rate	Total Amount	Credit 93% To BGSS	
Oct-20	74,041	\$0.3165	\$23,434	\$19,919	5,521,755	\$0.0154	\$85,157	\$79,196	855,540	\$0.9354	\$800,253	\$744,235	\$843,350
Nov-20	97,398	\$0.3211	\$31,278	\$26,586	6,649,692	\$0.0388	\$258,049	\$239,986	2,454,309	\$1.3744	\$3,373,211	\$3,137,086	\$3,403,658
Dec-20	113,719	\$0.3277	\$37,267	\$31,677	6,112,980	\$0.0544	\$332,620	\$309,337	2,596,278	\$1.4469	\$3,756,648	\$3,493,682	\$3,834,696
Jan-21	114,624	\$0.3281	\$37,606	\$31,965	6,645,980	\$0.0616	\$409,647	\$380,972	2,079,873	\$1.5693	\$3,263,863	\$3,035,393	\$3,448,330
Feb-21	123,573	\$0.4272	\$52,787	\$44,869	5,995,240	\$0.0858	\$514,572	\$478,552	2,064,431	\$1.4356	\$2,963,747	\$2,756,284	\$3,279,706
Mar-21	103,552	\$0.4311	\$44,645	\$37,948	7,094,980	\$0.0401	\$284,701	\$264,772	1,899,059	\$1.6307	\$3,096,834	\$2,880,055	\$3,182,776
Apr-21	98,178	\$0.3212	\$31,535	\$26,805	6,619,648	\$0.0219	\$145,091	\$134,934	229,860	\$2.6593	\$611,260	\$568,472	\$730,211
May-21 *	77,556	\$0.2985	\$23,150	\$19,677	7,195,100	\$0.0897	\$645,330	\$600,157	944,300	\$0.8784	\$829,453	\$771,391	\$1,391,225
Jun-21 *	67,021	\$0.3004	\$20,131	\$17,111	6,963,000	\$0.0903	\$628,465	\$584,472	959,000	\$0.8611	\$825,825	\$768,017	\$1,369,601
Jul-21 *	63,467	\$0.2985	\$18,944	\$16,102	7,195,100	\$0.0897	\$645,330	\$600,157	944,300	\$0.8784	\$829,453	\$771,391	\$1,387,650
Aug-21 *	83,472	\$0.2991	\$24,966	\$21,221	7,195,100	\$0.0897	\$645,331	\$600,158	944,300	\$0.8784	\$829,453	\$771,391	\$1,392,770
Sep-21 *	75,082	\$0.3010	\$22,602	\$19,212	6,963,000	\$0.0895	\$623,486	\$579,842	959,000	\$0.8611	\$825,825	\$768,017	\$1,367,071
	1,091,683	\$0.3374	\$368,344	\$313,093	80,151,575	\$0.0651	\$5,217,780	\$4,852,536	16,930,250	\$1.2998	\$22,005,822	\$20,465,415	\$25,631,043

* Forecast

South Jersey Gas Company
Gas Costs Recovered Through Sales
For the Period October 1, 2020 through September 30, 2021

Period	Firm					Total Amount Credited To BGSS	
	Periodic		Monthly		Total		
	<u>Dth</u>	<u>\$</u>	<u>Dth</u>	<u>\$</u>	<u>Dth</u>		
Oct-20	1,120,500	\$2,380,004	254,933	\$1,548,531	1,375,433	\$3,928,535	
Nov-20	1,580,951	\$3,393,147	380,578	\$2,650,650	1,961,528	\$6,043,797	
Dec-20	3,343,818	\$7,163,801	736,923	\$5,110,447	4,080,741	\$12,274,248	
Jan-21	5,054,563	\$10,852,074	1,000,564	\$7,396,420	6,055,128	\$18,248,493	
Feb-21	5,126,662	\$11,006,211	1,069,943	\$7,562,532	6,196,605	\$18,568,743	
Mar-21	5,241,872	\$10,472,447	1,011,662	\$7,282,990	6,253,535	\$17,755,437	
Apr-21	3,061,455	\$5,977,025	632,699	\$4,554,472	3,694,153	\$10,531,498	
May-21	*	1,329,371	\$2,853,189	229,333	\$2,634,153	1,558,704	\$5,487,342
Jun-21	*	859,189	\$2,217,739	157,609	\$1,802,293	1,016,798	\$4,020,032
Jul-21	*	691,753	\$1,785,554	275,791	\$2,036,641	967,544	\$3,822,195
Aug-21	*	644,402	\$1,663,332	234,203	\$1,839,323	878,606	\$3,502,654
Sep-21	*	642,245	\$1,657,763	264,132	\$1,990,068	906,377	\$3,647,831
TOTAL		<u>28,696,782</u>	<u>\$61,422,286</u>	<u>6,248,369</u>	<u>\$46,408,521</u>	<u>34,945,152</u>	<u>\$107,830,807</u>

* Forecast

South Jersey Gas Company
Gas Costs Recovered Through Sales
For the Period October 1, 2020 through September 30, 2021

Period	Non-Firm						Total Amount Credited To BGSS	
	IGS		ITS		Total			
	<u>Dth</u>	<u>\$</u>	<u>Dth</u>	<u>\$</u>	<u>Dth</u>	<u>\$</u>		
Oct-20	-	\$0	74,041	\$23,661	74,041	\$23,661	\$3,928,535	
Nov-20	-	\$0	97,398	\$31,577	97,398	\$31,577	\$6,043,797	
Dec-20	-	\$0	113,719	\$37,619	113,719	\$37,619	\$12,274,248	
Jan-21	-	\$0	114,624	\$37,960	114,624	\$37,960	\$18,248,493	
Feb-21	-	\$0	123,573	\$53,200	123,573	\$53,200	\$18,568,743	
Mar-21	-	\$0	103,552	\$44,991	103,552	\$44,991	\$17,755,437	
Apr-21	-	\$0	98,178	\$31,862	98,178	\$31,862	\$10,531,498	
May-21	*	\$0	77,556	\$23,500	77,556	\$23,500	\$5,487,342	
Jun-21	*	14	\$179	67,007	\$20,303	67,021	\$20,483	\$4,020,032
Jul-21	*	-	\$0	63,467	\$19,230	63,467	\$19,230	\$3,822,195
Aug-21	*	6	\$73	83,467	\$25,290	83,472	\$25,363	\$3,502,654
Sep-21	*	21	\$273	75,060	\$22,743	75,082	\$23,017	\$3,647,831
TOTAL		41	\$525	1,091,642	\$371,936	1,091,683	\$372,462	\$107,830,807

* Forecast

South Jersey Gas Company
Computation of Interest on Cumulative (Over) Under Recovery
For the Period October 1, 2020 through September 30, 2021

Period	Beginning	Ending	Average Balance	Monthly Interest Rate (a)	Computed Interest (Expense)	Cumulative Computed Interest (Expense)
Oct-20	\$27,042,564	\$30,431,224	\$28,736,894	0.5750%	\$165,243	\$165,243
Nov-20	\$30,431,224	\$31,940,767	\$31,185,996	0.5750%	\$179,326	\$344,570
Dec-20	\$31,940,767	\$34,611,364	\$33,276,066	0.5750%	\$191,345	\$535,914
Jan-21	\$34,611,364	\$33,767,967	\$34,189,666	0.5750%	\$196,598	\$732,512
Feb-21	\$33,767,967	\$37,192,259	\$35,480,113	0.5750%	\$204,018	\$936,531
Mar-21	\$37,192,259	\$31,786,453	\$34,489,356	0.5750%	\$198,321	\$1,134,852
Apr-21	\$31,786,453	\$32,232,135	\$32,009,294	0.5750%	\$184,060	\$1,318,912
May-21 *	\$32,232,135	\$34,483,915	\$33,358,025	0.5750%	\$191,816	\$1,510,728
Jun-21 *	\$34,483,915	\$37,231,841	\$35,857,878	0.5750%	\$206,191	\$1,716,919
Jul-21 *	\$37,231,841	\$40,487,974	\$38,859,907	0.5750%	\$223,453	\$1,940,371
Aug-21 *	\$40,487,974	\$43,946,859	\$42,217,416	0.5750%	\$242,759	\$2,183,131
Sep-21 *	\$43,946,859	\$47,321,055	\$45,633,957	0.5750%	\$262,405	\$2,445,536

* Forecast

Pursuant to Docket Nos. GR87091101 and GR89080731, the Company is utilizing the monthly offset methodology. No interest is credited to ratepayers since interest on underrecoveries exceeds interest on overrecoveries.

South Jersey Gas Company
Statement of Injections and Withdrawals - Natural Gas Inventory
For the Period October 1, 2020 through September 30, 2021

Period	Injections		Inventory (Dth's)		Withdrawals			Ending Inventory	
	Dth's	Amount	Beginning	Ending	Sendout	Average Rate	Cost of Sendout from Storage	Ending Inventory (Dth's)	Ending Inventory (\$)
Beginning Inventory								8,015,117	\$12,254,765
Oct-20	418,753	\$696,805	8,015,117	8,385,511	48,359	\$1.52519	\$73,757	8,385,511	\$12,877,812
Nov-20	247,073	\$516,930	8,385,511	8,052,862	579,722	\$1.50375	\$871,755	8,052,862	\$12,522,987
Dec-20	338,222	\$812,646	8,052,862	6,832,221	1,558,863	\$1.51048	\$2,354,638	6,832,221	\$10,980,995
Jan-21	22,419	\$50,593	6,832,221	4,667,990	2,186,650	\$1.54301	\$3,374,029	4,667,990	\$7,657,559
Feb-21	41,441	\$138,653	4,667,990	2,495,777	2,213,654	\$1.62655	\$3,600,622	2,495,777	\$4,195,591
Mar-21	188,985	\$472,387	2,495,777	1,226,959	1,457,803	\$1.59582	\$2,326,395	1,226,959	\$2,341,583
Apr-21	1,266,781	\$2,296,495	1,226,959	2,263,541	230,199	\$1.88613	\$434,185	2,263,541	\$4,203,893
May-21	* 1,587,303	\$4,183,655	2,263,541	3,790,855	28,900	\$2.15338	\$62,233	3,790,855	\$8,325,315
Jun-21	* 1,416,029	\$3,776,833	3,790,855	5,158,947	20,250	\$2.29386	\$46,451	5,158,947	\$12,055,697
Jul-21	* 1,333,895	\$3,622,325	5,158,947	6,443,395	23,000	\$2.37052	\$54,522	6,443,395	\$15,623,500
Aug-21	* 1,217,363	\$3,277,628	6,443,395	7,610,883	26,000	\$2.39832	\$62,356	7,610,883	\$18,838,772
Sep-21	* 1,023,001	\$2,719,750	7,610,883	8,603,460	10,006	\$2.46394	\$24,654	8,603,460	\$21,533,869

* Forecast

South Jersey Gas Company
Statement of Injections and Withdrawals - LNG Inventory
For the Period October 1, 2020 through September 30, 2021

Period	Injections		Liquefier Costs	Inventory (Dth's)		Withdrawals			Ending Inventory	
	Dth's	Amount	Amount	Beginning	Ending	Dth's	Average Relief Rate	Amount	Ending Inventory (Dth's)	Ending Inventory (\$)
Beginning Inventory									302,982	\$2,786,145
Oct-20	102,828	\$218,210	\$203,816	302,982	403,575	2,235	\$7.90560	\$39,670	403,575	\$3,168,501
Nov-20	-	\$0	\$90,030	403,575	396,058	7,517	\$8.07416	\$43,765	396,058	\$3,214,765
Dec-20	-	\$0	\$43,330	396,058	373,593	22,465	\$8.22631	\$189,343	373,593	\$3,068,752
Jan-21	-	\$0	\$19,516	373,593	364,553	9,040	\$8.26640	\$31,126	364,553	\$3,057,142
Feb-21	-	\$0	\$26,601	364,553	275,722	88,831	\$8.45897	\$723,772	275,722	\$2,359,972
Mar-21	-	\$0	\$22,373	275,722	266,382	9,340	\$8.64039	\$80,701	266,382	\$2,301,643
Apr-21	58,644	\$158,639	\$180,214	266,382	321,623	3,403	\$8.12396	\$25,985	321,623	\$2,614,512
May-21	*	-	\$23,800	321,623	314,857	6,766	\$8.20312	\$55,502	314,857	\$2,582,810
Jun-21	*	-	\$22,150	314,857	309,357	5,500	\$8.27347	\$45,504	309,357	\$2,559,456
Jul-21	*	-	\$24,300	309,357	303,809	5,548	\$8.35202	\$46,337	303,809	\$2,537,419
Aug-21	*	-	\$23,150	303,809	297,809	6,000	\$8.42822	\$50,569	297,809	\$2,509,999
Sep-21	*	-	\$24,300	297,809	292,045	5,764	\$8.50981	\$49,051	292,045	\$2,485,249

* Forecast

South Jersey Gas Company
Statement of Historical Service Interruptions
For the Period October 1, 2020 through September 30, 2021

IGS			IGS RETAIL # 6			IGS RETAIL # 4			IGS RETAIL # 2			
	# OF	# OF	Economi									
	DAYS	CUSTOMERS	cal/ Operatio			cal/ Operatio			cal/ Operatio		Economical	
			nal			nal			nal		/	
				# OF	# OF		# OF	# OF		# OF	Operational	
				DAYS	CUSTOMERS		DAYS	CUSTOMERS		DAYS	CUSTOMERS	
OCT. 2020	0.0	0.0		OCT. 2020	0.0	0.0	OCT. 2020	0.0	0.0	OCT. 2020	0.0	0.0
NOV. 2020	0.0	0.0		NOV. 2020	0.0	0.0	NOV. 2020	0.0	0.0	NOV. 2020	0.0	0.0
DEC. 2020	0.0	0.0		DEC. 2020	0.0	0.0	DEC. 2020	0.0	0.0	DEC. 2020	0.0	0.0
JAN. 2021	0.0	0.0		JAN. 2021	0.0	0.0	JAN. 2021	0.0	0.0	JAN. 2021	0.0	0.0
FEB. 2021	0.0	0.0		FEB. 2021	0.0	0.0	FEB. 2021	0.0	0.0	FEB. 2021	0.0	0.0
MAR. 2021	0.0	0.0		MAR. 2021	0.0	0.0	MAR. 2021	0.0	0.0	MAR. 2021	0.0	0.0
APR. 2021	0.0	0.0		APR. 2021	0.0	0.0	APR. 2021	0.0	0.0	APR. 2021	0.0	0.0
MAY 2021	0.0	0.0		MAY 2021	0.0	0.0	MAY 2021	0.0	0.0	MAY 2021	0.0	0.0
JUNE 2021	0.0	0.0		JUNE 2021	0.0	0.0	JUNE 2021	0.0	0.0	JUNE 2021	0.0	0.0
JULY 2021	0.0	0.0		JULY 2021	0.0	0.0	JULY 2021	0.0	0.0	JULY 2021	0.0	0.0
AUG 2021	0.0	0.0		AUG 2021	0.0	0.0	AUG 2021	0.0	0.0	AUG 2021	0.0	0.0
SEPT 2021	0.0	0.0		SEPT 2021	0.0	0.0	SEPT 2021	0.0	0.0	SEPT 2021	0.0	0.0
CTS (ITS)			LVS-FT (ITS)			IGS INDUST. 6			IGS INDUST. 2			
	# OF	# OF	Economi								Economical	
	DAYS	CUSTOMERS	cal/ Operatio			cal/ Operatio			cal/ Operatio		/	
			nal			nal			nal		Operational	
				# OF	# OF		# OF	# OF		# OF	CUSTOMERS	
				DAYS	CUSTOMERS		DAYS	CUSTOMERS		DAYS	CUSTOMERS	
OCT. 2020	0.0	0.0		OCT. 2020	0.0	0.0	OCT. 2020	0.0	0.0	OCT. 2020	0.0	0.0
NOV. 2020	0.0	0.0		NOV. 2020	0.0	0.0	NOV. 2020	0.0	0.0	NOV. 2020	0.0	0.0
DEC. 2020	0.0	0.0		DEC. 2020	0.0	0.0	DEC. 2020	0.0	0.0	DEC. 2020	0.0	0.0
JAN. 2021	29	46.0	Economical	JAN. 2021	29	24.0	Economical	JAN. 2021	29	1.0	0.0	
	30	46.0	Economical		30	24.0	Economical		30	1.0	0.0	
FEB. 2021	0.0	0.0		FEB. 2021	0.0	0.0	FEB. 2021	0.0	0.0	FEB. 2021	0.0	0.0
MAR. 2021	0.0	0.0		MAR. 2021	0.0	0.0	MAR. 2021	0.0	0.0	MAR. 2021	0.0	0.0
APR. 2021	0.0	0.0		APR. 2021	0.0	0.0	APR. 2021	0.0	0.0	APR. 2021	0.0	0.0
MAY 2021	0.0	0.0		MAY 2021	0.0	0.0	MAY 2021	0.0	0.0	MAY 2021	0.0	0.0
JUNE 2021	0.0	0.0		JUNE 2021	0.0	0.0	JUNE 2021	0.0	0.0	JUNE 2021	0.0	0.0
JULY 2021	0.0	0.0		JULY 2021	0.0	0.0	JULY 2021	0.0	0.0	JULY 2021	0.0	0.0
AUG 2021	0.0	0.0		AUG 2021	0.0	0.0	AUG 2021	0.0	0.0	AUG 2021	0.0	0.0
SEPT 2021	0.0	0.0		SEPT 2021	0.0	0.0	SEPT 2021	0.0	0.0	SEPT 2021	0.0	0.0
EGS-LV			FES									
	# OF	# OF	Economi									
	DAYS	CUSTOMERS	cal/ Operatio			cal/ Operatio						
			nal			nal						
				# OF	# OF		# OF	# OF				
				DAYS	CUSTOMERS		DAYS	CUSTOMERS				
OCT. 2020	0.0	0.0		OCT. 2020	0.0	0.0						
NOV. 2020	0.0	0.0		NOV. 2020	0.0	0.0						
DEC. 2020	0.0	0.0		DEC. 2020	0.0	0.0						
JAN. 2021	29	6.0	Economical	JAN. 2021	28	1.0	Economical					
	30	6.0	Economical		29	1.0	Economical					
FEB. 2021	0.0	0.0			30	1.0	Economical					
MAR. 2021	0.0	0.0		FEB. 2021	18	1.0	Economical					
APR. 2021	0.0	0.0			19	1.0	Economical					
MAY 2021	0.0	0.0			20	1.0	Economical					
JUNE 2021	0.0	0.0			21	1.0	Economical					
JULY 2021	0.0	0.0		MAR. 2021	0.0	0.0						
AUG 2021	0.0	0.0		APR. 2021	0.0	0.0						
SEPT 2021	0.0	0.0		MAY 2021	0.0	0.0						
				JUNE 2021	0.0	0.0						
				JULY 2021	0.0	0.0						
				AUG 2021	0.0	0.0						
				SEPT 2021	0.0	0.0						

SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 13 - GAS

**Third Revised Sheet No. 6
Superseding Second Revised Sheet No. 6**

RESIDENTIAL SERVICE (RSG)

APPLICABLE TO USE OF SERVICE FOR:

All residential purposes. Customer may elect Firm Sales Service or Firm Transportation Service. To be eligible for Firm Transportation Service RSG, a customer must hold clear and marketable title to gas that is made available for delivery to the customer's residence on the Company's system.

CHARACTER OF SERVICE Firm Sales Service and Firm Transportation Service.

MONTHLY RATE: ⁽¹⁾

Customer Charge: \$10.502563 per month

Delivery Charge:

(a) Residential Non-Heating Customers
Firm Sales Service and Firm Transportation Service \$~~.923553~~909674 per therm

(b) Residential Heating Customers
Firm Sales Service and Firm Transportation Service \$~~1.108630~~1.094751 per therm

Basic Gas Supply Service ("BGSS") Charge:

All consumption for customers who elect Firm Sales Service. See Rider "A" of this Tariff.

APPLICABLE RIDERS:

Basic Gas Supply Service Clause: BGSS charges are depicted in Rider "A" of this Tariff.

Transportation Initiation Clause: The rates set forth above have been adjusted, as is appropriate, pursuant to Rider "C" of this Tariff.

Societal Benefits Clause: The rates set forth above have been adjusted, as is appropriate, pursuant to Rider "E" of this Tariff.

Temperature Adjustment Clause: The rates set forth above have been adjusted, as is appropriate, pursuant to Rider "F" of this Tariff.

⁽¹⁾ Please refer to Appendix A for components of Monthly Rates and Price to Compare

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M. Orsen, President

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 13 - GAS

**Third Revised Sheet No. 10
Superseding Second Revised Sheet No. 10**

GENERAL SERVICE (GSG)

APPLICABLE TO USE OF SERVICE FOR:

All Commercial and Industrial Customers who would not qualify for any other Rate Schedule. A customer qualifying for service under Rate Schedule GSG may elect either Firm Sales Service or Firm Transportation Service. To be eligible for Firm Transportation Service under this Rate Schedule GSG, a customer must hold clear and marketable title to gas that is made available for delivery to customer's facility on the Company's system.

CHARACTER OF SERVICE:

Firm Sales Service or Firm Transportation Service.

MONTHLY RATE: ⁽¹⁾

Customer Charge:

\$37.052188 per month

Delivery Charges:

Firm Sales Service and Firm Transportation Service

\$~~.913703~~899825 per therm

Basic Gas Supply Service ("BGSS") Charge:

All consumption for customers who elect
Firm Sales Service

See Rider "A" of this Tariff.

LINE LOSS:

Line Loss shall be 1.43% as provided in Special Provision (o).

APPLICABLE RIDERS:

Basic Gas Supply Service Clause:

BGSS charges are depicted in Rider "A" of this Tariff.

Transportation Initiation Clause:

The rates set forth above have been adjusted, as is appropriate, pursuant to Rider "C" of this Tariff.

Societal Benefits Clause:

The rates set forth above have been adjusted, as is appropriate, pursuant to Rider "E" of this Tariff.

Temperature Adjustment Clause:

The rates set forth above have been adjusted, as is appropriate, pursuant to Rider "F" of this Tariff.

⁽¹⁾ Please refer to Appendix A for components of Monthly Rates and Price to Compare.

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 13 - GAS

**Third Revised Sheet No. 14
Superseding Second Revised Sheet No. 14**

GENERAL SERVICE – LARGE VOLUME (GSG-LV)

APPLICABLE TO USE OF SERVICE FOR:

All Commercial and Industrial Customers who would not qualify for any other Rate Schedule (other than Rate Schedule GSG), and who has an annualized usage of 100,000 therms or more,. A customer qualifying for service under Rate Schedule GSG-LV may elect either Firm Sales Service or Firm Transportation Service. To be eligible for Firm Transportation Service under this Rate Schedule GSG-LV, a customer must hold clear and marketable title to gas that is made available for delivery to customer's facility on the Company's system.

CHARACTER OF SERVICE:

Firm Sales Service or Firm Transportation Service.

MONTHLY RATE: ⁽¹⁾

Customer Charge:

\$239.906300 per month

Delivery Charges:

Firm Sales Service and Firm Transportation Service⁽²⁾

Demand Charge:

D-1FT: \$13.061563 per Mcf of Contract Demand

Volumetric Charge:

\$~~.545188~~ .531309 per therm

Basic Gas Supply Service ("BGSS") Charge:

All consumption for customers who elect
Firm Sales Service

See Rider "A" of this Tariff.

LINE LOSS:

Line Loss shall be 1.43% as provided in Special Provision (o).

⁽¹⁾ Please refer to Appendix A for components of Monthly Rates and Price to Compare.

⁽²⁾ See Special Provision (p) of this Rate Schedule GSG-LV, regarding appropriate balancing charges.

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 13 - GAS

**Second Revised Sheet No. 24
Superseding First Revised Sheet No. 24**

COMPREHENSIVE TRANSPORTATION SERVICE (CTS)

(Continued)

Provisions of this Rate Schedule CTS for gas delivered, including gas deliveries resulting in imbalances, prior to the implementation of the Rate Schedule GSG-LV Monthly BGSS rate.

In order to be reinstated as an eligible Aggregator/Marketer, following termination of aggregator/ Marketer status for Deficiency Imbalances or Excess Imbalances as set forth above, the Aggregator/Marketer in addition to meeting all other applicable requirements must post and maintain for one (1) year security in a credit facility satisfactory to the Company in an amount equal to two (2) times that which would otherwise be required by the Company. At the conclusion of that year and assuming no additional occurrence of Deficiency Imbalances or Excess Imbalances as described above, the Aggregator/Marketer will be released from its obligation to provide security in excess of that otherwise required by the Company. If an additional Deficiency Imbalance or Excess Imbalance as described above occurs during that one-year period, the Aggregator/Marketer will be disqualified as an Aggregator/Marketer upon the Company's system for an additional one (1) year period. As used in this Paragraph (m), ACD shall mean the aggregate of all Contract Demands, expressed in dekatherms, of all customers served by an Aggregator/Marketer under this Rate Schedule CTS.

- (p) The receipt of gas by the Company for transportation under this Rate Schedule CTS shall equal the delivery of said gas to the customer on a daily basis, less a percentage for line loss. The line loss factor to be utilized will by the Company-wide line loss percentage.
- (q) Customers subscribing to this Rate Schedule CTS may elect the "opt-out" provision provided for in the Standard Gas Service Agreement (LV). Such an "opt-out" customer will have no right or entitlement to have base load gas provided by the Company. Provided, however, that a customer electing the "opt-out" provision shall be eligible to receive balancing services from the Company pursuant to appropriate rate schedules and riders. In the case that an "opt-out" customer cannot provide for its capacity, gas supply, or both, the customer must either discontinue the use of base load gas or have it provided by South Jersey at the incremental price. The incremental price charged to an "opt-out" customer shall be the sum of: (1) the highest commodity cost of gas paid by the Company during the month in which the "opt-out" customer uses "Company" gas; and (2) the higher of the cost of incremental capacity needed to serve the returning "opt-out" customer or the system weighted average cost of capacity, plus other charges which must be paid by customers eligible for South Jersey's Monthly BGSS charge. The incremental price will be charged to the customer until the effective date of a new Standard Gas Service Agreement.
- (r) An "opt-out" customer will become eligible to purchase base load gas from the Company or transport gas without "opt-out" status, upon six months' notice to the Company of intention to no longer be an "opt-out" customer, provided that prior to the expiration of the six month notice period, the customer shall have entered into a new Standard Gas Service Agreement which includes the customer's agreement to purchase base load gas or transport without an "opt-out" status for a term of not less than one year. Upon the effective date of the new Standard Gas Service Agreement, which shall be no sooner than the end of the six month period in said notice, the customer shall no longer be obligated to pay the incremental prices set forth above. However, said customer will then be obligated to pay the higher balancing charge of \$0.~~88685~~-74807 per Dt, including taxes. The Company will not have the right to waive this six month notice requirement.

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 13 - GAS

**Third Revised Sheet No. 25
Superseding Second Revised Sheet No. 25**

LARGE VOLUME SERVICE (LVS)

APPLICABLE TO USE OF SERVICE FOR:

Firm Sales Service and Firm Transportation Service pursuant to this Rate Schedule LVS, shall be available to all Industrial Customers with a Contract Demand and a minimum annualized average use of 200 Mcf per day. To be eligible for Firm Transportation Service under this Rate Schedule LVS, a customer must hold clear and marketable title to gas that is made available for delivery to customer's facility on the Company's system.

CHARACTER OF SERVICE:

Firm Sales Service, Limited Firm Sales Service, Firm Transportation Service, and Limited Firm Transportation Service.

MONTHLY RATE: ⁽¹⁾

Firm:

Customer Charge:

\$1,119.562500per month

Delivery Charge:

Firm Sales Service and Firm Transportation Service

Demand Charge:

D-1FT: \$19.992188 per Mcf of Contract Demand

Volumetric Charge:

\$.147950 per therm

Basic Gas Supply Service ("BGSS") Charge:

Demand Charge:

D-2: ~~\$16.530999~~ 16.471655 per Mcf of Contract Demand.

Volumetric Charge:

See Rider "A" of this Tariff.

⁽¹⁾ Please refer to Appendix A for components of Monthly Rates.

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 13 - GAS

**Third Revised Sheet No. 31
Superseding Second Revised Sheet No. 31**

FIRM ELECTRIC SERVICE (FES)

APPLICABLE TO USE OF SERVICE FOR:

All gas that is purchased or transported to generate electricity. Provided, however, that in order to qualify for this Rate Schedule FES, a customer must have a Winter Daily Contract Demand of 1,000 Mcf per day or more, or a Summer Daily Contract Demand of 2,000 Mcf per day or more, or both. To be eligible for Firm Transportation Service under this Rate Schedule FES, a customer must hold clear and marketable title to gas that is made available for delivery to customer's facility on the Company's system.

CHARACTER OF SERVICE:

Firm Sales Service and Firm Transportation Service.

MONTHLY RATE ^{(1) (2)}

WINTER (November – March):

Demand Charge:

- D-1 \$3.089100 per Mcf of Winter Daily Contract Demand
D-2 ~~\$8.2655008~~ 8.235828 per Mcf of Daily Billing Determinant or \$0 for Firm Transportation

customers

Volumetric Charge:

- C-1: \$.118501 per therm of consumption
C-2: FES Monthly Commodity Rate, pursuant to Rider "A" and Special Provision (x), OR
Customer Owned Gas Clause, Rider "D"
C-3: \$.173700 per therm of consumption
C-4: Escalator Rate – Charge may change monthly pursuant to Standard Gas Service Addendum.
Minimum Bill: The monthly D-1 and D-2 charges, irrespective of use.

SUMMER (April – October):

Demand Charge:

- D-1 \$3.089100 per Mcf of Summer Daily Contract Demand
D-2 ~~\$8.2655008~~ 8.235828 per Mcf of Daily Billing Determinant or \$0 for Firm Transportation

customers

Volumetric Charge:

- C-1: \$.118501 per therm of consumption
C-2: FES Monthly Commodity Rate, pursuant to Rider "A" and Special Provision (x), OR
Customer Owned Gas Clause, Rider "D"
C-3: \$.173700 per therm of consumption
C-4: Escalator Rate – Charge may change monthly pursuant to Standard Gas Service Addendum.

⁽¹⁾ Please refer to Appendix A for components of Monthly Rates.

⁽²⁾ Please refer to Special Provision (p)

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 13 - GAS

**Third Revised Sheet No. 38
Superseding Second Revised Sheet No. 38**

ELECTRIC GENERATION SERVICE (EGS)

APPLICABLE TO USE OF SERVICE FOR:

Residential, commercial and industrial uses for electric generation facilities (excluding back-up generator equipment); all Prime Movers; and all engine driven equipment (whether or not used for electric generation). Provided, however, that in order to be eligible for this Rate Schedule EGS, a customer must have a Firm Daily Contract Demand of less than 200 Mcf per day; provided, however, that a residential EGS customer will have no Firm Daily Contract Demand. To be eligible for Firm Transportation Service under this Rate Schedule EGS, a customer must hold clear and marketable title to gas that is made available for delivery to customer's facility on the Company's system.

CHARACTER OF SERVICE:

Firm Sales Service and Firm Transportation Service

MONTHLY RATE: ⁽¹⁾⁽²⁾

Residential Customer Charge:

\$10.502600 per month

Residential Delivery Charge

Residential Volumetric Charge: \$.~~347487~~333608 per therm

Commercial and Industrial Customer Charge:

\$84.233750 per month

Commercial and Industrial Delivery Charge:

Commercial and Industrial Demand Charge:

D-1 Charge: \$8.796563 per Mcf of contract

Volumetric Charges:

Winter Season (effective during billing months of November through March):

All Consumption for Firm Sales Service and Firm Transportation Service

\$.~~342895~~329016 per therm

⁽¹⁾ Please refer to Appendix A for components of Monthly Rates.

⁽²⁾ See Special Provision (k) of this Rate Schedule EGS, regarding appropriate balancing charges.

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 13 - GAS

**Third Revised Sheet No. 39
Superseding Second Revised Sheet No. 39**

ELECTRIC GENERATION SERVICE (EGS)
(Continued)

Summer Season (effective during billing months of April through October):

All Consumption for Firm Sales Service and Firm Transportation Service

\$~~340908~~-297029 per therm

Basic Gas Supply Service ("BGSS") Charge:

Applicable to customers who elect Firm Sales Service

See Rider "A" of this Tariff.

LINE LOSS:

Line Loss shall be 1.43% as provided in Special Provision (p).

APPLICABLE RIDERS:

Basic Gas Supply Service Clause:	BGSS charges are depicted in Rider "A" of this Tariff.
Societal Benefits Clause:	The rates set forth above have been adjusted, as is appropriate, pursuant to Rider "E" of this Tariff.
2017 Tax Act	The rates set forth above have been adjusted, as is appropriate, pursuant to Rider "H" of this Tariff.
Balancing Service Clause	The rates set forth above have been adjusted, as is appropriate, pursuant to Rider "J" of this Tariff. However, also see Special Provision (k) regarding Rider "I".
Energy Efficiency Tracker:	The rates set forth above have been adjusted, as is appropriate, pursuant to Rider "N" of this Tariff.

TERMS OF PAYMENT:

Payment of all bills must be received in full at the Company's designated office within fifteen (15) days of the billing date; provided however, the Company shall take into account any postal service delays of which the Company is advised. If the fifteenth (15th) day falls on a non-business day, the due date shall be extended to the next business day. Should the customer fail to make payment as specified, the Company may, beginning on the twenty-sixth (26th) day, assess simple interest at a rate equal to the prime rate as published in the Money Rates column in The Wall Street Journal. A late payment charge shall not be assessed on a residential customer, or on State, county or municipal government entities.

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 13 - GAS

**Third Revised Sheet No. 43
Superseding Second Revised Sheet No. 43**

ELECTRIC GENERATION SERVICE – LARGE VOLUME (EGS-LV)

APPLICABLE TO USE OF SERVICE FOR:

All commercial and industrial electric generation facilities; all Prime Movers and all engine driven equipment (whether or not used for electric generation). Provided, however, that in order to be eligible for this Rate Schedule EGS-LV, a customer must have a Firm Daily Contract Demand of 200 Mcf per day or more. To be eligible for Firm Transportation Service under this Rate Schedule EGS-LVS, a customer must hold clear and marketable title to gas that is made available for delivery to customer's facility on the Company's system.

CHARACTER OF SERVICE:

Firm Sales Service, Firm Transportation Service, Limited Firm Sales Service and Limited Firm Transportation Service.

MONTHLY RATE: ⁽¹⁾

Customer Charge:

\$799.6875 per month

FIRM:

Demand Charges: ⁽²⁾

D-1 \$27.051513 per Mcf of Firm Daily Contract Demand.

D-2 ~~\$16.610234~~ \$16.541730 per Mcf of Firm Daily Contract Demand or \$0 for Firm Transportation customers.

Volumetric Charge:

C-1: \$.087309 per therm of consumption

C-2: As depicted in the Monthly BGSS Subrider of Rider "A" of this Tariff, OR
Customer Owned Gas Clause, Rider "D"

Minimum Bill: Monthly D-1 and D-2 charges, irrespective of use.

LIMITED FIRM:

Demand Charge:

D-2 ~~\$8.2655008~~ \$8.235828 per Mcf of Limited Firm Daily Contract Demand or \$0 for Limited Firm Transportation customers

Volumetric Charge: ⁽²⁾

C-1: \$.087309 per therm of consumption

C-2: As depicted in the Monthly BGSS Subrider of Rider "A" of this Tariff, OR
Customer Owned Gas Clause, Rider "D"

C-3 \$.173700 per therm for all consumption within Limited Firm Contract Demand level.¹

⁽¹⁾ Please refer to Appendix A for components of Monthly Rates.

⁽²⁾ Please refer to Special Provision (j).

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 13 - GAS

**Second Revised Sheet No. 48
Superseding First Revised Sheet No. 48**

ELECTRIC GENERATION SERVICE – LARGE VOLUME (EGS-LV)
(Continued)

base load gas or have it provided by South Jersey at the incremental price. The incremental price charged to an “opt-out” customer shall be the sum of: (1) the highest commodity cost of gas paid by the Company during the month in which the “opt-out” customer uses “Company” gas; and (2) the higher of the cost of incremental capacity needed to serve the returning “opt-out” customer or the system weighted average cost of capacity, plus other charges which must be paid by customers eligible for South Jersey’s Monthly BGSS charge.

- (o) An “opt-out” customer will become eligible to purchase base load gas from the Company, or transport gas without “opt-out” status upon six months’ notice to the Company of intention to no longer be an “opt-out” customer. It will not be necessary for an EGS-LV “opt-out” customer to execute a new Standard Gas Service Agreement in order to purchase base load gas from the Company or transport gas without “opt-out” status. However, the customer must commit to purchase base load gas or transport gas without “opt-out” status for a minimum of one year. At the end of the six month period specified in said notice, the customer shall no longer be obligated to pay the incremental prices set forth above. However, said customer will then be obligated to pay the higher balancing charge of \$0.~~88685~~-74807 per Dt, including taxes. The Company will not have the right to waive this six month notice requirement.
- (p) Customer shall contract for service under the Company’s Standard Gas Service Agreement (EGS).

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 13 - GAS

**Ninth Revised Sheet No. 65
Superseding Eighth Revised Sheet No. 65**

**RIDER "A"
BASIC GAS SUPPLY SERVICE CLAUSE ("BGSSC")**

APPLICABLE TO:

Rate Schedule RSG	-	Residential Service
Rate Schedule GSG	-	General Service
Rate Schedule GSG-LV	-	General Service – Large Volume
Rate Schedule LVS	-	Large Volume Service
Rate Schedule FES	-	Firm Electric Service
Rate Schedule EGS	-	Electric Generation Service
Rate Schedule EGS-LV	-	Electric Generation Service - Large Volume
Rate Schedule NGV	-	Natural Gas Vehicle

APPLICABLE RATES:

Periodic BGSS Subrider (Effective June 1, 2020)¹:

<u>Rate Schedule</u>	<u>BGSS Rate Before Taxes (per therm)</u>	<u>BGSS Rate With Taxes (per therm)</u>
RSG	\$0. 258120474159	\$0. 275910505572
GSG (under 5,000 therms)	\$0. 258120474159	\$0. 275910505572

Monthly BGSS Subrider (Effective May 1, 2021):

<u>Rate Schedule</u>	<u>BGSS Rate Before Taxes (per therm)</u>	<u>BGSS Rate With Taxes (per therm)</u>
LVS C-2	\$0.343477	\$0.367235
FES	\$0.250361	\$0.267678
EGS	\$0.392629	\$0.419786
EGS-LV Firm C-2	\$0.343242	\$0.366983
EGS-LV Limited Firm C-2	\$0.368053	\$0.393510
GSG-LV	\$0.392629	\$0.419786
GSG (5,000 therms or greater)	\$0.392629	\$0.419786
NGV	\$0.392629	\$0.419786

The above Periodic and Monthly BGSS rates shall include the BGSS cost savings established in Rider "M" to this Tariff.

FILING:

This Subrider shall be applicable to all customers served under Rate Schedules RSG, and those GSG customers who do not meet the "Monthly Threshold". This Periodic BGSS Subrider shall recover gas costs associated with service to customers served under this Subrider.

¹ Reflects currently approved Total BGSS Rate.

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by South Jersey Gas Company,
M. Orsen, President

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 13 - GAS

**Second Revised Sheet No. 68
Superseding First Revised Sheet No. 68**

RIDER "A"
BASIC GAS SUPPLY SERVICE CLAUSE ("BGSSC")
(Continued)

The Company will file self-implementing Monthly BGSS rates on the second day following the close of trading of the NYMEX Henry Hub gas contracts for each month. Within each monthly filing, the Company will provide the following:

- (1) Documentation regarding the NYMEX Henry Hub close;
- (2) Supporting schedules that document the actual/projected costs and sales volumes used to derive the monthly gas cost factor; and

MONTHLY FORMULA:

The formula for determining the Monthly BGSS rate shall be the sum of the following:

- (1) The Company will calculate a Commodity Cost which will be comprised of the sum of arithmetic average of
 - (i) the closing price of the NYMEX Henry Hub gas contract for the following month and
 - (ii) the weighted average of the estimated Index Prices, for the respective locations at which the Company purchases its gas, to be published in Inside FERC's Gas Market Report for the remaining BGSS Year. Further, the calculation will not include hedging.
- (2) An estimate shall be made of the variable costs of transportation and fuel and line loss for the subject month, to the extent not included in (1), above
- (3) A Non-Commodity Cost component that includes gas costs other than the Commodity Cost of Gas, including but not limited to all fixed pipeline costs, fixed supplier costs, fixed storage costs, pipeline refunds and similar credits, and other credits directed by the Board. The Non-Commodity Cost component shall be calculated on an equal per-therm basis for the entire BGSS Year. This subparagraph (3) is not applicable to FES customers.

The result of the calculation from the Monthly Formula above shall be adjusted for Rate Schedules LVS and EGS-LV (Firm and Limited Firm) to derive the Monthly BGSS Rates by deducting therefrom the volumetric equivalent of the D-2 charges within the respective Rates Schedules. Said deductions shall be as follows:

D-2 Deduction	
Rate Schedule	Including Taxes
LVS	<u>\$.052539052351</u>
EGS-LV Firm	<u>\$.052791052574</u>
EGS-LV Limited Firm	<u>\$.026270026175</u>

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 13 - GAS

**Second Revised Sheet No. 86
Superseding First Revised Sheet No. 86**

RIDER "I"
BALANCING SERVICE CLAUSE - LARGE VOLUME (BSC-LV)

APPLICABLE TO:

Rate Schedule GSG-LV	-	General Service-Large Volume
Rate Schedule LVS	-	Large Volume Service
Rate Schedule FES	-	Firm Electric Service
Rate Schedule EGS	-	Electric Generation Service
Rate Schedule EGS-LV	-	Electric Generation Service – Large Volume
Rate Schedule ITS	-	Interruptible Transportation Service
Rate Schedule CTS	-	Comprehensive Transportation Service
Rate Schedule NGV	-	Natural Gas Vehicle

This Rider "I" shall be known as the Balancing Service Clause - Large Volume (BSC-LV) and will be applicable to all EGS-LV and FES customers who utilize Rider "D" to this Tariff, and to all LVS and EGS-LV Firm Transportation Service, and ITS customers. This Rider "I" will also be applicable to all Rate Schedule GSG-LV Firm Transportation Service and NGV Firm Transportation customers who have installed electronic meter reading equipment, pursuant to the provisions of Section 6.1 of the General Terms and Conditions of this Tariff and who elect to take their balancing service under this Rider "I", rather than under Rider "J". The Volumetric Charge, under the monthly Rate Section shall be the only element in this Rider applicable to Firm Sales Service customers subscribing to Rate Schedules LVS and EGS-LV.

MONTHLY RATE:

Volumetric Charge:

BS-1: \$0.~~002775~~-002279 per therm for all gas delivered under Rate Schedules LVS, EGS-LV, FES, NGV and CTS who "opt-out" as provided for in the Standard Gas Service Agreements (LV), (FES) and (EGS).

BS-1: \$0.~~088685~~-074807 per therm for all gas delivered under Rate Schedules GSG-LV, EGS, and under Rate Schedules LVS, EGS-LV, FES, NGV and CTS who do not "opt-out", including Firm Sales Service customers

Cash-Out Charges and Credits:

To be determined monthly in accordance with the methodology set forth in Paragraphs (12), (13) and (14) of this Rider "I".

DEFINITIONS:

- (1) "Gas Consumption" means the volume of gas utilized by the customer, as measured at the customer's meter. Gas Consumption will be displayed on the Third Party Marketer Portal (the "Portal"). However, the responsibility for balancing shall remain with the customer even if the Portal is inoperative.
- (2) On any day during which gas receipts for a customer's account exceed Gas Consumption, after adjustment to reflect line loss and sales authorized by the Company for this customer, a daily "Excess Imbalance" results. Provided, however, that as to those ITS customers, who had an annualized average use of 27 Mcf per day or less of gas, Daily Excess Imbalances shall be computed on a monthly basis.

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 13 - GAS

**Second Revised Sheet No. 92
Superseding First Revised Sheet No. 92**

RIDER "J"
BALANCING SERVICE CLAUSE - GENERAL SERVICE (BSC-GS)

APPLICABLE TO:

Rate Schedule RSG	-	Residential Service Gas
Rate Schedule GSG	-	General Service Gas
Rate Schedule GSG-LV	-	General Service Gas – Large Volume
Rate Schedule EGS	-	Electric Generation Service
Rate Schedule NGV	-	Natural Gas Vehicle

This Rider "J" shall be known as the Balancing Service Clause - General Service (BSC-GS) and will be applicable to all RSG Firm Transportation Service customers and GSG Firm Transportation Service customers. This Rider "J" will also be applicable to GSG-LV, NGV and EGS Firm Transportation customers who elect to take balancing service under this Rider "J". Provided, however, that pursuant to the terms of Rider "I" certain GSG-LV, NGV and EGS Firm Transportation Service customers may elect to take balancing service pursuant to Rider "I". The Volumetric Charge, under the Monthly Rate Section, shall be the only element in this Rider applicable to Firm Sales Service customers subscribing to Rate Schedules RSG, GSG, GSG-LV, NGV and EGS.

MONTHLY RATE:

Volumetric Charge:

BS-1: \$.~~088685-074807~~ per therm for all gas delivered under the applicable rate schedules in addition to the following:

DCQ AND BUY-OUT CHARGE:

- (1) "Daily Contract Quantity" (DCQ) for all customers except for Rate Schedule RSG Firm Transportation Service customers shall mean a quantity of gas determined annually by the company. The DCQ shall be determined for each of the forthcoming twelve (12) months by dividing the customer's weather-normalized usage for each of the most recent twelve (12) months by the total number of days in each month. The Company may adjust the customer's DCQ during any twelve (12) month period, due to changes in the customer's gas equipment or pattern of usage or other acceptable information provided by the customer. For New Customers, the customer's initial DCQ will be estimated by the Company, based upon the rating of the customer's gas equipment and expected utilization of the equipment. Customer will be obligated to deliver or cause to be delivered to the Company's city gate station the customer's DCQ each day for the customer's account.

The DCQ for Rate Schedule RSG Firm Transportation Service customers shall mean a quantity of gas determined by the Company. The DCQ shall be determined separately for Rate Schedule RSG Firm Transportation Service customers who are heating customers, and for those who are non-heating customers ("Heating Group" and "Non-Heating Group"). The DCQ for both the Heating Group and the Non-Heating Group shall be determined on a Company system-wide, weather normalized basis. The Company will determine the DCQ for each customer in the Heating Group, which will be the same for all members of the Heating Group, and for each customer in the Non-Heating Group, which will be the same for all members of the Non-Heating Group, each month. The Aggregator/Marketer will be obligated to deliver or cause to be delivered to the Company's City Gate Station, each day, the DCQ for each customer within that Aggregator/Marketer's Aggregated Group.

A review of service provided to Rate Schedule RSG Firm Transportation Service customers shall be performed after twelve (12) months service, and every twelve (12) months thereafter. Upon such review, in the

Issued _____
by South Jersey Gas Company,
M. Orsen, President

Effective with service rendered
on and after _____

Filed pursuant to Order in Docket No. _____ of the Board of
Public Utilities, State of New Jersey, dated _____

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RESIDENTIAL GAS SERVICE (RSG) - NONHEAT CUSTOMER					
	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<u>CUSTOMER CHARGE</u>		9.850000		0.652563	10.502563
<u>DELIVERY CHARGE (per therm):</u>					
Base Rate		0.810259		0.053680	0.863939
TIC	C	0.000345	0.000001	0.000023	0.000369
SBC:					
RAC	E, G	0.047362	0.000119	0.003146	0.050626
CLEP	E, K	0.026639	0.000067	0.001769	0.028475
USF	E	<u>0.010800</u>	<u>0.000000</u>	<u>0.000800</u>	<u>0.011600</u>
Total SBC		0.084801	0.000186	0.005715	0.090701
CIP	M	(0.109222)	(0.000274)	(0.007254)	(0.116750)
EET	N	0.026008	0.000065	0.001727	0.027800
2017 Tax Act	H	(0.029181)	(0.000073)	(0.001938)	(0.031192)
Balancing Service Charge BS-1	J	0.070159	0.000000	0.004648	0.074807
Balancing Service Charge BUY-OUT PRICE (Applicable to Transportation Customers Only)	J				Rate Set Monthly
TOTAL DELIVERY CHARGE		0.853169	(0.000095)	0.056601	0.909674
<u>BGSS: (Applicable To Sales Customers Only)</u>	A	0.474159	0.000000	0.031413	0.505572

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RESIDENTIAL GAS SERVICE (RSG) - HEAT CUSTOMER					
	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
CUSTOMER CHARGE		9.850000		0.652563	10.502563
<u>DELIVERY CHARGE (per therm):</u>					
Base Rate		0.810259		0.053680	0.863939
TIC	C	0.000345	0.000001	0.000023	0.000369
SBC:					
RAC	E, G	0.047362	0.000119	0.003146	0.050626
CLEP	E, K	0.026639	0.000067	0.001769	0.028475
USF	E	<u>0.010800</u>	<u>0.000000</u>	<u>0.000800</u>	<u>0.011600</u>
Total SBC		0.084801	0.000186	0.005715	0.090701
CIP	M	0.063922	0.000160	0.004245	0.068327
EET	N	0.026008	0.000065	0.001727	0.027800
2017 Tax Act	H	(0.029181)	(0.000073)	(0.001938)	(0.031192)
Balancing Service Charge BS-1	J	0.070159	0.000000	0.004648	0.074807
Balancing Service Charge BUY-OUT PRICE (Applicable to Transportation Customers Only)	J				Rate Set Monthly
Total Delivery Charge		1.026313	0.000339	0.068100	1.094751
<u>BGSS: (Applicable To Sales Customers Only)</u>	A	0.474159	0.000000	0.031413	0.505572

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GENERAL SERVICE (GSG)					
	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
CUSTOMER CHARGE		34.750000		2.302188	37.052188
<u>DELIVERY CHARGE (per therm):</u>					
Base Rate		0.664493		0.044023	0.708516
TIC	C	0.000345	0.000001	0.000023	0.000369
SBC:					
RAC	E, G	0.047362	0.000119	0.003146	0.050626
CLEP	E, K	0.026639	0.000067	0.001769	0.028475
USF	E	<u>0.010800</u>	<u>0.000000</u>	<u>0.000800</u>	<u>0.011600</u>
Total SBC		0.084801	0.000186	0.005715	0.090701
CIP	M	0.026965	0.000068	0.001791	0.028824
EET	N	0.026008	0.000065	0.001727	0.027800
2017 Tax Act	H	(0.029181)	(0.000073)	(0.001938)	(0.031192)
Balancing Service Charge BS-1	J	0.070159	0.000000	0.004648	0.074807
Balancing Service Charge BUY-OUT PRICE (Applicable to Transportation Customers Only)	J				Rate Set Monthly
Total Delivery Charge		0.843590	0.000247	0.055989	0.899825
<u>BGSS: (Applicable To Sales Customers Only using less than 5,000 therms annually)</u>	A	0.474159	0.000000	0.031413	0.505572
<u>BGSS: (Applicable To Sales Customers Only using 5,000 therms annually or greater)</u>	A				RATE SET MONTHLY

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<u>GENERAL SERVICE-LV (GSG-LV)</u>					
	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<u>CUSTOMER CHARGE</u>		225.000000		14.906300	239.906300
<u>D-1 Demand Charge (Mcf)</u>		12.250000		0.811563	13.061563
<u>DELIVERY CHARGE (per therm):</u>					
Base Rate		0.329642		0.021839	0.351481
TIC	C	0.000345	0.000001	0.000023	0.000369
SBC:					
RAC	E, G	0.047362	0.000119	0.003146	0.050626
CLEP	E, K	0.026639	0.000067	0.001769	0.028475
USF	E	<u>0.010800</u>	<u>0.000000</u>	<u>0.000800</u>	<u>0.011600</u>
Total SBC		0.084801	0.000186	0.005715	0.090701
CIP	M	0.016224	0.000041	0.001078	0.017343
EET	N	0.026008	0.000065	0.001727	0.027800
2017 Tax Act	H	(0.029181)	(0.000073)	(0.001938)	(0.031192)
Balancing Service Charge BS-1	J	0.070159	0.000000	0.004648	0.074807
Balancing Service Charge BUY-OUT PRICE (Applicable to Transportation Customers Only)	J				Rate Set Monthly
Total Delivery Charge		0.497998	0.000220	0.033092	0.531309
<u>BGSS: (Applicable Sales Customers Only)</u>	A				RATE SET MONTHLY

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COMPREHENSIVE TRANSPORTATION SERVICE (CTS)

	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<u>FIRM</u>					
<u>CUSTOMER CHARGE</u>		750.000000		49.687500	799.687500
<u>D-1 Demand Charge (Mcf)</u>		31.750000		2.103438	33.853438
<u>DELIVERY CHARGE (per therm):</u>					
Base Rate		0.084501		0.005598	0.090099
SBC:					
RAC	E, G	0.047362	0.000119	0.003146	0.050626
CLEP	E, K	0.026639	0.000067	0.001769	0.028475
USF	E	<u>0.010800</u>	<u>0.000000</u>	<u>0.000800</u>	<u>0.011600</u>
Total SBC		0.084801	0.000186	0.005715	0.090701
EET	N	0.026008	0.000065	0.001727	0.027800
2017 Tax Act	H	(0.029181)	(0.000073)	(0.001938)	(0.031192)
Total Delivery Charge		0.166129	0.000178	0.011102	0.177408
Balancing Service Charge BS-1	I	0.070159	0.000000	0.004648	0.074807
Balancing Service Charge BS-1 (Opt Out Provision)	I	0.002137	0.000000	0.000142	0.002279
BUY-OUT PRICE					RATE SET MONTHLY
<u>LIMITED FIRM</u>					
<u>CUSTOMER CHARGE</u>		100.000000		6.625000	106.625000
<u>DELIVERY CHARGE (per therm):</u>					
Base Rate		0.058400		0.003900	0.062300
SBC:					
RAC	E, G	0.047362	0.000119	0.003146	0.050626
CLEP	E, K	0.026639	0.000067	0.001769	0.028475
USF	E	<u>0.010800</u>	<u>0.000000</u>	<u>0.000800</u>	<u>0.011600</u>
Total SBC		0.084801	0.000186	0.005715	0.090701
EET	N	0.026008	0.000065	0.001727	0.027800
2017 Tax Act	H	(0.029181)	(0.000073)	(0.001938)	(0.031192)
Total Delivery Charge		0.140028	0.000178	0.009404	0.149609
Balancing Service Charge BS-1	I	0.070159	0.000000	0.004648	0.074807
Balancing Service Charge BS-1 (Opt Out Provision)	I	0.002137	0.000000	0.000142	0.002279
BUY-OUT PRICE					RATE SET MONTHLY

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LARGE VOLUME SERVICE (LVS)

	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<u>FIRM</u>					
<u>CUSTOMER CHARGE</u>		1,050.000000		69.562500	1,119.562500
<u>D-1 Demand Charge (Mcf)</u>		18.750000		1.242188	19.992188
<u>D-2 DEMAND BGSS(Applicable to Sales Customers Only)</u>	A	15.448211	0.000000	1.023444	16.471655
<u>DELIVERY CHARGE (per therm):</u>					
Base Rate		0.056873		0.003768	0.060641
SBC:					
RAC	E, G	0.047362	0.000119	0.003146	0.050626
CLEP	E, K	0.026639	0.000067	0.001769	0.028475
USF	E	<u>0.010800</u>	<u>0.000000</u>	<u>0.000800</u>	<u>0.011600</u>
Total SBC		0.084801	0.000186	0.005715	0.090701
EET	N	0.026008	0.000065	0.001727	0.027800
2017 Tax Act	H	(0.029181)	(0.000073)	(0.001938)	(0.031192)
Total Delivery Charge		0.138501	0.000178	0.009272	0.147950
Balancing Service Charge BS-1	I	0.070159	0.000000	0.004648	0.074807
Balancing Service Charge BS-1 (Opt Out Provision) (Applicable to Transportation Customers Only)	I	0.002137	0.000000	0.000142	0.002279
Balancing Service Charge CASH OUT CHARGE (CREDIT) (Applicable Transportaton Customers Only)	I				RATE SET MONTHLY
<u>BGSS: (Applicable Sales Customers Only)</u>	A				RATE SET MONTHLY
<u>LIMITED FIRM</u>					
<u>CUSTOMER CHARGE</u>		100.000000		6.625000	106.625000
<u>DELIVERY CHARGE (per therm):</u>					
Base Rate		0.132480		0.008777	0.141257
SBC:					
RAC	E, G	0.047362	0.000119	0.003146	0.050626
CLEP	E, K	0.026639	0.000067	0.001769	0.028475
USF	E	<u>0.010800</u>	<u>0.000000</u>	<u>0.000800</u>	<u>0.011600</u>
Total SBC		0.084801	0.000186	0.005715	0.090701
EET	N	0.026008	0.000065	0.001727	0.027800
2017 Tax Act	H	(0.029181)	(0.000073)	(0.001938)	(0.031192)
Total Delivery Charge		0.214108	0.000178	0.014281	0.228566
Balancing Service Charge BS-1	I	0.070159	0.000000	0.004648	0.074807
Balancing Service Charge BS-1 (Opt Out Provision) (Applicable to Transportation Customers Only)	I	0.002137	0.000000	0.000142	0.002279
BUY-OUT PRICE	I				RATE SET MONTHLY

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FIRM ELECTRIC SALES (FES)					
	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<u>WINTER</u>					
<u>D-1 DEMAND (MCF) (Rate is negotiated. Shown here is the benchmark rate.)</u>		2.897200		0.191900	3.089100
<u>D-2 DEMAND BGSS(MCF) (Applicable to Sales Customers Only)</u>	A	7.724106	0.000000	0.511722	8.235828
<u>DELIVERY CHARGE (per therm):</u>					
SBC:					
RAC	E, G	0.047362	0.000119	0.003146	0.050626
CLEP	E, K	0.026639	0.000067	0.001769	0.028475
USF	E	<u>0.010800</u>	<u>0.000000</u>	<u>0.000800</u>	<u>0.011600</u>
Total SBC		0.084801	0.000186	0.005715	0.090701
EET	N	0.026008	0.000065	0.001727	0.027800
Total Delivery Charge		0.110809	0.000251	0.007442	0.118501
<u>C-3 All Therms (Rate is negotiated. Shown here is the benchmark rate.)</u>		0.162900		0.010800	0.173700
<u>C-4 Escalator Rate (To be determined as prescribed in the Company's Tariff)</u>					RATE SET MONTHLY
Balancing Service Charge CASH OUT CHARGE (CREDIT) (Applicable to Firm Transportatin Customers Only)	I				RATE SET MONTHLY
<u>BGSS: (Applicable To Sales Customers Only)</u>	A				RATE SET MONTHLY
<u>SUMMER</u>					
<u>D-1 DEMAND (MCF) (Rate is negotiated. Shown here is the benchmark rate.)</u>		2.897200		0.191900	3.089100
<u>D-2 DEMAND BGSS(MCF) (Applicable to Sales Customers Only)</u>	A	7.724106	0.000000	0.511722	8.235828
SBC:					
RAC	E, G	0.047362	0.000119	0.003146	0.050626
CLEP	E, K	0.026639	0.000067	0.001769	0.028475
USF	E	0.010800	0.000000	0.000800	0.011600
EET	N	0.026008	0.000065	0.001727	0.027800
Total Delivery Charge		0.110809	0.000251	0.007442	0.118501
<u>C-3 All Therms (Rate is negotiated. Shown here is the benchmark rate.)</u>		0.162900		0.010800	0.173700
<u>C-4 Escalator Rate (To be determined as prescribed in the Company's Tariff)</u>					RATE SET MONTHLY
Balancing Service Charge CASH OUT CHARGE (CREDIT) (Applicable to Firm Transportatin Customers Only)	I				RATE SET MONTHLY
<u>BGSS: (Applicable To Sales Customers Only)</u>	A				RATE SET MONTHLY

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ELECTRIC GENERATION SERVICE (EGS) - RESIDENTIAL

	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<u>CUSTOMER CHARGE</u>		9.850000		0.652600	10.502600
<u>DELIVERY CHARGE (per therm):</u>					
Base Rate		0.160837		0.010655	0.171492
SBC:					
RAC	E, G	0.047362	0.000119	0.003146	0.050626
CLEP	E, K	0.026639	0.000067	0.001769	0.028475
USF	E	<u>0.010800</u>	<u>0.000000</u>	<u>0.000800</u>	<u>0.011600</u>
Total SBC		0.084801	0.000186	0.005715	0.090701
EET	N	0.026008	0.000065	0.001727	0.027800
2017 Tax Act	H	(0.029181)	(0.000073)	(0.001938)	(0.031192)
Balancing Service Charge BS-1	J	0.070159	0.000000	0.004648	0.074807
Total Delivery Charge		0.312624	0.000178	0.020807	0.333608
<u>BGSS: (Applicable To Sales Customers Only)</u>	A	0.474159	0.000000	0.031413	0.505572

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<u>ELECTRIC GENERATION SERVICE (EGS) - COMMERCIAL/INDUSTRIAL</u>					
	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<u>CUSTOMER CHARGE</u>		79.000000		5.233750	84.233750
<u>D-1 DEMAND (MCF)</u>		8.250000		0.546563	8.796563
<u>DELIVERY CHARGE (per therm):</u>					
Base Rate - Winter Season (Nov - Mar)		0.156530		0.010370	0.166900
Base Rate - Summer Season (Apr - Oct)		0.126530		0.008383	0.134913
SBC:					
RAC	E, G	0.047362	0.000119	0.003146	0.050626
CLEP	E, K	0.026639	0.000067	0.001769	0.028475
USF	E	<u>0.010800</u>	<u>0.000000</u>	<u>0.000800</u>	<u>0.011600</u>
Total SBC		0.084801	0.000186	0.005715	0.090701
EET	N	0.026008	0.000065	0.001727	0.027800
2017 Tax Act	H	(0.029181)	(0.000073)	(0.001938)	(0.031192)
Balancing Service Charge BS-1	J	0.070159	0.000000	0.004648	0.074807
Total Delivery Charge - Winter Season		0.308317	0.000178	0.020522	0.329016
Total Delivery Charge - Summer Season		0.278317	0.000178	0.018535	0.297029
<u>BGSS: (Applicable To Sales Customers Only)</u>	A				RATE SET MONTHLY

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<u>ELECTRIC GENERATION SERVICE-LV (EGS-LV)</u>					
	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<u>FIRM</u>					
<u>CUSTOMER CHARGE</u>		750.000000		49.687500	799.687500
<u>D-1 DEMAND (MCF) (Rate is negotiated. Shown here is the benchmark rate.)</u>		25.370704		1.680809	27.051513
<u>D-2 DEMAND BGSS (MCF) (Applicable to Sales Customers Only)</u>	A	15.513932	0.000000	1.027798	16.541730
<u>DELIVERY CHARGE (per therm):</u>					
SBC:					
RAC	E, G	0.047362	0.000119	0.003146	0.050626
CLEP	E, K	0.026639	0.000067	0.001769	0.028475
USF	E	<u>0.010800</u>	<u>0.000000</u>	<u>0.000800</u>	<u>0.011600</u>
		0.084801	0.000186	0.005715	0.090701
EET	N	0.026008	0.000065	0.001727	0.027800
2017 Tax Act	H	(0.029181)	(0.000073)	(0.001938)	(0.031192)
Total Delivery Charge		0.081628	0.000178	0.005504	0.087309
Balancing Service Charge BS-1	I	0.070159	0.000000	0.004648	0.074807
Balancing Service Charge BS-1 (Opt Out Provision)	I	0.002137	0.000000	0.000142	0.002279
Balancing Service Charge CASH OUT CHARGE (CREDIT) (Applicable to Firm Transportatin Customers Only)	I				RATE SET MONTHLY
<u>BGSS: (Applicable To Sales Customers Only)</u>	A				RATE SET MONTHLY
<u>LIMITED FIRM</u>					
<u>D-2 DEMAND BGSS(MCF) (Applicable to Sales Customers Only)</u>	A	7.724106	0.000000	0.511722	8.235828
<u>DELIVERY CHARGE (per therm):</u>					
SBC:					
RAC	E, K	0.047362	0.000119	0.003146	0.050626
CLEP	E, G	0.026639	0.000067	0.001769	0.028475
USF	E	<u>0.010800</u>	<u>0.000000</u>	<u>0.000800</u>	<u>0.011600</u>
		0.084801	0.000186	0.005715	0.090701
EET	N	0.026008	0.000065	0.001727	0.027800
2017 Tax Act	H	(0.029181)	(0.000073)	(0.001938)	(0.031192)
Total Delivery Charge		0.081628	0.000178	0.005504	0.087309
<u>C-3 (Rate is negotiated. Shown here is the benchmark rate.)</u>		0.162900		0.010800	0.173700
Balancing Service Charge BS-1	I	0.070159	0.000000	0.004648	0.074807
Balancing Service Charge BS-1 (Opt Out Provision)	I	0.002137	0.000000	0.000142	0.002279
Balancing Service Charge CASH OUT CHARGE (CREDIT) (Applicable to Firm Transportatin Customers Only)	I				RATE SET MONTHLY
<u>BGSS: (Applicable To Sales Customers Only)</u>	A				RATE SET MONTHLY

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<u>YARD LIGHTING SERVICE (YLS)</u>					
	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
MONTHLY CHARGE / INSTALL		14.783222		0.979388	15.762610
<u>STREET LIGHTING SERVICE (SLS)</u>					
MONTHLY CHARGE / INSTALL		17.893193		1.185424	19.078617
<u>INTERRUPTIBLE GAS SALES (IGS)</u>					
Commodity					Rate Set Monthly
SBC:					
RAC	E, K	0.047362	0.000119	0.003146	0.050626
USF	E	0.010800	0.000000	0.000800	0.011600
Total SBC:		0.058162	0.000119	0.003946	0.062226
EET	N	0.026008	0.000065	0.001727	0.027800

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INTERRUPTIBLE TRANSPORTATION (ITS)					
	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<u>CUSTOMER CHARGE</u>		100.000000		6.625000	106.625000
<u>TRANSPORTATION CHARGE A</u>		0.028400		0.001900	0.030300
SBC:					
RAC	E, K	0.047362	0.000119	0.003146	0.050626
CLEP	E, G	0.026639	0.000067	0.001769	0.028475
USF	E	<u>0.010800</u>	<u>0.000000</u>	<u>0.000800</u>	<u>0.011600</u>
Total SBC:		0.084801	0.000186	0.005715	0.090701
EET	N	0.026008	0.000065	0.001727	0.027800
<u>TRANSPORTATION CHARGE B</u>		0.093200		0.006200	0.099400
SBC:					
RAC	E, K	0.047362	0.000119	0.003146	0.050626
CLEP	E, G	0.026639	0.000067	0.001769	0.028475
USF	E	<u>0.010800</u>	<u>0.000000</u>	<u>0.000800</u>	<u>0.011600</u>
Total SBC:		0.084801	0.000186	0.005715	0.090701
EET	N	0.026008	0.000065	0.001727	0.027800
<u>TRANSPORTATION CHARGE C</u>		0.153200		0.010100	0.163300
SBC:					
RAC	E, K	0.047362	0.000119	0.003146	0.050626
CLEP	E, G	0.026639	0.000067	0.001769	0.028475
USF	E	<u>0.010800</u>	<u>0.000000</u>	<u>0.000800</u>	<u>0.011600</u>
Total SBC:		0.084801	0.000186	0.005715	0.090701
EET	N	0.026008	0.000065	0.001727	0.027800

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NATURAL GAS VEHICLE (NGV)

		<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<u>COMPANY OPERATED FUELING STATIONS</u>					
<u>DELIVERY CHARGE (per therm):</u>					
SBC					
RAC	E, K	0.047362	0.000119	0.003146	0.050626
CLEP	E, G	0.026639	0.000067	0.001769	0.028475
USF	E	<u>0.010800</u>	<u>0.000000</u>	<u>0.000800</u>	<u>0.011600</u>
Total SBC:		0.084801	0.000186	0.005715	0.090701
EET	N	0.026008	0.000065	0.001727	0.027800
2017 Tax Act	H	(0.029181)	(0.000073)	(0.001938)	(0.031192)
Total Delivery Charge		0.081628	0.000178	0.005504	0.087309
<u>DISTRIBUTION CHARGE</u>		0.220521	0.000603	0.014649	0.235773
<u>COMPRESSION CHARGE</u>		0.613280	0.001678	0.040741	0.655699
Balancing Service Charge BS-1	I	0.070159	0.000000	0.004648	0.074807
Balancing Service Charge BS-1 (Opt Out Provision) (Applicable for Transportation Customers Only)	I	0.002137	0.000000	0.000142	0.002279
Balancing Service Charge BS-1	J	0.070159	0.000000	0.004648	0.074807
<u>BGSS: (Applicable To Sales Customers Only)</u>	A				RATE SET MONTHLY
<u>CUSTOMER OPERATED FUELING STATIONS</u>					
<u>CUSTOMER CHARGE</u>					
	0 - 999 CF/hour	37.500000		2.484400	39.984400
	1,000 - 4,999 CF/hour	75.000000		4.968800	79.968800
	5,000 - 24,999 CF/hour	220.000000		14.575000	234.575000
	25,000 or Greater CF/hour	925.000000		61.281250	986.281250
<u>DELIVERY CHARGE (per therm):</u>					
SBC					
RAC	E, K	0.047362	0.000119	0.003146	0.050626
CLEP	E, G	0.026639	0.000067	0.001769	0.028475
USF	E	<u>0.010800</u>	<u>0.000000</u>	<u>0.000800</u>	<u>0.011600</u>
Total SBC:		0.084801	0.000186	0.005715	0.090701
EET	N	0.026008	0.000065	0.001727	0.027800
2017 Tax Act	H	(0.029181)	(0.000073)	(0.001938)	(0.031192)
Total Delivery Charge		0.081628	0.000178	0.005504	0.087309
<u>DISTRIBUTION CHARGE</u>		0.220521	0.000552	0.014646	0.235719
Balancing Service Charge BS-1	I	0.070159	0.000000	0.004648	0.074807
Balancing Service Charge BS-1 (Opt Out Provision) (Applicable for Transportation Customers Only)	I	0.002137	0.000000	0.000142	0.002279
Balancing Service Charge BS-1	J	0.070159	0.000000	0.004648	0.074807
<u>BGSS: (Applicable To Sales Customers Only)</u>	A				RATE SET MONTHLY
<u>Facilities Charge (Applicable only to Customers that elect the Company construct Compressed Natural Gas ("CNG") fueling Facilities located on Customer's property)</u>		0.240615		0.015941	0.256556

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Heat Residential Rate Schedule:

	<i>RSG FSS</i>	<i>RSG-FTS</i>	<i>Difference</i>
BGSS	0.505572	0.000000	0.505572
Base Rate	0.863939	0.863939	0.000000
CLEP	0.028475	0.028475	0.000000
RAC	0.050626	0.050626	0.000000
CIP	0.068327	0.068327	0.000000
USF	0.011600	0.011600	0.000000
TIC	0.000369	0.000369	0.000000
EET	0.027800	0.027800	0.000000
2017 Tax Act	(0.031192)	(0.031192)	0.000000
BSC "J" BS-1	0.074807	0.074807	0.000000
Price to Compare	1.600323	1.094751	0.505572

NonHeat Residential Rate Schedule:

	<i>RSG FSS</i>	<i>RSG-FTS</i>	<i>Difference</i>
BGSS	0.505572	0.000000	0.505572
CIP	(0.116750)	(0.116750)	0.000000
Base Rate	0.863939	0.863939	0.000000
CLEP	0.028475	0.028475	0.000000
RAC	0.050626	0.050626	0.000000
USF	0.011600	0.011600	0.000000
TIC	0.000369	0.000369	0.000000
EET	0.027800	0.027800	0.000000
2017 Tax Act	(0.031192)	(0.031192)	0.000000
BSC "J" BS-1	0.074807	0.074807	0.000000
Price to Compare	1.415246	0.909674	0.505572

GSG

(Under 5,000 therms annually)

	<i>GSG FSS</i>	<i>GSG-FTS</i>	<i>Difference</i>
BGSS	0.505572	0.000000	0.505572
CIP	0.028824	0.028824	0.000000
Base Rates	0.708516	0.708516	0.000000
CLEP	0.028475	0.028475	0.000000
RAC	0.050626	0.050626	0.000000
USF	0.011600	0.011600	0.000000
TIC	0.000369	0.000369	0.000000
EET	0.027800	0.027800	0.000000
2017 Tax Act	(0.031192)	(0.031192)	0.000000
BSC "J" BS-1	0.074807	0.074807	0.000000
Price to Compare	1.405397	0.899825	0.505572

GSG

(5,000 therms annually or greater)

	<i>GSG FSS</i>	<i>GSG-FTS</i>	<i>Difference</i>
BGSS	0.419786	0.000000	0.419786
CIP	0.028824	0.028824	0.000000
Base Rates	0.708516	0.708516	0.000000
CLEP	0.028475	0.028475	0.000000
RAC	0.050626	0.050626	0.000000
USF	0.011600	0.011600	0.000000
TIC	0.000369	0.000369	0.000000
EET	0.027800	0.027800	0.000000
2017 Tax Act	(0.031192)	(0.031192)	0.000000
BSC "J" BS-1	0.074807	0.074807	0.000000
Price to Compare	1.319611	0.899825	0.419786

GSG-LV

Prior to 7/15/97

	<i>GSG-LV FSS</i>	<i>GSG-LV-FTS</i>	<i>Difference</i>
BGSS	0.419786	0.000000	0.419786
CIP	0.017343	0.017343	0.000000
Base Rates	0.351481	0.351481	0.000000
CLEP	0.028475	0.028475	0.000000
RAC	0.050626	0.050626	0.000000
USF	0.011600	0.011600	0.000000
TIC	0.000369	0.000369	0.000000
EET	0.027800	0.027800	0.000000
2017 Tax Act	(0.031192)	(0.031192)	0.000000
BSC "J" BS-1	0.074807	0.074807	0.000000
Price to Compare	0.951095	0.531309	0.419786

**BEFORE THE
NEW JERSEY BOARD OF PUBLIC UTILITIES**

SOUTH JERSEY GAS COMPANY

**Direct Testimony
of
Maria C. Mendoza
Manager, Gas Supply**

**On Behalf of
South Jersey Gas Company**

1 **I. INTRODUCTION**

2 **Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

3 **A.** My name is Maria C. Mendoza and my business address is One South Jersey Place,
4 Atlantic City, NJ 08401.

5 **Q. WHAT IS YOUR POSITION WITH SOUTH JERSEY GAS COMPANY?**

6 **A.** I am Manager, Gas Supply for South Jersey Gas Company (“SJG”, “South Jersey”
7 or “Company”). My current responsibilities encompass the management and
8 oversight of all aspects of the Gas Supply Department, including off-system sales,
9 capacity planning, portfolio modeling, optimization, and forecasting for the
10 Company.

11 **Q. WHAT ARE YOUR PROFESSIONAL QUALIFICATIONS?**

12 **A.** I received my Bachelor Degree in Industrial Engineering from Universidad
13 Industrial de Santander in Colombia, South America. Subsequently, I moved to
14 United States where I graduated from Drexel University in 2011 with a Master of
15 Business Administration. In 2012, I joined SJG as a Power Rotational Associate
16 and in that role, which I held for three years, contributed to the implementation of
17 new technology supporting the operations of the Utility and Construction areas of
18 the Company. After completing my three-year term in the rotational program in
19 2015, I accepted a position in the Gas Supply Department as a Supervisor, Gas
20 Scheduler. In that position, I had a number of responsibilities included trading and
21 accounting duties throughout my career in the Gas Supply Department, and in April
22 of 2018, I was promoted to my current position as Manager of Gas Supply.

1 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS**
2 **PROCEEDING?**

3 **A.** The purpose of my testimony is to support the Company’s projected gas supply and
4 requirements forecast, as well as the gas costs associated with meeting these needs
5 for the 2020-21 and 2021-22 Basic Gas Supply Service (“BGSS”) Years. In
6 discussing the gas costs reflected in this filing, I will discuss the contractual dispute
7 that arose between the Company and one of its gas suppliers, Antero Resources
8 Corporation (“Antero”) and describe the resolution of that dispute and the costs
9 associated with that resolution that are reflected in this filing. I also support
10 proposed changes to the Company’s balancing service charges that are applicable
11 to Large Volume (“BSC-LV”) and General Service (“BSC-GS”) BGSS
12 transportation customers. In addition, I address certain affiliate gas supply and
13 capacity release transactions, marketer-related issues, and planned capacity
14 additions as well as describe the Company’s hedging activities, cost offsets
15 associated with margin sharing and pipeline refunds, and Conservation Incentive
16 Program (“CIP”) savings. I also address certain Federal Energy Regulatory
17 Commission (“FERC”) pipeline activities expected to impact the 2020–21 and
18 2021–22 BGSS Years. Finally, throughout my testimony, I describe compliance
19 with various requirements contained in the New Jersey Board of Public Utilities’
20 (“BPU” or the “Board”) Order issued in South Jersey’s 2018 BGSS proceeding in
21 BPU Docket No. GR18060609 (“2018 BGSS Order”).

1 **Q. DO YOU SPONSOR ANY SCHEDULES AS PART OF YOUR**
2 **TESTIMONY?**

3 **A.** Yes. My testimony includes the following schedules which were prepared under
4 my supervision and direction, several of which contain information responsive to
5 various Minimum Filing Requirements (“MFRs”) required by BPU Order dated
6 June 20, 2003 in BPU Docket No. GR02120945 *et. al*, as well as subsequent orders
7 issued since that time:

8 (i) Schedule MCM-1 contains the Company’s projected gas send-out
9 requirements and supplies for the 2021–22 period;

10 (ii) Schedule MCM-2 contains projected pipeline pricing for the 2021–
11 22 period;

12 (iii) Schedule MCM-3 contains projected use of supplemental gas
13 supplies for 2021–22 period;

14 (iv) Schedule MCM-4 contains actual and estimated annual gas
15 requirements and supplies for the 2018–2023 period;

16 (v) Confidential Schedule MCM-5 contains South Jersey’s Gas
17 Procurement Strategy and Plan as part of the SJI Utilities Risk Management
18 Policy. This confidential schedule will be provided to Board Staff and the
19 New Jersey Division of Rate Counsel (“Rate Counsel”) upon the execution
20 of a mutually acceptable Non-Disclosure Agreement;

21 (vi) Schedule MCM-6 contains the Design Day Forecast for the 2021–
22 2026 period;

(vii) Schedule MCM-7 contains actual peak day supply and demand for the five highest demand days for the 2018-19, 2019-20 and 2020–21 winter seasons;

(viii) Schedule MCM-8 contains actual and estimated supplier refunds for the 2020–21 and 2021–22 BGSS Years;

(ix) Schedule MCM-9 contains a summary of hedging activity for the four most recent quarterly hedging reports as of March 31, 2021;

(x) Confidential Schedule MCM-10 contain affiliate transactions between South Jersey and South Jersey Resources Group, Inc. (“SJRG”) for the May 2020–April 2021 period. Confidential Schedule MCM-10 will be provided to Board Staff and Rate Counsel upon execution of a mutually acceptable Non-Disclosure Agreement;

(xi) Schedule MCM-11 contains summaries of interstate pipeline filings submitted to FERC;

(xii) Schedule MCM-12 contains calculations of the BSC-LV – Rider “I” and BSC-GS – Rider “J”;

(xiii) Schedule MCM-13 contains a summary of transportation and storage contracts and capacity contract changes; and

(xiv) Schedule MCM-14 contains the projected spot/natural gas purchase requirements and commodity prices for the 2020–21 and 2021–22 BGSS Years.

1 **II. GAS SUPPLY AND REQUIREMENTS FORECAST**

2 **Q. PLEASE EXPLAIN GENERALLY THE COMPANY’S GAS SUPPLY AND**
3 **REQUIREMENTS FORECAST FOR THE 2021–22 BGSS YEAR.**

4 **A.** The gas quantities shown on Schedule MCM-1 are based on a mixture of gas supply
5 sources determined by the Company to yield the best gas cost mixture, while
6 providing security of supply and system integrity. The Company utilized the New
7 York Mercantile Exchange (“NYMEX”) Strip Pricing as of May 6, 2021, currently
8 hedged positions and contractual agreements when determining the prices and
9 quantities of gas, which are shown on Schedule MCM 2 and MCM-14.

10 For the 2021–22 BGSS Year, we are projecting in Schedule MCM-1 that
11 firm customer requirements and projected storage injections will be met
12 predominantly through annual, seasonal and short term purchases from third-party
13 sellers on the Transcontinental Gas Pipe Line Company, LLC (“Transco”) and
14 Columbia Gas Transmission, LLC (“Columbia”) pipeline systems of 14.0 million
15 dekatherms (“MMDts”) and 16.4 MMDts, respectively as well as pipeline storage
16 withdrawals of 8.5 MMDts and liquified natural gas (“LNG”) withdrawals of 0.3
17 MMDts.

18 **Q. PLEASE PROVIDE THE HISTORIC AND PROSPECTIVE SUPPLY AND**
19 **REQUIREMENTS FOR THE 2021–22 BGSS YEAR.**

20 **A.** The data shown on Schedule MCM-4 (page 1 of 3) provides the actual requirements
21 and supplies by component on an annual heating season and non-heating season
22 basis, for the two prior gas supply years (November 2018 – October 2019 and
23 November 2019 – October 2020). The data shown on Schedule MCM-4 (page 2 of

1 3), provides information for the reconciliation period (November 2020 – October
2 2021), including actual data for the November 2020 – March 2021 heating season
3 and data estimated for the April 2021 – October 2021 non-heating season. Schedule
4 MCM-1 provides prospective information for the October 2021 – September 2022
5 BGSS Year, while Schedule MCM-4 (page 3 of 3) provides the same information
6 on a prospective basis for the subsequent gas supply year (November 2021 –
7 October 2022).

8 **Q. PLEASE PROVIDE AN OVERVIEW OF THE COMPANY’S SUPPLY BY**
9 **INTERSTATE PIPELINE.**

10 **A. Supplies on Transco**

11 Transco is South Jersey's largest provider of pipeline transportation capacity and it
12 is also the provider of six (6) of the eight (8) gas storage services. Additionally, the
13 Company has a winter season peaking transportation service with Transco, which
14 is available for the period December 1 through the last day of February of each year
15 under Rate Schedule PSFT.

16 **Supplies on Columbia**

17 Columbia is South Jersey’s second largest provider of interstate pipeline services.
18 The Company holds several firm transportation services with Columbia under Rate
19 Schedule FTS, and one long-term firm transportation service under Rate Schedules
20 NTS. In addition, South Jersey subscribes to a firm storage service under
21 Columbia’s Rate Schedule FSS along with an associated firm storage transportation
22 service under Rate Schedule SST.

1 The Company’s Maximum Daily Quantity (“MDQ”) for its FTS service is
2 85,043 Dts/day and its MDQ with its NTS service is 22,511 Dts/day, for a combined
3 deliverability of 107,554 Dts/day. Each of the referenced services is available on a
4 year-round basis.

5 **Supplies on Dominion**

6 The Company’s Dominion Transmission, Inc. (“Dominion”) GSS storage service
7 provides for the delivery of up to 10,000 Dts/day during the winter season. This
8 storage supply is delivered to the Company’s city gate via a Transco Leidy Line
9 transportation service.

10 **Q. PLEASE EXPLAIN HOW, IF AT ALL, THE PIPELINE STORAGE**
11 **SERVICES WILL HELP MEET THE COMPANY’S REQUIREMENTS**
12 **DURING THE 2021–22 BGSS YEAR.**

13 **A.** Schedule MCM-1 reflects the injection of direct purchased gas into storage services
14 during the 2021-22 summer season. Schedule MCM-1 also reflects that the net
15 amount of gas projected to be withdrawn from pipeline storage services to meet the
16 Company’s requirements during the 2021–2022 winter season, which will total
17 approximately 8.7 MMDts.

18 **Q. PLEASE EXPLAIN HOW THE COMPANY USES LNG TO MEET ITS**
19 **CURRENT AND FORECASTED NEEDS.**

20 **A.** In Schedule MCM-1 (lines 26), the Company is projecting that its LNG sendout
21 requirement during the 2021–22 BGSS Year will be 307,500 Dts. South Jersey
22 requires a stable LNG supply source to maintain gas service to its customers during
23 the winter season to meet peak sendout requirements, and to stand ready to supply

1 its customers should an interruption of gas supplies occur on the system of one or
2 more of its pipeline suppliers. For these reasons, in response to changes in the LNG
3 marketplace in 2012, South Jersey secured its LNG supply requirements through
4 the operation of its own liquefaction facility which went into service in November
5 2016. This facility helps to ensure that LNG is available at a reasonable cost and
6 not subject to LNG marketplace volatility.

7 **Q. PLEASE EXPLAIN THE COMPANY’S DESIGN DAY ANALYSIS AND**
8 **HOW IT IMPACTS THIS FILING.**

9 **A.** South Jersey, like other gas utilities, must plan to meet customer needs on a design
10 day (or a day in which our service area would experience an average daily
11 temperature of 2 degrees Fahrenheit or 63 heating degree days). Schedule MCM-
12 6 represents the Company’s design day forecast (“Design Day Forecast”) as
13 compared to Company entitlements for the 2021-22 through 2025-26 winter
14 seasons. This forecast is used by South Jersey to evaluate its ability to meet
15 customer requirements on the projected coldest day scenario, which is based on
16 South Jersey’s actual experience in January 1994. For the purpose of this analysis,
17 the Company updated the forecasting model to incorporate updated customer
18 growth rates for residential and commercial customers and updated heating use
19 factors. Incorporating the most recent available data into the design day model
20 provides a reflection of the effects that energy efficiency programs and the
21 conservation incentive programs have had in recent years and are projected to have
22 in future years. Schedule MCM-7 contains information related to the actual peak

1 day supply and demand for the Company's five (5) highest send-out days for each
2 of the last three winter seasons.

3 Pursuant to the Board's Order in BPU Docket No. GR03080683, et. al.,
4 South Jersey agreed to revise its design day analysis to include in the calculation of
5 demand requirements, design day volumes associated with customers served under
6 all sales rate schedules and transportation customers served under Rate Schedules
7 RSG, GSG, GSG-LV, EGS, LVS, CTS and EGS-LV. In addition, South Jersey
8 agreed to exclude from design day planning, design day volumes associated with
9 transportation customers served under rate schedules LVS, CTS and EGS-LV that
10 opt-out of the right or entitlement to have base load provided by the Company in
11 accordance with provisions of our tariff. To date, all eligible customers served
12 under rate schedules LVS, CTS and EGS-LV have opted out and this has been
13 reflected in the design day forecast.

14 For design day planning purposes, South Jersey will rely on 100% of the
15 daily projected transportation volumes (not acquire backup capacity) associated
16 with transportation customers served under rate schedules RSG, GSG, GSG-LV
17 and EGS, along with those customers, if any, served under rate schedules LVS,
18 CTS and EGS-LV who do not opt-out if their volumes are less than or equal to
19 105,000 Dts/day. Should South Jersey project that the transportation volumes
20 associated with these rate schedules will exceed 105,000 Dts/day, then South Jersey
21 will rely on 50% of transportation volumes associated with RSG, GSG, GSG-LV
22 and EGS transportation customers (as well as those customers, if any, served under
23 rate schedules LVS, CTS and EGS-LV who do not opt-out) that exceed 105,000

1 Dts/day. Schedule MCM-6 details the Company's design day requirements as
2 compared to available capacity entitlements through the 2025-26 winter season.

3 **III. COST OF GAS**

4 **Q. PLEASE EXPLAIN HOW THE COMPANY MANAGES THE COST OF**
5 **GAS.**

6 **A.** The Company has direct connections with two interstate pipeline companies,
7 Transco and Columbia. South Jersey also secures firm storage and transportation
8 services from Dominion, whose pipeline system is located upstream of the Transco
9 system. Natural gas stored and transported by Dominion is delivered into Transco's
10 Leidy Line system for ultimate delivery to South Jersey. As required by the
11 governing MFRs, Schedule MCM-13 presents changes to the Company's portfolio
12 of interstate pipeline contracts through the period ending September 30, 2022.

13 **Market Responsive Pipeline Supplies**

14 South Jersey intends to utilize the "open access" status of its pipeline suppliers to
15 the maximum extent possible to facilitate its ongoing policy of best-value gas
16 purchasing, with consideration given to security of supply along with contractual
17 obligations and hedged supplies. With this objective, South Jersey is projecting that
18 all of the natural gas purchases reflected in Schedule MCM-14 for the 2020–21 and
19 the 2021–22 BGSS Years will be priced on a market responsive basis, with the
20 exception of those hedged purchases made under the provisions of the Company's
21 Gas Procurement Strategy and Plan, which are attached hereto as Confidential
22 Schedule MCM-5. As indicated earlier in my testimony, this schedule will be

1 provided to Board Staff and Rate Counsel upon execution of a mutually acceptable
2 Non-Disclosure Agreement.

3 **Demand Charges**

4 The projected pipeline demand charges shown in Schedule MCM-2 associated with
5 the purchase of storage and transportation services on the Transco, Columbia and
6 Dominion pipeline systems reflect the currently effective FERC approved
7 jurisdictional rates contained in each pipeline's FERC Gas Tariff. These rates were
8 held constant throughout the BGSS Year ending September 30, 2022. On July 31,
9 2020, Columbia submitted a General Section 4 Rate Case Filing to the FERC in
10 Docket No. RP20-1060-000. The revised tariff records included in this filing
11 support changes to Columbia's rates, rate schedules, and General Terms and
12 Conditions. Rates became effective February 1, 2021. Columbia and parties to the
13 proceeding are currently in settlement discussions. SJG, as an intervening party, is
14 participating in these discussions both individually and as a member of the
15 Columbia Distribution Customer group ("CDC"). The CDC group, which consists
16 of similarly situated Columbia customers, was formed for the purposes of focusing
17 specifically on addressing the challenges of the anticipated substantial and complex
18 filing as it has been approximately twenty-five (25) years since Columbia's last
19 general rate case.

20 In January 2019, the Company entered into an agreement with Transco to
21 turn back a total of 22,256 Dts/day of Zone 1- Zone 3 production area capacity for
22 a term of ten (10) years that became effective October 1, 2020. The Company
23 released this path of capacity to various counterparties over many years as the most

1 liquid pools to supply this long-haul capacity are in Transco's Zones 3 and 4. The
2 turn back of this capacity saves customers over \$800,000 annually.

3 **Commodity Charges**

4 The delivered commodity gas prices reflected in Schedule MCM-14 for the 2021–
5 22 BGSS Year were derived based on the Company's Gas Procurement Strategy
6 and Plan, which is explained in Confidential Schedule MCM-5. These guidelines
7 were developed with a number of goals in mind, including the management of price
8 risk through diversity of purchases, providing a framework from which sound
9 purchasing decisions can be made, and the establishment of criteria for price
10 hedging.

11 The commodity prices in Schedule MCM-14 for gas purchased and
12 delivered under Transco Rate Schedules FT and PSFT, along with gas purchased
13 and delivered on Columbia Rate Schedules FTS and NTS, were based on the
14 average of the NYMEX close as of May 6, 2021, along with the estimated
15 production and market area indices at the various locations where we expect to
16 purchase gas during the BGSS Year ending September 30, 2022. The estimates of
17 indices were gathered from industry publications along with discussions held with
18 other market participants including brokers, marketers and other gas distribution
19 companies. Additionally, any currently hedged positions as shown in the quarterly
20 hedging report most recently filed with the Board are included in the commodity
21 price estimate. Also incorporated in these commodity prices are the appropriate
22 pipeline fuel retainage and transportation costs assessed when delivering gas to
23 South Jersey's city gate stations.

1 **LNG Commodity Charges**

2 The commodity price of the LNG as shown in Schedule MCM-14 was based on the
3 delivered cost of LNG using the NYMEX strip on May 6, 2021, along with costs
4 related to processing natural gas into liquefied natural gas.

5 **Q. PLEASE EXPLAIN THE GAS SUPPLY CONTRACT THE COMPANY**
6 **ENTERED INTO WITH ANTERO.**

7 **A.** As discussed above, the Company purchases firm pipeline transportation capacity
8 from Columbia. Historically, this pipeline capacity has enabled the Company to
9 purchase gas supplies from the Appalachian producing basins for delivery to the
10 Company's city gate delivery points in New Jersey. The first of the month price
11 paid for these volumes was typically equal to a published index price known as the
12 Inside FERC Columbia Appalachia Index ("Columbia Appalachia Index"), one of
13 hundreds of price indices that are published by Platt's McGraw Hill Financial
14 ("Platts") for gas markets located throughout the country. The Columbia
15 Appalachia Index was very broad and included all gas trades occurring over a
16 100,000 square mile region in Kentucky, Ohio, West Virginia, Virginia, and New
17 York. In the 2010-11 time frame, the trades reflected in the Columbia Appalachia
18 Index included trades occurring both inside and outside of a "virtual" aggregation
19 point known as the Interruptible Paper Pool or "IPP" Pool. As part of its ongoing
20 efforts to obtain the lowest reasonable cost for its BGSS customers, in 2010, the
21 Company entered negotiations with Antero for a multi-year contract at a price that
22 reflected a discount to the Columbia Appalachia Index price. Antero was a
23 producer with the ability to deliver substantial quantities of gas to Columbia in West

1 Virginia. However, Antero did not have access to a sufficient quantity of
2 transportation capacity on Columbia to enable Antero to deliver its gas supplies to
3 end use markets.

4 **Q. PLEASE DESCRIBE THE COMPANY'S SUPPLY CONTRACT WITH**
5 **ANTERO.**

6 **A.** South Jersey entered an eight (8) year supply contract with Antero beginning in
7 October 2011. Pursuant to the contract, Antero would deliver natural gas to gas
8 meters located on Columbia in West Virginia, where the Company would receive
9 the natural gas and deliver it to its customers in New Jersey. The price for gas
10 under the Antero contract reflected a significant discount to the Columbia
11 Appalachia Index price. Further, although the points at which the Company
12 received gas from Antero were located outside the IPP Pool, South Jersey could
13 resell any purchased gas back into the IPP Pool. As a result, South Jersey
14 recognized significant savings in its cost of gas. The savings that South Jersey
15 recognized were passed on to customers through the Company's BGSS clause.

16 **Q. WERE THERE ANY SIGNIFICANT CHANGES TO THE PRICING INDEX**
17 **DURING THE TERM OF THE ANTERO CONTRACT?**

18 **A.** Yes. At the time South Jersey entered the contract with Antero, any gas producer
19 could deliver gas to the IPP Pool. However, due to increased gas production from
20 the Marcellus Shale producing region between 2011 and 2014, Columbia began
21 limiting access to the IPP Pool to only those shippers with firm receipt and/or
22 delivery point rights into the pool. In addition, effective December 1, 2014, Platts
23 began using two pricing indices for Columbia Appalachia; one that reflected IPP

1 Pool deliveries – “the Columbia Appalachia Index,” and one that did not – “the
2 Columbia Appalachia (Non-IPP) Index.” The Columbia Appalachia Index
3 generally reflected higher prices than the Non-IPP Index.

4 **Q. DID SOUTH JERSEY TAKE ANY ACTION IN RESPONSE TO THIS**
5 **MODIFICATION TO THE PRICING INDEX?**

6 **A.** Yes. Following the decision by Platts, South Jersey took the position with Antero
7 that the change in the pricing index was a “market disruption event,” requiring a
8 renegotiation of the contract between South Jersey and Antero. Antero took the
9 position that the Columbia Appalachia Index remained the appropriate pricing
10 provision. In accordance with the applicable provisions of the contract, SJG
11 disputed and withheld payments for gas supplies under the contract in an amount
12 equal to the difference between what Antero charged and what SJG believed was
13 appropriate, pending resolution of the dispute. South Jersey and Antero were
14 unable to reach a mutually acceptable negotiated resolution of their dispute. As a
15 result, South Jersey and Antero filed lawsuits against each other for breach of
16 contract. The lawsuits were consolidated in the United States District Court for the
17 District of Colorado and the cases proceeded to trial. The jury found in favor of
18 Antero. South Jersey appealed to the United States Court of Appeals for the Tenth
19 Circuit. However, the Tenth Circuit affirmed the lower court’s decision. Because
20 of these decisions, SJG was required to pay Antero \$22.9 million of additional gas
21 costs and associated interest.

22

23

1 **Q. WHAT ARE THE COSTS RELATED TO THE ANTERO CONTRACT AND**
2 **DISPUTE THAT SOUTH JERSEY IS PROPOSING TO RECOVER IN ITS**
3 **BGSS RATE IN THIS PROCEEDING?**

4 **A.** In its petition in BPU Docket No. GR20060383, South Jersey proposed to recover
5 the disputed amount under the Antero contract, as well as interest paid to Antero,
6 legal and court costs incurred by the Company in pursuing the litigation and appeal
7 against Antero in its BGSS rate over a two (2) year period. In its 2020 BGSS Order,
8 the Board approved recovery of fifty percent (50%) or \$12,123,065.94 of Antero
9 costs during the 2020-21 BGSS Year effective June 1, 2021 and recovery of the
10 remaining fifty percent (50%) or \$12,123,065.94 of Antero costs in this
11 proceeding¹. The breakdown of the Antero costs of \$24,246,131.87 to be recovered
12 are shown below:

Disputed Costs:	\$20,545,460.30
Interest Paid to Antero:	\$2,344,542.67
Legal Costs:	\$1,280,124.91
Court Bond:	\$76,003.99
Total	\$24,246,131.87

20
21 **IV. BALANCING SERVICE CHARGES**

22 **Q. IS THE COMPANY PROPOSING ANY CHANGE TO ITS CURRENT**
23 **BALANCING CHARGES?**

24 **A.** Yes. Within its Rider “I”, the Company maintains two separate provisions for per
25 therm volumetric charges related to balancing as follows: (1) An Opt-Out provision

¹ In re the Matter of the Petition of South Jersey Gas Company to Revise the Level of Its Basic Gas Supply Service (“BGSS”) Charge and Conservation Incentive Program (“CIP”) Charges for the Year Ending September 30, 2021, BPU Docket No. GR20060383, Order dated April 27, 2021 (“2020 BGSS Order”)

1 for customers under Rate Schedules LVS, EGS-LV, FES, NGV and CTS who “Opt-
2 Out” and forego any right or entitlement to purchase the Company’s firm system
3 gas during the term of their standing Standard Gas Service Agreement; and (2) A
4 Non Opt-Out provision for customers under Rate Schedules GSG-LV, EGS, LVS,
5 EGS-LV, FES, NGV and CTS who do not Opt Out (*i.e.*, do not select the Opt Out
6 provision).

7 Related to its Rider “I”, the Company proposes to decrease its current Opt-
8 Out balancing charge of \$0.002775 per therm to \$0.002279 per therm, and the
9 Company proposes to decrease its current Non Opt-Out balancing charge of
10 \$0.088685 per therm to \$0.074807 per therm, which is equal to the Company’s
11 proposed Rider “J” BSC rate². Both changes are proposed to be effective October
12 1, 2021.

13 Related to its Rider “J”, the Company is proposing, for all applicable Rate
14 Schedules per its current tariff, to decrease its current balancing charge of
15 \$0.088685 per therm to \$0.074807 per therm, effective October 1, 2021.

16 **Q. PLEASE EXPLAIN THE COMPANY’S RIDER “I” BALANCING**
17 **SERVICE CHARGE CALCULATION.**

18 **A.** The proposed Rider “I” calculation is provided in Schedule MCM-12, page 1 of 2.
19 The calculation presented therein reflects updated inventory amounts, which are
20 based on a twelve (12) month average and include LNG, updated storage carrying
21 costs, the calculated percentage of balancing that pertains to single coldest January
22 day volume requirements and updated balancing costs. The determination of the

² All rates quoted herein include applicable taxes.

1 new pre-tax balancing rate, based on annual firm terms over the past twelve (12)
2 months, is also provided.

3 **Q. PLEASE EXPLAIN THE COMPANY’S RIDER “J” BALANCING**
4 **SERVICE CHARGE CALCULATION.**

5 **A.** Rider “J” has been revised to comply with the requirements of the 2018 BGSS
6 Order. The proposed Rider “J” calculation is provided in Schedule MCM-12, page
7 2 of 2. The calculation presented therein is identical to Rider “I”, but also includes
8 the following: (1) updated pipeline demand charges and BGSS incentive credits, as
9 Rider “J” pertains to the Company’s General Service customers, and (2) commodity
10 costs from the prior winter season which are intended to send appropriate price
11 signals to marketers/transportation customers to incent them to bring in the amount
12 of gas used by customers on a monthly basis. The Company continues to evaluate
13 whether and how to revise its tariff to include a separate standby charge, as
14 appropriate.

15
16 **V. AFFILIATE GAS SUPPLY TRANSACTIONS, NON-BIDDABLE**
17 **CAPACITY RELEASES AND RELATED ISSUES**

18 **Q. PLEASE EXPLAIN ALL AFFILIATE GAS SUPPLY TRANSACTIONS**
19 **ENTERED INTO AS OF APRIL 2021.**

20 **A.** Please refer to Confidential Schedule MCM-10 for details, including date, rate and
21 terms of all gas and capacity sales as of April 2021 to our affiliate SJRG for the
22 current BGSS Year. As noted above, Confidential Schedule MCM-10 will be
23 provided to Board Staff and Rate Counsel upon execution of a mutually acceptable
24 Non-Disclosure Agreement. Should market opportunities present themselves, we

1 would expect additional transactions to maximize the value of Company assets for
2 the benefit of BGSS customers.

3 **Q. WERE THERE ANY CAPACITY RELEASES IDENTIFIED IN**
4 **SCHEDULE MCM-10 RELEASED ON A NON-BIDDABLE BASIS? IF SO,**
5 **PLEASE EXPLAIN THE PROCESS AND THE BENEFITS TO THE BGSS.**

6 **A.** Excluding CIP capacity releases, there were no new capacity releases made on a
7 non-biddable basis included in MCM-10. The Company regularly evaluates its
8 capacity portfolio to determine the volume and type of off-system sales and/or
9 capacity releases that would be of the greatest benefit to the BGSS. For all capacity
10 releases to an affiliate other than CIP-related releases, South Jersey will initially
11 solicit bids by posting the capacity for a term of one (1) year or less. To the extent
12 the bids do not attract offers of at least 100% of maximum rates, South Jersey
13 reserves the right to release the capacity for a term greater than one (1) year at
14 maximum rates.

15
16 **VI. ADDITIONAL CAPACITY**

17 **Q. HAS THE COMPANY CONTRACTED FOR ADDITIONAL CAPACITY**
18 **AND IF SO, HOW?**

19 **A.** Yes, the Company has contracted for additional capacity as described below.

20 **PennEast Capacity**

21 In August of 2014, the Company entered into a Precedent Agreement for firm
22 transportation capacity with PennEast Pipeline Company, LLC ("PennEast"). The
23 Company requested a MDQ of 105,000 Dts/day, which qualified the Company as
24 a Foundation Shipper and for the Most Favored Nation Rate provision. If PennEast

1 were to negotiate a lower rate with any other shipper, the Most Favored Nation Rate
2 provision provides that South Jersey would also pay the lower rate.

3 PennEast encountered delays in acquiring right of way, easement and other
4 real property rights and obtaining other government authorizations for the project
5 facilities proposed to be constructed in New Jersey. Therefore, PennEast has filed
6 an amendment to its Certificate Order from FERC authorizing the phasing of
7 construction and operation of the proposed project facilities, such that PennEast
8 will be able to construct and operate the facilities proposed to be located in
9 Pennsylvania through approximately milepost 68, including certain new
10 interconnections in Pennsylvania (“Phase 1”), and then subsequently, upon receipt
11 of the New Jersey Authorizations, construct and operate the facilities proposed to
12 be located downstream of approximate milepost 68, including facilities proposed
13 to be located in New Jersey (“Phase 2”), thereby completing the PennEast Pipeline
14 Project as originally proposed.

15 Based on the Amendment to the Certificate Order from FERC, in January
16 2020, the Company entered into an Amendment to the original Precedent
17 Agreement with PennEast. The Amendment reduces the original MDQ of 105,000
18 Dts/day to an MDQ of 75,000 Dts/day with access to the same receipt points in
19 Luzerne County, PA and a primary delivery point located at PennEast’s planned
20 interconnection with Adelpia Gateway Pipeline.

21 In February 2021, after the Supreme Court granted the petition for certiorari
22 in the PennEast case, a communication was released by PennEast indicating that

1 Phase I was expected to be in service in 2022 and an expected full project in service
2 in 2024.

3 The Company has executed a Firm Transportation Agreement for pipeline
4 capacity with Adelphia Gateway. The transportation contract quantity is 75,000
5 Dts/day at \$0.30 per dth. The original expected in service date of November 1, 2021
6 has been moved to November 1, 2022 due to construction delays, and therefore no
7 demand charges related to this capacity has been included in this filing.
8 Additionally, the Company delayed entering into a Firm Transportation Agreement
9 with Columbia to deliver the supply from the Adelphia/Columbia interconnection
10 into the South Jersey Gas service territory until the Adelphia project goes into
11 service.

12 **Transco's Regional Energy Access Expansion Project**

13 The Company entered into a Precedent Agreement for Firm Transportation Service
14 under the Regional Energy Access Expansion with Transco on December 9, 2019.
15 The transportation contract quantity is 25,000 dt/d at the negotiated rate of \$0.65
16 per dt/day. The target in-service date is December 1, 2023.

17 The Company's Transco city gates are located on the restricted and fully
18 subscribed Marcus Hook lateral, which makes it difficult to acquire city gate
19 peaking services and with no guarantee of future availability. The Company
20 determined it was prudent to address the need for annually increasing city gate
21 peaking requirements by subscribing for incremental firm city gate capacity which
22 will reduce the need for city gate peaking.

23

1 **Cabot Supply**

2 In January 2015, South Jersey entered into three (3) long term supply agreements
3 directly associated with the new pipeline capacity agreements identified above that
4 will provide significantly discounted supply and offset the demand and variable
5 charges associated with those new capacity agreements. The first agreement
6 provides supply into the Tennessee 300 line at Gibson, which will be moved to the
7 Tennessee/Columbia interconnect and then transported to South Jersey's city gate
8 via Columbia. This supply is priced at NYMEX last day settle less \$0.88. The
9 commodity price has been negotiated to offset the per Dth demand charge of both
10 the Tennessee capacity and the Columbia capacity such that South Jersey will
11 obtain the supply at its city gate at a price equal to the NYMEX price. The delivery
12 period began November 2018 and continues for ten (10) years.

13 The second agreement provides supply into the PennEast project, which
14 will be moved to the PennEast/Transco interconnect and then transported to South
15 Jersey's city gate via Transco. This supply is priced at NYMEX last day settle less
16 \$0.61. The commodity price has also been negotiated to offset the per Dth demand
17 charge for both the PennEast capacity and Transco's capacity, such that South
18 Jersey will obtain the supply at its city gate at a price equal to the NYMEX price.
19 The delivery period begins on the in-service date of the PennEast project and
20 continues for ten (10) years.

21 These two supply agreements are priced to offset the pipeline demand and
22 variable charges on the PennEast and Transco pipelines on which they will flow.
23 The commodity will be delivered into South Jersey's system at the monthly

1 NYMEX settle flat, net of pipeline demand and variable costs. This pricing
2 structure will prompt these pipeline paths to operate at the highest load factor in the
3 SJG portfolio. The unique and innovative structure of these two supply agreements
4 will provide BGSS customers with significant savings for years into the future.

5 The third agreement provides winter only supply into the PennEast project,
6 which will be moved to the PennEast/Transco interconnect and then transported to
7 South Jersey's city gate via Transco. This supply is priced at Leidy Transco
8 Receipts inside FERC Index plus \$0.03 per Dth. The Leidy Transco Index has been
9 among the lowest priced indices in the country and, based on the volume of
10 Marcellus gas projected to come online in the future, the Company anticipates that
11 the index will remain low relative to other locations for the foreseeable future. The
12 delivery period begins on the in-service date of the PennEast project and continues
13 for ten (10) years.

14 **Supplier Refunds**

15 The Company's actual and projected supplier refunds for both the 2020–21 and
16 2021–22 BGSS Years are shown in Schedule MCM-8. The refunds shown for
17 2020–21 reflect the sharing of penalty revenues with non-penalized shippers. As
18 of now, there is no projection for refunds taking place in the 2021-22 BGSS Year.

19
20 **VII. HEDGING PROGRAM**

21 **Q. PLEASE EXPLAIN, GENERALLY, THE COMPANY'S EXISTING**
22 **HEDGING PROGRAM.**

23 **A.** South Jersey Gas manages its hedging program in accordance with the Commodity
24 Purchasing Guidelines contained in its Financial and Physical Natural Gas

1 Transaction Risk Management Policy and Procedures (“Policy and Procedures”)
2 reviewed and approved by the Company’s Risk Management Committee (“RMC”).
3 South Jersey’s RMC is responsible for approving and reviewing these hedging
4 programs, while the Gas Supply Department is responsible for executing the
5 hedging strategies outlined in the Policy and Procedures.

6 The intent of the hedging program and strategies is to provide commodity
7 price stabilization at the lowest reasonable cost. South Jersey’s hedging program
8 consists of the following four hedging strategies: 1) A Non-Discretionary Strategy
9 - the Company purchases two (2) and 1/2 futures contracts per month for the
10 eighteen (18) month period beginning with the 7th month and continuing through
11 the 24th month of the current NYMEX strip; 2) A Planalytics Strategy - the
12 Company purchases futures contracts based on suggestions from the Planalytics
13 Energy Buyer hedging tool; 3) A Storage Incentive Mechanism Strategy - the
14 Company purchases futures contracts for the summer injection period establishing
15 a benchmark and then manages the physical injections to improve upon the
16 benchmark; and 4) A Discretionary Strategy - the Company exercises managerial
17 discretion to utilize futures, options, fixed priced physical, or other derivatives
18 when deemed appropriate. Furthermore, the Commodity Purchasing Guidelines
19 require that individual monthly targets be set prior to the beginning of each BGSS
20 year and that 100% of the minimum required hedging activity be complete for any
21 BGSS year (October 1 - September 30) prior to October 1 of that year.

22 All hedging gains and losses, as well as the cost of any derivatives and
23 related transaction fees, are passed through the BGSS clause and as such are subject

1 to periodic review by the BPU. Speculative trading is not practiced by the
2 Company.

3 **Q. HOW DOES THE COMPANY REPORT ON ITS HEDGING PROGRAM?**

4 **A.** The Gas Supply Department prepares and distributes, on a quarterly basis, a
5 detailed report of hedging positions for the current and prospective BGSS years.
6 The reports are presented to and reviewed by South Jersey's RMC and are provided
7 to the BPU as required. The reports contain the details of each hedging strategy
8 and a summary of all hedging strategies, including the percentage of BGSS sendout
9 currently hedged.

10 The four most recent quarterly hedging reports as of March 2021 are
11 contained in Schedule MCM-9.

12 **VIII. MARGIN SHARING AND PIPELINE REFUND BGSS COST OFFSETS**

13 **Q. PLEASE EXPLAIN ALL BGSS COST OFFSETS, INCLUDING**
14 **INTERRUPTIBLE MARGINS, OFF-SYSTEM SALES AND CAPACITY**
15 **RELEASE MARGINS, PIPELINE REFUNDS AND OTHER CREDITS, IF**
16 **ANY, FOR THE RECONCILIATION AND PROJECTED PERIODS.**

17 **A.** For the 2020–21 BGSS Year, as shown on Schedule KJC-12, ninety three percent
18 (93%) of gross margin generated by off-system sales and off-system and on system
19 capacity releases offset BGSS costs in accordance with the 2018 BGSS Order, and
20 eighty five percent (85%) of gross margin generated by interruptible sales offset
21 BGSS costs pursuant to the Order dated July 8, 2004 in Docket No. GR03080683
22 (“2003 BGSS Order”).

1 For the 2021–22 BGSS Year, as shown on Schedule KJC-9, eighty five
2 percent (85%) of gross margin generated by off-system sales, off-system and on
3 system capacity releases, and gross margin generated by interruptible sales offset
4 BGSS costs pursuant to the 2003 BGSS Order. These estimates are based on
5 normal weather, historical actual information, and current market conditions.

6 Additionally, the Company’s actual and projected pipeline refunds for both
7 the 2020–21 and 2021–22 BGSS Years are shown in Schedule MCM-8 along with
8 the applicable FERC docket numbers.

9
10 **IX. CIP**

11 **Q. PLEASE EXPLAIN THE COMPANY’S CURRENT AND ANTICIPATED**
12 **CIP ACTIONS.**

13 **A.** By Order dated May 21, 2014 in Docket No. GR13030185 (the “CIP Continuation
14 Order”), the Board approved the continuation of the Company’s CIP, with certain
15 modifications, that became effective with the CIP accrual year beginning October
16 1, 2014. Those modifications, which include the Modified BGSS Savings Test,
17 have been reflected in this CIP filing and are discussed in more detail in the
18 Prepared Direct Testimony of Daniel P. Yardley.

19 Savings for the 2021–22 BGSS Year include \$5,319,149 of Category One
20 Permanent BGSS Savings, which are defined in the CIP Continuation Order as
21 permanent savings realized from permanent capacity releases and contract
22 terminations. The Category One Permanent BGSS Savings includes \$1,360,159 of
23 savings associated with the termination of the SS-1 storage service provided by

1 Transco and Dominion. In addition, it includes the following capacity releases:
2 20,000 Dts/day Transco FT capacity and 16,468 Dts/day of Columbia FTS
3 capacity.

4 Anticipated Category Two eligible BGSS savings totaling \$1,863,185 for
5 the 2021–22 BGSS Year include 10,000 Dts/day of Transco Long Haul capacity.
6 These anticipated Category Two releases represent a cross section of South Jersey’s
7 portfolio of assets.

8 Category Three BGSS savings associated with avoided capacity costs to
9 meet residential customer growth total \$180,210. This amount has been calculated
10 as set forth in the CIP Continuation Order and is supported by the Direct Testimony
11 of Daniel P. Yardley. The total anticipated Category One, Two and Three savings
12 eligible for the BGSS savings test for the 2021–22 BGSS Year are \$7,362,544.
13

14 **X. FERC PIPELINE ACTIVITIES**

15 **Q. PLEASE EXPLAIN WHETHER ANY FERC PROCEEDINGS ARE**
16 **ANTICIPATED TO IMPACT 2021–22 BGSS YEAR COSTS.**

17 **A.** A summary of FERC proceedings which may impact BGSS costs during the
18 applicable periods is attached as Schedule MCM-11. This Schedule reflects those
19 proceedings that may have an operational and/or cost effect on the services that
20 South Jersey receives from its pipeline suppliers.
21
22

1 **XI. CONCLUSION**

2 **Q. PLEASE PROVIDE A BRIEF SUMMARY OF YOUR TESTIMONY.**

3 **A.** My testimony highlights activities the Company is undertaking to optimize the use
4 of its gas supply portfolio and to minimize and stabilize costs to its customers. For
5 the reasons set forth in this testimony, the Board should approve the Company's
6 proposed BGSS and CIP rates for the 2021-22 BGSS Year.

7 **Q. DOES THAT CONCLUDE YOUR TESTIMONY?**

8 **A.** Yes, it does.

South Jersey Gas Company
Supply/Demand Balance
(in MDth's)

	Oct 2021	Nov 2021	Dec 2021	Jan 2022	Feb 2022	Mar 2022	Apr 2022	May 2022	Jun 2022	Jul 2022	Aug 2022	Sep 2022	TOTAL
<u>Sendout</u>													
Firm	1,570.9	3,238.2	5,557.8	6,946.1	5,974.6	4,542.9	2,336.6	1,233.6	804.5	927.0	900.5	948.3	34,981.2
Non-Firm	0.0	0.6	0.0	8.9	0.0	0.0	0.0	0.0	0.1	0.0	0.1	0.2	9.9
Net Gas Sendout	1,570.9	3,238.8	5,557.8	6,955.0	5,974.6	4,542.9	2,336.6	1,233.6	804.7	927.0	900.6	948.5	34,991.0
<u>Firm Supplies</u>	1,570.9	3,238.8	5,557.8	6,955.0	5,974.6	4,542.9	2,336.6	1,233.6	804.7	927.0	900.6	948.5	34,991.0
<u>Spot Supplies</u>	1,944.0	2,906.2	4,360.1	4,718.1	3,781.2	3,473.3	3,284.7	2,698.6	1,986.0	2,000.0	1,945.6	1,802.2	34,900.0
<u>Other</u>													
Take-back Peaking Supply	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Peaking Supplies	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Supplemental Gas	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL GAS PURCHASES	3,514.9	6,144.9	9,918.0	11,673.0	9,755.8	8,016.2	5,621.3	3,932.2	2,790.7	2,927.0	2,846.2	2,750.7	69,891.0
<u>On-Site LNG Activity</u>													
LNG Refill	(65.0)	0.0	(2.0)	(50.0)	(35.0)	(3.0)	(70.0)	(15.0)	0.0	0.0	0.0	0.0	(240.0)
LNG (Boil-off)	0.0	0.0	0.0	0.0	0.0	0.0	5.5	6.0	6.0	5.8	6.0	5.7	35.0
LNG Peaking	6.5	12.0	24.0	117.0	108.0	40.0	0.0	0.0	0.0	0.0	0.0	0.0	307.5
<u>Storage Activity</u>													
Injections	(483.8)	(247.1)	(340.2)	(72.4)	(76.4)	(192.0)	(1,326.0)	(1,485.5)	(1,185.0)	(1,081.2)	(1,057.1)	(853.4)	(8,400.1)
Withdrawals	54.9	591.7	1,562.9	2,280.7	2,261.7	1,277.8	335.4	34.9	26.3	28.8	32.0	15.7	8,502.6
<u>Fuel Retainage</u>													
Injections	(8.6)	(5.8)	(8.0)	(0.5)	(0.9)	(4.4)	(24.3)	(28.7)	(22.3)	(20.1)	(19.7)	(16.0)	(159.4)
Withdrawals	(0.6)	(6.9)	(18.9)	(29.7)	(25.9)	(14.7)	(3.2)	(0.6)	(0.4)	(0.4)	(0.2)	(0.2)	(101.9)
Net System Supply	3,018.4	6,488.9	11,135.7	13,918.1	11,987.1	9,119.9	4,538.7	2,443.3	1,615.2	1,859.8	1,807.1	1,902.5	69,834.7

South Jersey Gas Company
Projected Demand Charges and Storage Costs included in the June 1, 2021 BGSS Filing

		Billing Determinant			31	30	31	31	28	31	30	31	30	31	31	30	
Contract No.	Cost Type	Demand	Other	Capacity													
STORAGE Demand					Oct-2021	Nov-2021	Dec-2021	Jan-2022	Feb-2022	Mar-2022	Apr-2022	May-2022	Jun-2022	Jul-2022	Aug-2022	Sep-2022	TOTAL
TIOGA Peaking	Demand				\$0.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
	Monthly Demand Billing Determinant				-	\$0,000.00	\$0,000.00	\$0,000.00	\$0,000.00	\$0,000.00	\$0,000.00	-	-	-	-	-	
					\$0.00	\$500,000.00	\$500,000.00	\$500,000.00	\$500,000.00	\$500,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2,500,000.00
COL FSS	53000 Demand Capacity	52,891		3,473,022	\$3.73000	\$3.73000	\$3.73000	\$3.73000	\$3.73000	\$3.73000	\$3.73000	\$3.73000	\$3.73000	\$3.73000	\$3.73000	\$3.73000	\$2,367,401.16
					\$0.06720	\$0.06720	\$0.06720	\$0.06720	\$0.06720	\$0.06720	\$0.06720	\$0.06720	\$0.06720	\$0.06720	\$0.06720	\$0.06720	\$2,800,644.94
					\$430,670.51	\$430,670.51	\$430,670.51	\$430,670.51	\$430,670.51	\$430,670.51	\$430,670.51	\$430,670.51	\$430,670.51	\$430,670.51	\$430,670.51	\$430,670.51	\$5,168,046.10
DOM GSS	300002 Demand Capacity	10,000		423,000	\$1.87160	\$1.87160	\$1.87160	\$1.87160	\$1.87160	\$1.87160	\$1.87160	\$1.87160	\$1.87160	\$1.87160	\$1.87160	\$1.87160	\$224,592.00
					\$0.01450	\$0.01450	\$0.01450	\$0.01450	\$0.01450	\$0.01450	\$0.01450	\$0.01450	\$0.01450	\$0.01450	\$0.01450	\$0.01450	\$73,603.00
					\$24,849.50	\$24,849.50	\$24,849.50	\$24,849.50	\$24,849.50	\$24,849.50	\$24,849.50	\$24,849.50	\$24,849.50	\$24,849.50	\$24,849.50	\$24,849.50	\$296,194.00
TR GSS	1000813 Demand Capacity	27,314		1,346,482	\$0.10548	\$0.10548	\$0.10548	\$0.10548	\$0.10548	\$0.10548	\$0.10548	\$0.10548	\$0.10548	\$0.10548	\$0.10548	\$0.10548	\$1,051,594.46
					\$0.00063	\$0.00063	\$0.00063	\$0.00063	\$0.00063	\$0.00063	\$0.00063	\$0.00063	\$0.00063	\$0.00063	\$0.00063	\$0.00063	\$309,623.54
					\$115,610.30	\$11,880.93	\$115,610.30	\$115,610.30	\$104,422.20	\$115,610.30	\$11,880.93	\$115,610.30	\$11,880.93	\$115,610.30	\$11,880.93	\$11,880.93	\$1,361,218.00
TR LSS	1000818 Demand Capacity	12,000		1,224,000	\$0.16436	\$0.16436	\$0.16436	\$0.16436	\$0.16436	\$0.16436	\$0.16436	\$0.16436	\$0.16436	\$0.16436	\$0.16436	\$0.16436	\$719,896.80
					\$0.00062	\$0.00062	\$0.00062	\$0.00062	\$0.00062	\$0.00062	\$0.00062	\$0.00062	\$0.00062	\$0.00062	\$0.00062	\$0.00062	\$276,991.20
					\$84,667.20	\$81,936.00	\$84,667.20	\$84,667.20	\$76,473.60	\$84,667.20	\$81,936.00	\$84,667.20	\$84,667.20	\$81,936.00	\$84,667.20	\$81,936.00	\$996,888.00
TR S-2	1000814 Demand Capacity	1,557		11,663	\$0.20349	\$0.20349	\$0.20349	\$0.20349	\$0.20349	\$0.20349	\$0.20349	\$0.20349	\$0.20349	\$0.20349	\$0.20349	\$0.20349	\$115,644.38
					\$0.01086	\$0.01086	\$0.01086	\$0.01086	\$0.01086	\$0.01086	\$0.01086	\$0.01086	\$0.01086	\$0.01086	\$0.01086	\$0.01086	\$46,230.97
					\$13,304.82	\$13,748.32	\$13,748.32	\$12,417.84	\$13,748.32	\$13,304.82	\$13,748.32	\$13,304.82	\$13,748.32	\$13,748.32	\$13,748.32	\$13,304.82	\$161,875.35
TR LNG	9014431 Demand Capacity	15,670		215,042	\$0.10316	\$0.10316	\$0.10316	\$0.10316	\$0.10316	\$0.10316	\$0.10316	\$0.10316	\$0.10316	\$0.10316	\$0.10316	\$0.10316	\$590,028.78
					\$0.01988	\$0.01988	\$0.01988	\$0.01988	\$0.01988	\$0.01988	\$0.01988	\$0.01988	\$0.01988	\$0.01988	\$0.01988	\$0.01988	\$1,560,387.76
					\$182,638.12	\$176,746.56	\$182,638.12	\$182,638.12	\$164,961.46	\$182,638.12	\$176,746.56	\$182,638.12	\$176,746.56	\$182,638.12	\$182,638.12	\$176,746.56	\$2,150,415.54
TR SS-2	1003971 Demand Capacity	16,043		1,764,675	\$0.29374	\$0.29374	\$0.29374	\$0.29374	\$0.29374	\$0.29374	\$0.29374	\$0.29374	\$0.29374	\$0.29374	\$0.29374	\$0.29374	\$1,720,051.85
					\$0.00103	\$0.00103	\$0.00103	\$0.00103	\$0.00103	\$0.00103	\$0.00103	\$0.00103	\$0.00103	\$0.00103	\$0.00103	\$0.00103	\$663,429.57
					\$202,432.67	\$195,902.58	\$202,432.67	\$202,432.67	\$182,842.41	\$202,432.67	\$195,902.58	\$202,432.67	\$195,902.58	\$202,432.67	\$202,432.67	\$195,902.58	\$2,383,481.42
TR ESS	9050779 Demand Capacity	27,814		232,314	\$0.02500	\$0.02500	\$0.02500	\$0.02500	\$0.02500	\$0.02500	\$0.02500	\$0.02500	\$0.02500	\$0.02500	\$0.02500	\$0.02500	\$253,802.75
					\$0.00360	\$0.00360	\$0.00360	\$0.00360	\$0.00360	\$0.00360	\$0.00360	\$0.00360	\$0.00360	\$0.00360	\$0.00360	\$0.00360	\$294,397.59
					\$47,482.09	\$44,974.69	\$46,473.85	\$46,473.85	\$41,976.38	\$46,473.85	\$44,974.69	\$46,473.85	\$44,974.69	\$46,473.85	\$46,473.85	\$44,974.69	\$548,200.34
Subtotal Storage Demand					\$1,011,655.21	\$1,080,709.10	\$1,101,090.46	\$1,099,759.97	\$1,039,946.38	\$1,100,646.96	\$1,080,709.10	\$1,100,646.96	\$1,080,709.10	\$1,101,090.46	\$1,100,646.96	\$1,080,709.10	\$13,068,319.75

South Jersey Gas Company
Projected Demand Charges and Storage Costs included in the June 1, 2021 BGSS Filing

				31	30	31	31	28	31	30	31	30	31	31	30	
		Contract No.	Cost Type	Billing Determinant												
				Demand	Other											
FIRM TRANSPORT CAPACITY				Oct-2021	Nov-2021	Dec-2021	Jan-2022	Feb-2022	Mar-2022	Apr-2022	May-2022	Jun-2022	Jul-2022	Aug-2022	Sep-2022	TOTAL
COL SST	38086	Demand	Winter	26,445		\$12.72800					\$12.72800	\$12.72800	\$12.72800	\$12.72800	\$12.72800	\$2,356,143.72
				52,891			\$12.72800	\$12.72800	\$12.72800	\$12.72800	\$12.72800					\$3,365,983.24
						\$336,591.96	\$673,196.65	\$673,196.65	\$673,196.65	\$673,196.65	\$336,591.96	\$336,591.96	\$336,591.96	\$336,591.96	\$336,591.96	\$5,722,126.96
COL FTS	38099	Demand		6,043		\$12.72900	\$12.72900	\$12.72900	\$12.72900	\$12.72900	\$12.72900	\$12.72900	\$12.72900	\$12.72900	\$12.72900	\$923,056.16
							\$76,921.35	\$76,921.35	\$76,921.35	\$76,921.35	\$76,921.35	\$76,921.35	\$76,921.35	\$76,921.35	\$76,921.35	\$76,921.35
COL FTS	156147	Demand		9,000		\$12.72900	\$12.72900	\$12.72900	\$12.72900	\$12.72900	\$12.72900	\$12.72900	\$12.72900	\$12.72900	\$12.72900	\$1,374,732.00
							\$114,561.00	\$114,561.00	\$114,561.00	\$114,561.00	\$114,561.00	\$114,561.00	\$114,561.00	\$114,561.00	\$114,561.00	\$114,561.00
COL FTS ESEP	161135	Demand		70,000		\$13.39600	\$13.39600	\$13.39600	\$13.39600	\$13.39600	\$13.39600	\$13.39600	\$13.39600	\$13.39600	\$13.39600	\$11,252,640.00
							\$937,720.00	\$937,720.00	\$937,720.00	\$937,720.00	\$937,720.00	\$937,720.00	\$937,720.00	\$937,720.00	\$937,720.00	\$937,720.00
COL NTS	39305	Demand		22,511		\$12.91000	\$12.91000	\$12.91000	\$12.91000	\$12.91000	\$12.91000	\$12.91000	\$12.91000	\$12.91000	\$12.91000	\$3,487,404.12
							\$290,617.01	\$290,617.01	\$290,617.01	\$290,617.01	\$290,617.01	\$290,617.01	\$290,617.01	\$290,617.01	\$290,617.01	\$290,617.01
TENN FT	529	Demand		78,000		\$12.16600	\$12.16600	\$12.16600	\$12.16600	\$12.16600	\$12.16600	\$12.16600	\$12.16600	\$12.16600	\$12.16600	\$11,387,376.00
							\$948,948.00	\$948,948.00	\$948,948.00	\$948,948.00	\$948,948.00	\$948,948.00	\$948,948.00	\$948,948.00	\$948,948.00	\$948,948.00
TR FT ZONE BASED RESV	1003902	Demand		120,915		\$0.51005	\$0.51005	\$0.51005	\$0.51005	\$0.51005	\$0.51005	\$0.51005	\$0.51005	\$0.51005	\$0.51005	\$0.51005
TR FT LONG HAUL TURN BACK DISCOUNT	1003902	Demand					\$0.00000	\$0.00000	\$0.00000	\$0.00000	\$0.00000	\$0.00000	\$0.00000	\$0.00000	\$0.00000	\$0.00000
						\$1,911,840.54	\$1,850,168.27	\$1,911,840.54	\$1,911,840.54	\$1,726,623.72	\$1,911,840.54	\$1,850,168.27	\$1,911,840.54	\$1,850,168.27	\$1,911,840.54	\$22,510,380.60
TR FT DEMAND	1013599	Demand	Monthly Demand Billing Determinant	21,608		\$0.12790	\$0.12790	\$0.12790	\$0.12790	\$0.12790	\$0.12790	\$0.12790	\$0.12790	\$0.12790	\$0.12790	\$0.12790
							638,848	618,240	638,848	638,848	577,024	638,848	618,240	638,848	638,848	618,240
						\$81,708.66	\$79,072.90	\$81,708.66	\$81,708.66	\$73,801.37	\$81,708.66	\$79,072.90	\$81,708.66	\$81,708.66	\$79,072.90	\$962,053.57
TR FT SS-1 (WINTER ONLY)	1044825	Demand	Monthly Demand Billing Determinant	17,433		\$0.00000	\$0.12790	\$0.12790	\$0.12790	\$0.12790	\$0.00000	\$0.00000	\$0.00000	\$0.00000	\$0.00000	\$0.00000
							-	522,990	540,423	540,423	488,124	540,423	-	-	-	-
						\$0.00	\$66,890.42	\$69,120.10	\$69,120.10	\$62,431.06	\$69,120.10	\$0.00	\$0.00	\$0.00	\$0.00	\$336,681.79
TR Res PSFT (Dec-Jan-Feb ONLY)	1005003	Demand	Monthly Demand Billing Determinant	3,002		\$0.00000	\$0.00000	\$1.22178	\$1.22178	\$0.00000	\$0.00000	\$0.00000	\$0.00000	\$0.00000	\$0.00000	\$0.00000
								93,062	93,062	84,056						
						\$0.00	\$0.00	\$113,701.29	\$113,701.29	\$102,697.94	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$330,100.52
TR FT CNJEP	9032686	Demand	Monthly Demand Billing Determinant	105,000		\$0.12790	\$0.12790	\$0.12790	\$0.12790	\$0.12790	\$0.12790	\$0.12790	\$0.12790	\$0.12790	\$0.12790	\$0.12790
							3,255,000	3,150,000	3,255,000	3,255,000	2,940,000	3,255,000	3,150,000	3,255,000	3,255,000	3,150,000
						\$416,314.50	\$402,885.00	\$416,314.50	\$416,314.50	\$376,026.00	\$416,314.50	\$402,885.00	\$416,314.50	\$402,885.00	\$416,314.50	\$4,901,767.50

South Jersey Gas Company														
Projected Demand Charges and Storage Costs included in the June 1, 2021 BGSS Filing														
STORAGE SERVICES VARIABLE CHARGES		Oct-2021	Nov-2021	Dec-2021	Jan-2022	Feb-2022	Mar-2022	Apr-2022	May-2022	Jun-2022	Jul-2022	Aug-2022	Sep-2022	TOTAL
COL FSS	In Rate													
	Out Rate	\$0.01500	\$0.01500	\$0.01500	\$0.01500	\$0.01500	\$0.01500	\$0.01500	\$0.01500	\$0.01500	\$0.01500	\$0.01500	\$0.01500	\$0.01500
	In Vol.	113,856	209,443	281,147	22,192	39,470	162,959	424,119	654,068	398,340	394,454	372,316	261,627	3,333,991
	Out Vol.	26,553	229,572	525,112	966,725	849,690	483,600	144,000	28,000	20,000	20,000	10,000	10,000	3,313,252
	In Cost	\$1,707.84	\$3,141.65	\$4,217.21	\$332.88	\$592.05	\$2,444.39	\$6,361.79	\$9,811.02	\$5,975.10	\$5,916.81	\$5,584.74	\$3,924.41	\$50,009.86
	Out Cost	\$398.30	\$3,443.58	\$7,876.68	\$14,500.88	\$12,745.35	\$7,254.00	\$2,160.00	\$420.00	\$300.00	\$300.00	\$150.00	\$150.00	\$49,698.78
COL SST	In Rate													
	Out Rate	\$0.01560	\$0.01560	\$0.01560	\$0.01560	\$0.01560	\$0.01560	\$0.01560	\$0.01560	\$0.01560	\$0.01560	\$0.01560	\$0.01560	\$0.01560
	In Vol.	114,997	211,542	283,964	22,414	39,865	164,592	428,369	660,623	402,331	398,406	376,047	264,249	3,367,399
	Out Vol.	26,553	229,572	525,112	966,725	849,690	483,600	144,000	28,000	20,000	20,000	10,000	10,000	3,313,252
	In Cost	\$1,799.95	\$3,300.06	\$4,429.84	\$349.66	\$621.89	\$2,567.64	\$6,882.56	\$10,305.72	\$6,276.36	\$6,215.13	\$5,866.33	\$4,122.28	\$52,531.42
	Out Cost	\$414.23	\$3,581.32	\$8,191.75	\$15,080.91	\$13,255.16	\$7,544.16	\$2,246.40	\$436.80	\$312.00	\$312.00	\$156.00	\$156.00	\$51,686.73
DOM GSS	In Rate													
	IT In Rate	\$0.02670	\$0.02670	\$0.02670	\$0.02670	\$0.02670	\$0.02670	\$0.02670	\$0.02670	\$0.02670	\$0.02670	\$0.02670	\$0.02670	\$0.02670
	Out Rate	\$0.01470	\$0.01470	\$0.01470	\$0.01470	\$0.01470	\$0.01470	\$0.01470	\$0.01470	\$0.01470	\$0.01470	\$0.01470	\$0.01470	\$0.01470
	In Vol.	0	0	0	0	0	0	81,090	65,010	70,500	72,850	72,050	61,500	
	IT In Vol.	0	0	0	0	0	0	81,090	65,010	70,500	72,850	72,050	61,500	
	Out Vol.	0	0	0	160,000	187,600	75,400	0	0	0	0	0	0	0
TR GSS	In Cost	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2,165.10	\$1,735.77	\$1,882.35	\$1,945.10	\$1,923.74	\$1,642.05	\$11,294.10
	IT In Cost	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2,165.10	\$1,735.77	\$1,882.35	\$1,945.10	\$1,923.74	\$1,642.05	\$11,294.10
	Out Cost	\$0.00	\$0.00	\$0.00	\$2,352.00	\$2,757.72	\$1,108.38	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$6,218.10
	In Rate	\$0.05089	\$0.05089	\$0.05089	\$0.05089	\$0.05089	\$0.05089	\$0.05089	\$0.05089	\$0.05089	\$0.05089	\$0.05089	\$0.05089	\$0.05089
	Out Rate	\$0.04756	\$0.04756	\$0.04756	\$0.04756	\$0.04756	\$0.04756	\$0.04756	\$0.04756	\$0.04756	\$0.04756	\$0.04756	\$0.04756	\$0.04756
	In Vol.	117,381	38,933	58,824	310	2,204	26,958	211,850	194,920	170,883	110,312	112,009	119,239	
TR LSS	Out Vol.	21,752	135,219	122,824	142,395	312,971	243,608	165,248	800	0	3,000	16,000	6	
	In Cost	\$5,973.52	\$1,981.30	\$2,993.55	\$15.78	\$112.16	\$1,371.89	\$10,781.05	\$9,919.48	\$8,696.24	\$5,613.78	\$5,700.14	\$6,068.07	\$59,226.95
	Out Cost	\$1,034.53	\$6,431.02	\$5,841.51	\$6,777.31	\$14,884.90	\$11,586.00	\$7,859.19	\$38.05	\$0.00	\$142.68	\$760.96	\$0.29	\$55,351.42
	In Rate	\$0.03986	\$0.03986	\$0.03986	\$0.03986	\$0.03986	\$0.03986	\$0.03986	\$0.03986	\$0.03986	\$0.03986	\$0.03986	\$0.03986	\$0.03986
	Out Rate	\$0.03358	\$0.03358	\$0.03358	\$0.03358	\$0.03358	\$0.03358	\$0.03358	\$0.03358	\$0.03358	\$0.03358	\$0.03358	\$0.03358	\$0.03358
	In Vol.	108,769	0	0	0	0	0	193,519	195,493	190,465	189,069	191,069	161,336	
TR S-2	Out Vol.	0	89,997	373,147	364,302	248,569	153,705	0	0	0	0	0	0	
	In Cost	\$4,335.53	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$7,713.67	\$7,792.35	\$7,591.93	\$7,536.29	\$7,616.01	\$6,430.85	\$49,016.64
	Out Cost	\$0.00	\$3,022.10	\$12,530.28	\$12,233.26	\$8,346.95	\$5,161.41	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$41,294.00
	In Rate	\$0.05445	\$0.05445	\$0.05445	\$0.05445	\$0.05445	\$0.05445	\$0.05445	\$0.05445	\$0.05445	\$0.05445	\$0.05445	\$0.05445	\$0.05445
	Out Rate	\$0.08427	\$0.08427	\$0.08427	\$0.08427	\$0.08427	\$0.08427	\$0.08427	\$0.08427	\$0.08427	\$0.08427	\$0.08427	\$0.08427	\$0.08427
	In Vol.	56	0	0	55	0	82	17,815	35,000	33,751	30,000	22,365	1,000	
TR LNG	Out Vol.	54	11,137	49,222	44,408	35,142	158	3	0	0	0	0	0	
	In Cost	\$3.05	\$0.00	\$0.00	\$2.99	\$0.00	\$4.46	\$970.03	\$1,905.75	\$1,837.74	\$1,633.50	\$1,217.77	\$54.45	\$7,629.75
	Out Cost	\$4.55	\$988.51	\$4,147.94	\$3,742.26	\$2,961.42	\$13.31	\$0.25	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$11,808.25
	In Rate	\$0.06892	\$0.06892	\$0.06892	\$0.06892	\$0.06892	\$0.06892	\$0.06892	\$0.06892	\$0.06892	\$0.06892	\$0.06892	\$0.06892	\$0.06892
	Out Rate	\$0.06892	\$0.06892	\$0.06892	\$0.06892	\$0.06892	\$0.06892	\$0.06892	\$0.06892	\$0.06892	\$0.06892	\$0.06892	\$0.06892	\$0.06892
	In Vol.	0	0	0	0	0	0	0	0	0	0	0	0	
TR SS-2	Out Vol.	0	0	0	0	0	0	0	0	0	0	0	0	
	In Cost	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Out Cost	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	In Rate	\$0.04340	\$0.04340	\$0.04340	\$0.04340	\$0.04340	\$0.04340	\$0.04340	\$0.04340	\$0.04340	\$0.04340	\$0.04340	\$0.04340	\$0.04340
	Out Rate	\$0.04340	\$0.04340	\$0.04340	\$0.04340	\$0.04340	\$0.04340	\$0.04340	\$0.04340	\$0.04340	\$0.04340	\$0.04340	\$0.04340	\$0.04340
	In Vol.	79,399	0	0	0	0	0	309,303	309,140	302,615	266,091	268,720	229,407	
TR ESS	Out Vol.	0	113,358	468,558	485,820	415,638	281,301	0	0	0	0	0	0	
	In Cost	\$3,445.92	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$13,423.75	\$13,416.68	\$13,133.49	\$11,548.35	\$11,662.45	\$9,956.26	\$76,586.90
	Out Cost	\$0.00	\$4,919.74	\$20,335.42	\$21,084.59	\$18,038.69	\$12,208.46	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$76,586.90
	In Rate	\$0.05005	\$0.05005	\$0.05005	\$0.05005	\$0.05005	\$0.05005	\$0.05005	\$0.05005	\$0.05005	\$0.05005	\$0.05005	\$0.05005	\$0.05005
	Out Rate	\$0.05005	\$0.05005	\$0.05005	\$0.05005	\$0.05005	\$0.05005	\$0.05005	\$0.05005	\$0.05005	\$0.05005	\$0.05005	\$0.05005	\$0.05005
	In Vol.	0	0	0	0	0	13	0	20,923	20,923	20,923	20,923	20,910	
TOTAL STORAGE SERVICES VARIABLE CHARGES	Out Vol.	0	439	0	0	104,044	31	20,674	100	250	0	0	0	
	In Cost	\$0.00	\$0.00	\$0.00	\$0.00	\$0.65	\$0.00	\$1,047.20	\$1,047.20	\$1,047.20	\$1,047.20	\$1,047.20	\$1,046.55	\$6,283.18
	Out Cost	\$0.00	\$21.97	\$0.00	\$0.00	\$5,207.40	\$1.55	\$1,034.73	\$5.01	\$12.51	\$0.00	\$0.00	\$0.00	\$6,283.18
TOTAL DEMAND AND STORAGE SERVICES VARIABLE CHARGES		\$19,111.41	\$30,781.24	\$70,564.16	\$76,467.51	\$79,524.35	\$51,265.66	\$64,610.82	\$58,569.58	\$48,947.28	\$44,155.93	\$43,609.07	\$35,193.26	\$622,800.26
		\$6,243,143.32	\$7,079,457.05	\$7,313,457.41	\$7,318,030.28	\$7,010,368.51	\$7,180,014.12	\$6,189,959.08	\$6,281,593.25	\$6,299,295.54	\$6,267,623.09	\$6,266,632.74	\$6,160,541.53	\$79,610,115.93

South Jersey Gas Company
Statement of Injections and Withdrawals - LNG Inventory
For the period October 1, 2021 through September 30, 2022

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
	Injections		Liquefier Costs	Inventory (Dth)		Withdrawals			Ending Inventory	
Period	Amount	Dth	Amount	Beginning	Ending	Sendout (Dth)	Average Relief Rate	Cost of Sendout from Storage	Ending Inventory (Dth)	Ending Inventory (\$)
Beginning Inventory									292,045	\$2,485,249
Oct 2021	\$ 188,034	65,000	\$170,680	292,045	350,553	6,492	\$8.5098	\$51,711	350,553	\$2,792,251
Nov 2021	\$ -	-	\$21,800	350,553	338,553	12,000	\$7.9653	\$96,330	338,553	\$2,717,722
Dec 2021	\$ 6,054	2,000	\$23,500	338,553	316,553	24,000	\$7.9981	\$193,610	316,553	\$2,553,665
Jan 2022	\$ 156,302	50,000	\$154,000	316,553	249,553	117,000	\$7.3931	\$914,149	249,553	\$1,949,818
Feb 2022	\$ 103,647	35,000	\$115,500	249,553	176,553	108,000	\$7.2165	\$823,215	176,553	\$1,345,750
Mar 2022	\$ 7,914	3,000	\$25,500	176,553	139,553	40,000	\$7.5391	\$307,244	139,553	\$1,071,920
Apr 2022	\$ 185,387	70,000	\$218,000	139,553	204,053	5,500	\$5.9999	\$38,721	204,053	\$1,436,586
May 2022	\$ 39,217	15,000	\$29,000	204,053	213,053	6,000	\$6.7372	\$41,217	213,053	\$1,463,585
Jun 2022	\$ -	-	\$23,650	213,053	207,053	6,000	\$6.8696	\$41,884	207,053	\$1,445,352
Jul 2022	\$ -	-	\$23,300	207,053	201,253	5,800	\$6.9806	\$41,140	201,253	\$1,427,512
Aug 2022	\$ -	-	\$24,150	201,253	195,253	6,000	\$7.0931	\$43,279	195,253	\$1,408,383
Sep 2022	\$ -	-	\$22,300	195,253	189,553	5,700	\$7.2131	\$41,766	189,553	\$1,388,917

SOUTH JERSEY GAS COMPANY
ACTUAL ANNUAL REQUIREMENTS AND SUPPLIES
NOVEMBER 2018 THROUGH OCTOBER 2020

Quantities in MDts

	1	2	3	5	6	7
	Nov 2018 through Oct 2019			Nov 2019 through Oct 2020		
	Actual	Actual	Actual	Actual	Actual	Actual
	Annual	Heating Season	Non-Heat Season	Annual	Heating Season	Non-Heat Season
16 FIRM REQUIREMENTS						
17 Residential	24,621	19,853	4,769	17,322	17,322	6,802
18 Commercial	5,745	4,198	1,547	5,321	3,623	1,698
19 Commercial Large Volume	627	418	209	558	380	178
20 Industrial	356	241	115	206	171	35
21 Company Use and Unaccounted For	5,186	5,192	-6	775	119	656
22 Firm Electric Service	1,375	699	676	754	207	546
23 Electric Generation - LV	85	41	43	45	23	22
24 Electric Generation - Monthly BGSS	0	0	0	0	0	0
25 BSC	0	0	0	0	0	0
27 TOTAL FIRM SENDOUT EXCLUDING TRANSPORTATION (lines 17 thru 25)	37,994	30,642	7,352	24,980	21,845	9,936
28 Firm Transportation (FT)	<u>23,018</u>	<u>11,946</u>	<u>11,072</u>	<u>20,395</u>	<u>10,841</u>	<u>9,553</u>
31 TOTAL FIRM SENDOUT AND TRANSPORTATION (lines 27+29)	61,011	42,588	18,424	45,375	32,687	19,490
33 Interruptible Sales, Interruptible Transportation and Off-System Sales	<u>16,732</u>	<u>10,299</u>	<u>6,433</u>	<u>14,204</u>	<u>9,809</u>	<u>4,395</u>
35 TOTAL SENDOUT, TRANSPORTATION AND OFF-SYSTEM SALES (line 31+33)	77,744	52,887	24,857	66,380	42,496	23,884
37 Storage Injections	<u>9,715</u>	<u>1,003</u>	<u>8,712</u>	<u>8,716</u>	<u>658</u>	<u>8,058</u>
39 TOTAL REQUIREMENTS (lines 35+37)	87,458	53,889	33,569	75,096	43,154	31,942
41 AVAILABLE SUPPLIES						
42 Spot Direct Purchases - Transco & Columbia FT & City Gate	41,659	24,868	16,790	26,091	11,963	14,128
43 LNG	259	216	43	108	66	41
44 PSE&G Net Exchange	0	0	0	610	0	610
45 Peaking Supply	0	0	0	0	0	0
46 Columbia FT ESEP	12,136	8,505	3,632	17,425	10,674	6,750
47 Transportation Gas (Firm & Interruptible)	25,277	12,887	12,391	22,423	11,978	10,444
49 TOTAL SUPPLIES EXCLUDING STORAGE (lines 41 thru 47)	79,332	46,476	32,856	66,656	34,682	31,974
51 Storage Withdrawals	<u>8,127</u>	<u>7,413</u>	<u>713</u>	<u>8,761</u>	<u>8,472</u>	<u>289</u>
53 TOTAL SUPPLIES AND STORAGE (lines 49+51)	87,458	53,889	33,569	75,417	43,154	32,263

SOUTH JERSEY GAS COMPANY
ANNUAL REQUIREMENTS AND SUPPLIES
NOVEMBER 2020 THROUGH OCTOBER 2021
ACTUAL HEATING SEASON - ESTIMATED NON-HEATING SEASON

Quantities in MDts			
	1	2	3
	Nov 2020 through Oct 2021		
	Estimated	Actual	Estimated
	Annual	Heating Season	Non-Heat Season
FIRM REQUIREMENTS			
Residential	26,015	20,004	6,011
Commercial	9,631	6,703	2,927
Commercial LV	298	228	70
Industrial	2,798	1,815	983
Total HF Sendout - Normal	0	0	0
TOTAL FIRM SENDOUT REQUIREMENTS (lines 19 thru 26)	38,742	28,750	9,991
Firm Transportation (FT) (WS = Actual SS = Included in line 26)	5,720	5,720	0
TOTAL FIRM SENDOUT AND TRANSPORTATION (lines 28+30)	44,461	34,470	9,991
Available For Interruptible and Off-System Sales (WS Actual - SS lines 54-32-38)	136,167	11,653	124,513
TOTAL SENDOUT, TRANSPORTATION AND OFF-SYSTEM SALES (line 32+34)	180,628	46,123	134,505
Storage Injections	8,819	837	7,982
TOTAL REQUIREMENTS - NORMAL WEATHER (lines 36+38)	189,447	46,960	142,486
AVAILABLE SUPPLIES			
Spot Direct Purchases - Transco & Columbia FT & City Gate	72,456	33,919	38,536
LNG	66,659	159	66,500
Peaking Supply	0	0	0
Columbia ESEP	25,550	10,570	14,980
Transportation Gas (WS Actual - SS up to 105,000 dts/d)	34,124	11,654	22,470
TOTAL SUPPLIES EXCLUDING STORAGE (lines 43 thru 47)	198,789	56,302	142,486
Storage Withdrawals	8,029	8,029	0
TOTAL SUPPLIES PLUS STORAGE (lines 49+51)	206,817	64,331	142,486

SOUTH JERSEY GAS COMPANY
ANNUAL REQUIREMENTS AND SUPPLIES
NOVEMBER 2021 THROUGH OCTOBER 2023
EXCLUDES OPT-OUT CUSTOMERS

	Quantities in MDts			Quantities in MDts		
	1	2	3	1	2	3
	Nov 2021 through Oct 2022			Nov 2022 through Oct 2023		
	Estimated	Estimated	Estimated	Estimated	Estimated	Estimated
	Annual	Heating Season	Non-Heat Season	Annual	Heating Season	Non-Heat Season
TOTAL FIRM SENDOUT AND TRANSPORTATION REQUIREMENTS (EXCLUDES OPT-OUT)	41,384	31,207	10,177	42,103	31,745	10,357
Storage Injections Based on Full Contract Quantities	<u>8,819</u>	<u>0</u>	<u>8,819</u>	<u>8,819</u>	<u>0</u>	<u>8,819</u>
TOTAL SENDOUT, STORAGE INJ. AND TRANS. REQ. - NORMAL WEATHER (lines 18+20)	50,203	31,207	18,996	50,921	31,745	19,176
Available For Non-Firm Sales (NFS) - Normal Weather	<u>93,856</u>	<u>36,798</u>	<u>57,057</u>	<u>93,856</u>	<u>36,260</u>	<u>56,877</u>
TOTAL SENDOUT - STORAGE INJ. - TRANS. REQ. & AVAIL. NFS - NORMAL WEATHER (lines 22+24)	144,058	68,005	76,053	144,058	68,005	76,053
Firm Sendout and Transportation Requirements Added for Design Weather	<u>6,799</u>	<u>6,799</u>	<u>0</u>	<u>6,919</u>	<u>6,919</u>	<u>0</u>
TOTAL SENDOUT - STORAGE INJ. - TRANS. REQ. & AVAIL. NFS - DESIGN WEATHER (lines 24+26)	150,857	74,805	76,053	150,857	74,805	76,053
AVAILABLE SUPPLIES						
Spot Purchases Based on Transco & Col. FT & City Gate Supplies - Cap. Red. For AMA & CIP Releases	68,631	30,094	38,536	68,631	30,094	38,536
LNG Withdrawals	434	368	67	434	368	67
Peaking Service	2,300	2,300	0	2,300	2,300	0
Columbia East Side Expansion Project	25,550	10,570	14,980	25,550	10,570	14,980
Transportation Gas (105,000 Dts per day)	<u>38,325</u>	<u>15,855</u>	<u>22,470</u>	<u>38,325</u>	<u>15,855</u>	<u>22,470</u>
TOTAL SUPPLIES EXCLUDING STORAGE (lines 33 thru 37)	135,240	59,187	76,053	135,240	59,187	76,053
Storage Withdrawals Full Contract Quantities	<u>8,819</u>	<u>8,819</u>	<u>0</u>	<u>8,819</u>	<u>8,819</u>	<u>0</u>
TOTAL SUPPLIES PLUS STORAGE (lines 39+41)	144,058	68,005	76,053	144,058	68,005	76,053
WINTER RESERVE - NORMAL WEATHER (lines 43-22)		36,798			36,260	
WINTER RESERVE - DESIGN WEATHER (lines 45-28)		29,999			29,341	
Amount in Storage November 1	8,819			8,819		

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SOUTH JERSEY GAS COMPANY
DESIGN DAY FORECAST
2021-22 THROUGH 2025-26

	2021-22	2022-23	2023-24	2024-25	2025-26
Summary of Requirements vs Supplies					
Total Design Day Requirements	587,626	597,094	607,192	616,816	626,956
Total Design Day Supplies	600,987	610,987	620,987	630,987	640,987
Excess / (Shortfall)	13,361	13,893	13,795	14,171	14,031
Design Day Degree Days					
	63.0	63.0	63.0	63.0	63.0
Quantity in Dts	2021-22	2022-23	2023-24	2024-25	2025-26
Total Design Day Sendout Requirements	587,626	597,094	607,192	616,816	626,956
Design Day Capacity Entitlements					
Pipeline City Gate Long-Term Capacity	Contract #				
Transco FT (Long-haul)	1003902	128,651	128,651	128,651	128,651
Transco FT (Long-haul)	1002231	2,264	2,264	2,264	2,264
Transco (PSFT) (Long-haul)	1005003	3,002	3,002	3,002	3,002
Transco FT (Leidy Line)	1013599	41,608	41,608	41,608	41,608
Transco FT (Leidy Line)	1044825	17,433	17,433	17,433	17,433
Columbia NTS	39305	22,511	22,511	22,511	22,511
Columbia FTS	38099	22,511	22,511	22,511	22,511
Columbia FTS	156147	9,000	9,000	9,000	9,000
Columbia FTS (ESEP)	161135	70,000	70,000	70,000	70,000
Total Pipeline Services (lines 23 thru 31)		316,980	316,980	316,980	316,980
Underground Storage Services					
Transco S-2		1,557	1,557	1,557	1,557
Transco GSS		27,314	27,314	27,314	27,314
Transco LSS		12,000	12,000	12,000	12,000
Transco LG-A		15,670	15,670	15,670	15,670
Transco SS-2		16,043	16,043	16,043	16,043
Columbia FSS		52,891	52,891	52,891	52,891
Total Underground Storage (lines 36 thru 41)		125,475	125,475	125,475	125,475
Company Sources					
City Gate Supplies - (Peaking)		25,000	35,000	45,000	55,000
Company LNG (110,000 Mcf pro-rated @ 20 hours - converted to Dts)		75,000	75,000	75,000	75,000
Total Company Entitlement Sources (lines 33+43+46+47)		542,455	552,455	562,455	572,455
Company Entitlement Deficiency Before Transportation (49-18)		(45,171)	(44,639)	(44,737)	(44,361)
Transportation Sources					
RSG-FT @ 100% of Jan 2021 Average Daily Load		5,546	5,546	5,546	5,546
GSG-FT & GSG-LV-FT @ 100% of Jan 2021 Average Daily Load		34,229	34,229	34,229	34,229
Total Transportation Sources (lines 54+55)		39,775	39,775	39,775	39,775
Incremental Capacity Available From Transco CNJEP (105,000-line 57)		65,225	65,225	65,225	65,225
Total Transco CNJEP Capacity (lines 57+59)		105,000	105,000	105,000	105,000
Assets Released as Part of The Conservation Incentive Program					
Transco FT (Long Haul)		(10,000)	(10,000)	(10,000)	(10,000)
Transco FT (Leidy Line)		(20,000)	(20,000)	(20,000)	(20,000)
Columbia FTS		(16,468)	(16,468)	(16,468)	(16,468)
Total Assets Released as Part of the CIP (lines 64 thru 67)		(46,468)	(46,468)	(46,468)	(46,468)
Total Net Design Day Supplies (lines 49+61+69)		600,987	610,987	620,987	630,987
Excess / (Shortfall) Between Requirements & Entitlements (lines 71 - 18)		13,361	13,893	13,795	14,171
Excess / (Shortfall) as a Percent of Sendout (lines 73/18)		2.3%	2.3%	2.3%	2.2%

South Jersey Gas Company
Actual Peak Day Supply and Demand
Five Highest Demand Days For Each Of The Last Three Winter Season (Dts)

WINTER SEASON	DATE OF HIGHEST DEMAND	SUPPLY SOURCES				TOTAL SENDOUT	FIRM SENDOUT	INTERR SENDOUT	TOTAL SENDOUT	DEGREE DAYS
		TRANSCO	COLUMBIA	PSE&G	LNG					
2020-2021	January 29, 2021	195,295	211,232	0	74	406,601	406,561	40	406,601	42.12
	January 28, 2021	186,832	203,782	0	50	390,664	390,327	337	390,664	40.06
	February 20, 2021	155,419	211,125	0	146	366,690	366,661	29	366,690	37.71
	February 12, 2021	146,993	211,939	0	104	359,036	358,825	211	359,036	36.60
	February 13, 2021	144,455	213,947	0	255	358,657	358,629	28	358,657	35.99
2019-2020	December 19, 2019	186,025	191,709	0	21,210	398,944	382,085	16,859	398,944	41.42
	February 14, 2020	209,559	155,920	0	33	365,512	351,250	14,262	365,512	39.46
	January 20, 2020	200,786	162,518	0	0	363,304	355,764	7,540	363,304	39.00
	January 17, 2020	161,162	194,869	0	2	356,033	341,461	14,572	356,033	39.04
	November 12, 2019	164,825	183,337	0	245	348,407	332,994	15,413	348,407	34.18
2018-2019	January 21, 2019	252,884	193,009	0	50,695	496,588	490,315	6,273	496,588	49.34
	January 31, 2019	266,351	187,631	0	17,066	471,048	465,465	5,583	471,048	51.68
	February 01, 2019	269,523	191,060	0	163	460,746	455,225	5,521	460,746	51.68
	January 30, 2019	253,021	161,157	0	39,249	453,427	447,899	5,528	453,427	48.48
	March 06, 2019	182,959	197,894	0	36,914	417,767	405,724	12,043	417,767	42.02

**SOUTH JERSEY GAS COMPANY
STATEMENT OF SIGNIFICANT ACTUAL AND ESTIMATED SUPPLIER REFUNDS
2020-2021 BGSS YEAR**

Date Received	Pipeline or Supplier	FERC Docket No.	Issue	Amount Refunded	Total Monthly
Oct-20	Transco	-	Revenue Sharing of Penalty	\$2,483.42	\$2,483.42
Nov-20	Columbia	-	Penalty Refund 2020	\$7,173.39	\$7,173.39
Dec-20	-	-		\$0.00	\$0.00
Jan-21	Transco	-	OFO Penalty Disbursement Docket RP21-78-000	\$109.48	\$109.48
Feb-21	-	-	-	\$0.00	\$0.00
Mar-21	-	-	-	\$0.00	\$0.00
Apr-21	-	-	-	\$0.00	\$0.00
May-21	-	-	-	\$0.00	\$0.00
Jun-21	-	-	-	\$0.00	\$0.00
Jul-21	-	-	-	\$0.00	\$0.00
Aug-21	-	-	-	\$0.00	\$0.00
Sep-21	-	-	-	\$0.00	\$0.00
Total				<u>\$9,766.29</u>	<u>\$9,766.29</u>

**SOUTH JERSEY GAS COMPANY
STATEMENT OF SIGNIFICANT ESTIMATED SUPPLIER REFUNDS 2021-2022
BGSS YEAR**

Date Received	Pipeline or Supplier	FERC Docket No.	Issue	Amount Refunded	Total Monthly
Oct-21	-	-	-	\$0.00	\$0.00
Nov-21	-	-	-	\$0.00	\$0.00
Dec-21	-	-	-	\$0.00	\$0.00
Jan-22	-	-	-	\$0.00	\$0.00
Feb-22	-	-	-	\$0.00	\$0.00
Mar-22	-	-	-	\$0.00	\$0.00
Apr-22	-	-	-	\$0.00	\$0.00
May-22	-	-	-	\$0.00	\$0.00
Jun-22	-	-	-	\$0.00	\$0.00
Jul-22	-	-	-	\$0.00	\$0.00
Aug-22	-	-	-	\$0.00	\$0.00
Sep-22	-	-	-	\$0.00	\$0.00
Total				<u>\$0.00</u>	<u>\$0.00</u>

**South Jersey Gas Company
Summary of Hedging Activity
October 2021 - September 2022
As of March 31, 2021**

Supply Month	BGSS Sendout* (000)	Total Hedged (000)	Program Hedges			
			Non-Discr (000)	Planalytics (000)	Sim (000)	Disc (000)
October-21	1,152	500	450	50	-	-
November-21	2,713	1,545	425	-	1,120	-
December-21	4,663	1,650	400	130	1,120	-
January-22	5,844	1,675	375	180	1,120	-
February-22	4,852	1,580	350	110	1,120	-
March-22	3,802	1,475	325	30	1,120	-
April-22	1,910	360	300	60	-	-
May-22	934	275	275	-	-	-
June-22	601	250	250	-	-	-
July-22	632	225	225	-	-	-
August-22	631	200	200	-	-	-
September-22	631	175	175	-	-	-
Total	28,365	9,910	3,750	560	5,600	-
Total % Hedged		34.9%	13.2%	2.0%	19.7%	0.0%

*Based on Sendout in 2020 BGSS Filing

South Jersey Gas Company
Non Discretionary Hedging Strategy
As of March 31, 2021

Month	Quantity	Average Price
October-21	450,000	\$ 2.607
November-21	425,000	\$ 2.616
December-21	400,000	\$ 2.627
January-22	375,000	\$ 2.642
February-22	350,000	\$ 2.665
March-22	325,000	\$ 2.694
April-22	300,000	\$ 2.711
May-22	275,000	\$ 2.706
June-22	250,000	\$ 2.714
July-22	225,000	\$ 2.730
August-22	200,000	\$ 2.741
September-22	175,000	\$ 2.739

South Jersey Gas Company
Non Discretionary Hedging Strategy
As of March 31, 2021

INS_TYPE	(Multiple Items)
PFOLIO	SJG_Financial_Trading_NonDiscr
PARAM_SEQ_NUM	1

Average of RATE		Column Labels											
Row Labels		10/1/2021	11/1/2021	12/1/2021	1/1/2022	2/1/2022	3/1/2022	4/1/2022	5/1/2022	6/1/2022	7/1/2022	8/1/2022	9/1/2022
10/31/2019	\$	2.444											
11/26/2019	\$	2.435	\$ 2.435										
12/31/2019	\$	2.408	\$ 2.408	\$ 2.408									
1/31/2020	\$	2.317	\$ 2.317	\$ 2.317	\$ 2.317								
2/28/2020	\$	2.292	\$ 2.292	\$ 2.292	\$ 2.292	\$ 2.292							
3/31/2020	\$	2.495	\$ 2.495	\$ 2.495	\$ 2.495	\$ 2.495	\$ 2.495						
4/30/2020	\$	2.758	\$ 2.758	\$ 2.758	\$ 2.758	\$ 2.758	\$ 2.758	\$ 2.758					
5/29/2020	\$	2.628	\$ 2.628	\$ 2.628	\$ 2.628	\$ 2.628	\$ 2.628	\$ 2.628	\$ 2.628				
6/30/2020	\$	2.571	\$ 2.571	\$ 2.571	\$ 2.571	\$ 2.571	\$ 2.571	\$ 2.571	\$ 2.571	\$ 2.571			
7/31/2020	\$	2.644	\$ 2.644	\$ 2.644	\$ 2.644	\$ 2.644	\$ 2.644	\$ 2.644	\$ 2.644	\$ 2.644	\$ 2.644		
8/31/2020	\$	2.756	\$ 2.756	\$ 2.756	\$ 2.756	\$ 2.756	\$ 2.756	\$ 2.756	\$ 2.756	\$ 2.756	\$ 2.756	\$ 2.756	
9/30/2020	\$	2.730	\$ 2.730	\$ 2.730	\$ 2.730	\$ 2.730	\$ 2.730	\$ 2.730	\$ 2.730	\$ 2.730	\$ 2.730	\$ 2.730	\$ 2.730
10/30/2020	\$	2.885	\$ 2.885	\$ 2.885	\$ 2.885	\$ 2.885	\$ 2.885	\$ 2.885	\$ 2.885	\$ 2.885	\$ 2.885	\$ 2.885	\$ 2.885
11/30/2020	\$	2.773	\$ 2.773	\$ 2.773	\$ 2.773	\$ 2.773	\$ 2.773	\$ 2.773	\$ 2.773	\$ 2.773	\$ 2.773	\$ 2.773	\$ 2.773
12/31/2020	\$	2.637	\$ 2.637	\$ 2.637	\$ 2.637	\$ 2.637	\$ 2.637	\$ 2.637	\$ 2.637	\$ 2.637	\$ 2.637	\$ 2.637	\$ 2.637
1/29/2021	\$	2.729	\$ 2.729	\$ 2.729	\$ 2.729	\$ 2.729	\$ 2.729	\$ 2.729	\$ 2.729	\$ 2.729	\$ 2.729	\$ 2.729	\$ 2.729
2/26/2021	\$	2.736	\$ 2.736	\$ 2.736	\$ 2.736	\$ 2.736	\$ 2.736	\$ 2.736	\$ 2.736	\$ 2.736	\$ 2.736	\$ 2.736	\$ 2.736
3/31/2021	\$	2.680	\$ 2.680	\$ 2.680	\$ 2.680	\$ 2.680	\$ 2.680	\$ 2.680	\$ 2.680	\$ 2.680	\$ 2.680	\$ 2.680	\$ 2.680
Average Cost per Dth	\$	2.607	\$ 2.616	\$ 2.627	\$ 2.642	\$ 2.665	\$ 2.694	\$ 2.711	\$ 2.706	\$ 2.714	\$ 2.730	\$ 2.741	\$ 2.739
Dth Purchased		450,000	425,000	400,000	375,000	350,000	325,000	300,000	275,000	250,000	225,000	200,000	175,000

South Jersey Gas Company
Planalytics Hedging Strategy
As of March 31, 2021

Month	Quantity	Average Price
October-21	50,000	\$ 2.728
November-21	-	\$ -
December-21	130,000	\$ 2.953
January-22	180,000	\$ 3.054
February-22	110,000	\$ 2.990
March-22	30,000	\$ 2.829
April-22	60,000	\$ 2.472
May-22	-	\$ -
June-22	-	\$ -
July-22	-	\$ -
August-22	-	\$ -
September-22	-	\$ -

South Jersey Gas Company
Storage Incentive Mechanism
Benchmark Cost Calculation, Actual Results & Sharing (Proforma)
Actual April - October 2021

Component of Benchmark	For Deliveries During								Total
	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21		
Volumes (Bcf)	0.80	0.80	0.80	0.80	0.80	0.80	0.80	5.60	
Financial Hedges									
Commodity Cost (\$000)	\$ 2,136	\$ 2,136	\$ 2,136	\$ 2,136	\$ 2,136	\$ 2,136	\$ 2,136	\$ 14,950	
Average Cost	\$ 2.670	\$ 2.670	\$ 2.670	\$ 2.670	\$ 2.670	\$ 2.670	\$ 2.670		
Total Benchmark	\$ 2,136	\$ 2,136	\$ 2,136	\$ 2,136	\$ 2,136	\$ 2,136	\$ 2,136	\$ 14,950	
	Storage Benchmark Per Dt							2.670	
Actual/Est Injection Volumes	0.80	0.80	0.80	0.80	0.80	0.80	0.80	5.60	
Financial Hedges									
Cost (\$000)	\$ 2,136	\$ 2,136	\$ 2,136	\$ 2,136	\$ 2,136	\$ 2,136	\$ 2,136		
Net (Gains) / Losses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Total	\$ 2,136	\$ 2,136	\$ 2,136	\$ 2,136	\$ 2,136	\$ 2,136	\$ 2,136	\$ 14,950	
	Actual Average Cost Before Sharing							2.670	
Difference between Benchmark and Actual	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	BGSS Share 80%							\$ -	
	SJG Share							\$ -	
	Actual Average Cost Before Sharing							\$ 2.670	
	SJG Sharing Per Dt							\$ -	
	Actual Average Cost After Sharing							\$ 2.670	

**South Jersey Gas Company
Discretionary Hedging Strategy
As of March 31, 2021**

Financial Fixed Priced				Physical Fixed Price			
Month	Quantity	Average Price		Month	Quantity	Average Price	
October-21	-	\$	-	October-21	-	\$	-
November-21	-	\$	-	November-21	-	\$	-
December-21	-	\$	-	December-21	-	\$	-
January-22	-	\$	-	January-22	-	\$	-
February-22	-	\$	-	February-22	-	\$	-
March-22	-	\$	-	March-22	-	\$	-
April-22	-	\$	-	April-22	-	\$	-
May-22	-	\$	-	May-22	-	\$	-
June-22	-	\$	-	June-22	-	\$	-
July-22	-	\$	-	July-22	-	\$	-
August-22	-	\$	-	August-22	-	\$	-
September-22	-	\$	-	September-22	-	\$	-

**South Jersey Gas Company
Summary of Hedging Activity
October 2020 - September 2021
As of March 31, 2021**

Supply Month	BGSS Sendout* (000)	Total Hedged (000)	Program Hedges			
			Non-Discr (000)	Planalytics (000)	Sim (000)	Disc (000)
October-20	1,152	640	450	190	-	-
November-20	2,713	1,570	450	-	1,120	-
December-20	4,663	2,490	450	920	1,120	-
January-21	5,844	3,120	450	1,550	1,120	-
February-21	4,852	2,680	450	1,110	1,120	-
March-21	3,802	2,010	450	440	1,120	-
April-21	1,910	1,030	450	580	-	-
May-21	934	450	450	-	-	-
June-21	601	450	450	-	-	-
July-21	632	450	450	-	-	-
August-21	631	450	450	-	-	-
September-21	631	450	450	-	-	-
Total	28,365	15,790	5,400	4,790	5,600	-
Total % Hedged		55.7%	19.0%	16.9%	19.7%	0.0%

*Based on Sendout in 2020 BGSS Filing

**South Jersey Gas Company
Non Discretionary Hedging Strategy
As of March 31, 2021**

Month	Quantity	Average Price
October-20	450,000	\$ 2.573
November-20	450,000	\$ 2.576
December-20	450,000	\$ 2.571
January-21	450,000	\$ 2.561
February-21	450,000	\$ 2.551
March-21	450,000	\$ 2.548
April-21	450,000	\$ 2.544
May-21	450,000	\$ 2.553
June-21	450,000	\$ 2.558
July-21	450,000	\$ 2.561
August-21	450,000	\$ 2.573
September-21	450,000	\$ 2.591

**South Jersey Gas Company
Non Discretionary Hedging Strategy
As of March 31, 2021**

INS_TYPE	(Multiple Items)
PFOFIO	SJG_Financial_Trading_NonDiscr
PARAM_SEQ_NUM	1

Average of RATE	Column Labels													
Row Labels		10/1/2020	11/1/2020	12/1/2020	1/1/2021	2/1/2021	3/1/2021	4/1/2021	5/1/2021	6/1/2021	7/1/2021	8/1/2021	9/1/2021	
10/31/2018	\$	2.700												
11/30/2018	\$	2.728	\$ 2.728											
12/31/2018	\$	2.755	\$ 2.755	\$ 2.755										
1/31/2019	\$	2.819	\$ 2.819	\$ 2.819	\$ 2.819									
2/28/2019	\$	2.817	\$ 2.817	\$ 2.817	\$ 2.817	\$ 2.817								
3/29/2019	\$	2.792	\$ 2.792	\$ 2.792	\$ 2.792	\$ 2.792	\$ 2.792							
4/30/2019	\$	2.728	\$ 2.728	\$ 2.728	\$ 2.728	\$ 2.728	\$ 2.728	\$ 2.728						
5/31/2019	\$	2.680	\$ 2.680	\$ 2.680	\$ 2.680	\$ 2.680	\$ 2.680	\$ 2.680	\$ 2.680	\$ 2.680				
6/28/2019	\$	2.585	\$ 2.585	\$ 2.585	\$ 2.585	\$ 2.585	\$ 2.585	\$ 2.585	\$ 2.585	\$ 2.585	\$ 2.585			
7/31/2019	\$	2.510	\$ 2.510	\$ 2.510	\$ 2.510	\$ 2.510	\$ 2.510	\$ 2.510	\$ 2.510	\$ 2.510	\$ 2.510	\$ 2.510		
8/30/2019	\$	2.417	\$ 2.417	\$ 2.417	\$ 2.417	\$ 2.417	\$ 2.417	\$ 2.417	\$ 2.417	\$ 2.417	\$ 2.417	\$ 2.417	\$ 2.417	
9/30/2019	\$	2.395	\$ 2.395	\$ 2.395	\$ 2.395	\$ 2.395	\$ 2.395	\$ 2.395	\$ 2.395	\$ 2.395	\$ 2.395	\$ 2.395	\$ 2.395	\$ 2.395
10/31/2019	\$	2.444	\$ 2.444	\$ 2.444	\$ 2.444	\$ 2.444	\$ 2.444	\$ 2.444	\$ 2.444	\$ 2.444	\$ 2.444	\$ 2.444	\$ 2.444	\$ 2.444
11/26/2019	\$	2.435	\$ 2.435	\$ 2.435	\$ 2.435	\$ 2.435	\$ 2.435	\$ 2.435	\$ 2.435	\$ 2.435	\$ 2.435	\$ 2.435	\$ 2.435	\$ 2.435
12/31/2019	\$	2.408	\$ 2.408	\$ 2.408	\$ 2.408	\$ 2.408	\$ 2.408	\$ 2.408	\$ 2.408	\$ 2.408	\$ 2.408	\$ 2.408	\$ 2.408	\$ 2.408
1/31/2020	\$	2.317	\$ 2.317	\$ 2.317	\$ 2.317	\$ 2.317	\$ 2.317	\$ 2.317	\$ 2.317	\$ 2.317	\$ 2.317	\$ 2.317	\$ 2.317	\$ 2.317
2/28/2020	\$	2.292	\$ 2.292	\$ 2.292	\$ 2.292	\$ 2.292	\$ 2.292	\$ 2.292	\$ 2.292	\$ 2.292	\$ 2.292	\$ 2.292	\$ 2.292	\$ 2.292
3/31/2020	\$	2.495	\$ 2.495	\$ 2.495	\$ 2.495	\$ 2.495	\$ 2.495	\$ 2.495	\$ 2.495	\$ 2.495	\$ 2.495	\$ 2.495	\$ 2.495	\$ 2.495
4/30/2020			\$ 2.758	\$ 2.758	\$ 2.758	\$ 2.758	\$ 2.758	\$ 2.758	\$ 2.758	\$ 2.758	\$ 2.758	\$ 2.758	\$ 2.758	\$ 2.758
5/29/2020				\$ 2.628	\$ 2.628	\$ 2.628	\$ 2.628	\$ 2.628	\$ 2.628	\$ 2.628	\$ 2.628	\$ 2.628	\$ 2.628	\$ 2.628
6/30/2020					\$ 2.571	\$ 2.571	\$ 2.571	\$ 2.571	\$ 2.571	\$ 2.571	\$ 2.571	\$ 2.571	\$ 2.571	\$ 2.571
7/31/2020						\$ 2.644	\$ 2.644	\$ 2.644	\$ 2.644	\$ 2.644	\$ 2.644	\$ 2.644	\$ 2.644	\$ 2.644
8/31/2020							\$ 2.756	\$ 2.756	\$ 2.756	\$ 2.756	\$ 2.756	\$ 2.756	\$ 2.756	\$ 2.756
9/30/2020								\$ 2.730	\$ 2.730	\$ 2.730	\$ 2.730	\$ 2.730	\$ 2.730	\$ 2.730
10/30/2020									\$ 2.885	\$ 2.885	\$ 2.885	\$ 2.885	\$ 2.885	\$ 2.885
11/30/2020										\$ 2.773	\$ 2.773	\$ 2.773	\$ 2.773	\$ 2.773
12/31/2020											\$ 2.637	\$ 2.637	\$ 2.637	\$ 2.637
1/29/2021												\$ 2.729	\$ 2.729	\$ 2.729
2/26/2021														\$ 2.736
Average Cost per Dth	\$	2.573	\$ 2.576	\$ 2.571	\$ 2.561	\$ 2.551	\$ 2.548	\$ 2.544	\$ 2.553	\$ 2.558	\$ 2.561	\$ 2.573	\$ 2.591	
Dth Purchased		450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	

South Jersey Gas Company
Planalytics Hedging Strategy
As of March 31, 2021

Month	Quantity	Average Price
October-20	190,000	\$ 2.267
November-20	-	\$ -
December-20	920,000	\$ 3.160
January-21	1,550,000	\$ 3.298
February-21	1,110,000	\$ 3.253
March-21	440,000	\$ 3.115
April-21	580,000	\$ 2.816
May-21	-	\$ -
June-21	-	\$ -
July-21	-	\$ -
August-21	-	\$ -
September-21	-	\$ -

South Jersey Gas Company
Discretionary Hedging Strategy
As of March 31, 2021

Financial Fixed Priced				Physical Fixed Price			
Month	Quantity	Average Price		Month	Quantity	Average Price	
October-20	-	\$	-	October-20	-	\$	-
November-20	-	\$	-	November-20	-	\$	-
December-20	-	\$	-	December-20	-	\$	-
January-21	-	\$	-	January-21	-	\$	-
February-21	-	\$	-	February-21	-	\$	-
March-21	-	\$	-	March-21	-	\$	-
April-21	-	\$	-	April-21	-	\$	-
May-21	-	\$	-	May-21	-	\$	-
June-21	-	\$	-	June-21	-	\$	-
July-21	-	\$	-	July-21	-	\$	-
August-21	-	\$	-	August-21	-	\$	-
September-21	-	\$	-	September-21	-	\$	-

**South Jersey Gas Company
Summary of Hedging Activity
October 2021 - September 2022
As of December 31, 2020**

Supply Month	BGSS Sendout* (000)	Total Hedged (000)	Program Hedges			
			Non-Discr (000)	Planalytics (000)	Sim (000)	Disc (000)
October-21	1,152	375	375	-	-	-
November-21	2,713	686	350	-	336	-
December-21	4,663	661	325	-	336	-
January-22	5,844	636	300	-	336	-
February-22	4,852	611	275	-	336	-
March-22	3,802	586	250	-	336	-
April-22	1,910	225	225	-	-	-
May-22	934	200	200	-	-	-
June-22	601	175	175	-	-	-
July-22	632	150	150	-	-	-
August-22	631	125	125	-	-	-
September-22	631	100	100	-	-	-
Total	28,365	4,530	2,850	-	1,680	-
Total % Hedged		16.0%	10.0%	0.0%	5.9%	0.0%

*Based on Sendout in 2020 BGSS Filing

**South Jersey Gas Company
Non Discretionary Hedging Strategy
As of December 31, 2020**

Month	Quantity	Average Price
October-21	375,000	\$ 2.585
November-21	350,000	\$ 2.595
December-21	325,000	\$ 2.607
January-22	300,000	\$ 2.624
February-22	275,000	\$ 2.652
March-22	250,000	\$ 2.688
April-22	225,000	\$ 2.709
May-22	200,000	\$ 2.703
June-22	175,000	\$ 2.714
July-22	150,000	\$ 2.738
August-22	125,000	\$ 2.756
September-22	100,000	\$ 2.756

South Jersey Gas Company
Non Discretionary Hedging Strategy
As of December 31, 2020

INS_TYPE	(Multiple Items)
PFOLIO	SJG_Financial_Trading_NonDiscr
PARAM_SEQ_NUM	1

Average of RATE	Column Labels	10/1/2021	11/1/2021	12/1/2021	1/1/2022	2/1/2022	3/1/2022	4/1/2022	5/1/2022	6/1/2022	7/1/2022	8/1/2022	9/1/2022
Row Labels													
10/31/2019	\$	2.444											
11/26/2019	\$	2.435	\$ 2.435										
12/31/2019	\$	2.408	\$ 2.408	\$ 2.408									
1/31/2020	\$	2.317	\$ 2.317	\$ 2.317	\$ 2.317								
2/28/2020	\$	2.292	\$ 2.292	\$ 2.292	\$ 2.292	\$ 2.292							
3/31/2020	\$	2.495	\$ 2.495	\$ 2.495	\$ 2.495	\$ 2.495	\$ 2.495						
4/30/2020	\$	2.758	\$ 2.758	\$ 2.758	\$ 2.758	\$ 2.758	\$ 2.758	\$ 2.758					
5/29/2020	\$	2.628	\$ 2.628	\$ 2.628	\$ 2.628	\$ 2.628	\$ 2.628	\$ 2.628	\$ 2.628				
6/30/2020	\$	2.571	\$ 2.571	\$ 2.571	\$ 2.571	\$ 2.571	\$ 2.571	\$ 2.571	\$ 2.571	\$ 2.571			
7/31/2020	\$	2.644	\$ 2.644	\$ 2.644	\$ 2.644	\$ 2.644	\$ 2.644	\$ 2.644	\$ 2.644	\$ 2.644	\$ 2.644		
8/31/2020	\$	2.756	\$ 2.756	\$ 2.756	\$ 2.756	\$ 2.756	\$ 2.756	\$ 2.756	\$ 2.756	\$ 2.756	\$ 2.756	\$ 2.756	
9/30/2020	\$	2.730	\$ 2.730	\$ 2.730	\$ 2.730	\$ 2.730	\$ 2.730	\$ 2.730	\$ 2.730	\$ 2.730	\$ 2.730	\$ 2.730	\$ 2.730
10/30/2020	\$	2.885	\$ 2.885	\$ 2.885	\$ 2.885	\$ 2.885	\$ 2.885	\$ 2.885	\$ 2.885	\$ 2.885	\$ 2.885	\$ 2.885	\$ 2.885
11/30/2020	\$	2.773	\$ 2.773	\$ 2.773	\$ 2.773	\$ 2.773	\$ 2.773	\$ 2.773	\$ 2.773	\$ 2.773	\$ 2.773	\$ 2.773	\$ 2.773
12/31/2020	\$	2.637	\$ 2.637	\$ 2.637	\$ 2.637	\$ 2.637	\$ 2.637	\$ 2.637	\$ 2.637	\$ 2.637	\$ 2.637	\$ 2.637	\$ 2.637
	\$	2.585	\$ 2.595	\$ 2.607	\$ 2.624	\$ 2.652	\$ 2.688	\$ 2.709	\$ 2.703	\$ 2.714	\$ 2.738	\$ 2.756	\$ 2.756
Dth Purchased		375,000	350,000	325,000	300,000	275,000	250,000	225,000	200,000	175,000	150,000	125,000	100,000

South Jersey Gas Company
Planalytics Hedging Strategy
As of December 31, 2020

Month	Quantity	Average Price
October-21	-	\$ -
November-21	-	\$ -
December-21	-	\$ -
January-22	-	\$ -
February-22	-	\$ -
March-22	-	\$ -
April-22	-	\$ -
May-22	-	\$ -
June-22	-	\$ -
July-22	-	\$ -
August-22	-	\$ -
September-22	-	\$ -

**South Jersey Gas Company
Discretionary Hedging Strategy
As of December 31, 2020**

Financial Fixed Priced				Physical Fixed Price			
Month	Quantity	Average Price		Month	Quantity	Average Price	
October-21	-	\$	-	October-21	-	\$	-
November-21	-	\$	-	November-21	-	\$	-
December-21	-	\$	-	December-21	-	\$	-
January-22	-	\$	-	January-22	-	\$	-
February-22	-	\$	-	February-22	-	\$	-
March-22	-	\$	-	March-22	-	\$	-
April-22	-	\$	-	April-22	-	\$	-
May-22	-	\$	-	May-22	-	\$	-
June-22	-	\$	-	June-22	-	\$	-
July-22	-	\$	-	July-22	-	\$	-
August-22	-	\$	-	August-22	-	\$	-
September-22	-	\$	-	September-22	-	\$	-

**South Jersey Gas Company
Summary of Hedging Activity
October 2020 - September 2021
As of December 31, 2020**

Supply Month	BGSS Sendout* (000)	Total Hedged (000)	Program Hedges			
			Non-Discr (000)	Planalytics (000)	Sim (000)	Disc (000)
October-20	1,152	640	450	190	-	-
November-20	2,713	1,570	450	-	1,120	-
December-20	4,663	2,490	450	920	1,120	-
January-21	5,844	3,120	450	1,550	1,120	-
February-21	4,852	2,680	450	1,110	1,120	-
March-21	3,802	2,010	450	440	1,120	-
April-21	1,910	1,030	450	580	-	-
May-21	934	450	450	-	-	-
June-21	601	450	450	-	-	-
July-21	632	450	450	-	-	-
August-21	631	425	425	-	-	-
September-21	631	400	400	-	-	-
Total	28,365	15,715	5,325	4,790	5,600	-
Total % Hedged		55.4%	18.8%	16.9%	19.7%	0.0%

*Based on Sendout in 2020 BGSS Filing

**South Jersey Gas Company
Non Discretionary Hedging Strategy
As of December 31, 2020**

Month	Quantity	Average Price
October-20	450,000	\$ 2.573
November-20	450,000	\$ 2.576
December-20	450,000	\$ 2.571
January-21	450,000	\$ 2.561
February-21	450,000	\$ 2.551
March-21	450,000	\$ 2.548
April-21	450,000	\$ 2.544
May-21	450,000	\$ 2.553
June-21	450,000	\$ 2.558
July-21	450,000	\$ 2.561
August-21	425,000	\$ 2.564
September-21	400,000	\$ 2.573

**South Jersey Gas Company
Non Discretionary Hedging Strategy
As of December 31, 2020**

INS_TYPE	(Multiple Items)
PFOFIO	SJG_Financial_Trading_NonDiscr
PARAM_SEQ_NUM	1

[illegible]

South Jersey Gas Company
Planalytics Hedging Strategy
As of December 31, 2020

Month	Quantity	Average Price
October-20	190,000	\$ 2.267
November-20	-	\$ -
December-20	920,000	\$ 3.160
January-21	1,550,000	\$ 3.298
February-21	1,110,000	\$ 3.253
March-21	440,000	\$ 3.115
April-21	580,000	\$ 2.816
May-21	-	\$ -
June-21	-	\$ -
July-21	-	\$ -
August-21	-	\$ -
September-21	-	\$ -

**South Jersey Gas Company
Discretionary Hedging Strategy
As of December 31, 2020**

Financial Fixed Priced				Physical Fixed Price			
Month	Quantity	Average Price		Month	Quantity	Average Price	
October-20	-	\$	-	October-20	-	\$	-
November-20	-	\$	-	November-20	-	\$	-
December-20	-	\$	-	December-20	-	\$	-
January-21	-	\$	-	January-21	-	\$	-
February-21	-	\$	-	February-21	-	\$	-
March-21	-	\$	-	March-21	-	\$	-
April-21	-	\$	-	April-21	-	\$	-
May-21	-	\$	-	May-21	-	\$	-
June-21	-	\$	-	June-21	-	\$	-
July-21	-	\$	-	July-21	-	\$	-
August-21	-	\$	-	August-21	-	\$	-
September-21	-	\$	-	September-21	-	\$	-

**South Jersey Gas Company
Summary of Hedging Activity
October 2019 - September 2020
As of September 30, 2020**

Supply Month	BGSS Sendout* (000)	Total Hedged (000)	Program Hedges			
			Non-Discr (000)	Planalytics (000)	Sim (000)	Disc (000)
October-19	1,292	640	450	190	-	-
November-19	2,857	1,630	450	60	1,120	-
December-19	4,970	2,520	450	950	1,120	-
January-20	6,208	3,120	450	1,550	1,120	-
February-20	5,287	2,650	450	1,080	1,120	-
March-20	4,003	2,010	450	440	1,120	-
April-20	2,049	1,030	450	580	-	-
May-20	1,035	460	450	10	-	-
June-20	688	450	450	-	-	-
July-20	725	460	450	10	-	-
August-20	723	450	450	-	-	-
September-20	725	450	450	-	-	-
Total	30,562	15,870	5,400	4,870	5,600	-
Total % Hedged		51.9%	17.7%	15.9%	18.3%	0.0%

*Based on Sendout in 2019 BGSS Filing

South Jersey Gas Company
Non Discretionary Hedging Strategy
As of September 30, 2020

Month	Quantity	Average Price	
October-19	450,000	\$	2.794
November-19	450,000	\$	2.782
December-19	450,000	\$	2.768
January-20	450,000	\$	2.755
February-20	450,000	\$	2.733
March-20	450,000	\$	2.710
April-20	450,000	\$	2.685
May-20	450,000	\$	2.668
June-20	450,000	\$	2.647
July-20	450,000	\$	2.626
August-20	450,000	\$	2.604
September-20	450,000	\$	2.581

**South Jersey Gas Company
Non Discretionary Hedging Strategy
As of September 30, 2020**

INS_TYPE	(Multiple Items)
PFOLIO	SJG_Financial_Trading_NonDiscr
PARAM_SEQ_NUM	1

[illegible]

**South Jersey Gas Company
Planalytics Hedging Strategy
As of September 30, 2020**

Month	Quantity	Average Price
October-19	190,000	\$ 1.944
November-19	60,000	\$ 2.759
December-19	950,000	\$ 2.165
January-20	1,550,000	\$ 2.243
February-20	1,080,000	\$ 2.400
March-20	440,000	\$ 2.484
April-20	580,000	\$ 2.421
May-20	10,000	\$ 2.456
June-20	-	\$ -
July-20	10,000	\$ 2.518
August-20	-	\$ -
September-20	-	\$ -

**South Jersey Gas Company
Discretionary Hedging Strategy
As of September 30, 2020**

Financial Fixed Priced				Physical Fixed Price			
Month	Quantity	Average Price		Month	Quantity	Average Price	
October-19	-	\$	-	October-19	-	\$	-
November-19	-	\$	-	November-19	-	\$	-
December-19	-	\$	-	December-19	-	\$	-
January-20	-	\$	-	January-20	-	\$	-
February-20	-	\$	-	February-20	-	\$	-
March-20	-	\$	-	March-20	-	\$	-
April-20	-	\$	-	April-20	-	\$	-
May-20	-	\$	-	May-20	-	\$	-
June-20	-	\$	-	June-20	-	\$	-
July-20	-	\$	-	July-20	-	\$	-
August-20	-	\$	-	August-20	-	\$	-
September-20	-	\$	-	September-20	-	\$	-

**South Jersey Gas Company
Summary of Hedging Activity
October 2020 - September 2021
As of September 30, 2020**

Supply Month	BGSS Sendout* (000)	Total Hedged (000)	Program Hedges			
			Non-Discr (000)	Planalytics (000)	Sim (000)	Disc (000)
October-20	1,152	640	450	190	-	-
November-20	2,713	1,570	450	-	1,120	-
December-20	4,663	2,490	450	920	1,120	-
January-21	5,844	3,120	450	1,550	1,120	-
February-21	4,852	2,680	450	1,110	1,120	-
March-21	3,802	2,010	450	440	1,120	-
April-21	1,910	1,030	450	580	-	-
May-21	934	425	425	-	-	-
June-21	601	400	400	-	-	-
July-21	632	375	375	-	-	-
August-21	631	350	350	-	-	-
September-21	631	325	325	-	-	-
Total	28,365	15,415	5,025	4,790	5,600	-
Total % Hedged		54.3%	17.7%	16.9%	19.7%	0.0%

*Based on Sendout in 2020 BGSS Filing

**South Jersey Gas Company
Non Discretionary Hedging Strategy
As of September 30, 2020**

Month	Quantity	Average Price
October-20	450,000	\$ 2.573
November-20	450,000	\$ 2.576
December-20	450,000	\$ 2.571
January-21	450,000	\$ 2.561
February-21	450,000	\$ 2.551
March-21	450,000	\$ 2.548
April-21	450,000	\$ 2.544
May-21	425,000	\$ 2.533
June-21	400,000	\$ 2.524
July-21	375,000	\$ 2.520
August-21	350,000	\$ 2.521
September-21	325,000	\$ 2.529

South Jersey Gas Company
Non Discretionary Hedging Strategy
As of September 30, 2020

INS_TYPE	(Multiple Items)
PFOLIO	SJG_Financial_Trading_NonDiscr
PARAM_SEQ_NUM	1

Average of RATE	Column Labels	10/1/2020	11/1/2020	12/1/2020	1/1/2021	2/1/2021	3/1/2021	4/1/2021	5/1/2021	6/1/2021	7/1/2021	8/1/2021	9/1/2021
Row Labels													
10/31/2018	\$	2.700											
11/30/2018	\$	2.728	\$ 2.728										
12/31/2018	\$	2.755	\$ 2.755	\$ 2.755									
1/31/2019	\$	2.819	\$ 2.819	\$ 2.819	\$ 2.819								
2/28/2019	\$	2.817	\$ 2.817	\$ 2.817	\$ 2.817	\$ 2.817							
3/29/2019	\$	2.792	\$ 2.792	\$ 2.792	\$ 2.792	\$ 2.792	\$ 2.792						
4/30/2019	\$	2.728	\$ 2.728	\$ 2.728	\$ 2.728	\$ 2.728	\$ 2.728	\$ 2.728					
5/31/2019	\$	2.680	\$ 2.680	\$ 2.680	\$ 2.680	\$ 2.680	\$ 2.680	\$ 2.680	\$ 2.680				
6/28/2019	\$	2.585	\$ 2.585	\$ 2.585	\$ 2.585	\$ 2.585	\$ 2.585	\$ 2.585	\$ 2.585	\$ 2.585			
7/31/2019	\$	2.510	\$ 2.510	\$ 2.510	\$ 2.510	\$ 2.510	\$ 2.510	\$ 2.510	\$ 2.510	\$ 2.510	\$ 2.510		
8/30/2019	\$	2.417	\$ 2.417	\$ 2.417	\$ 2.417	\$ 2.417	\$ 2.417	\$ 2.417	\$ 2.417	\$ 2.417	\$ 2.417	\$ 2.417	
9/30/2019	\$	2.395	\$ 2.395	\$ 2.395	\$ 2.395	\$ 2.395	\$ 2.395	\$ 2.395	\$ 2.395	\$ 2.395	\$ 2.395	\$ 2.395	\$ 2.395
10/31/2019	\$	2.444	\$ 2.444	\$ 2.444	\$ 2.444	\$ 2.444	\$ 2.444	\$ 2.444	\$ 2.444	\$ 2.444	\$ 2.444	\$ 2.444	\$ 2.444
11/26/2019	\$	2.435	\$ 2.435	\$ 2.435	\$ 2.435	\$ 2.435	\$ 2.435	\$ 2.435	\$ 2.435	\$ 2.435	\$ 2.435	\$ 2.435	\$ 2.435
12/31/2019	\$	2.408	\$ 2.408	\$ 2.408	\$ 2.408	\$ 2.408	\$ 2.408	\$ 2.408	\$ 2.408	\$ 2.408	\$ 2.408	\$ 2.408	\$ 2.408
1/31/2020	\$	2.317	\$ 2.317	\$ 2.317	\$ 2.317	\$ 2.317	\$ 2.317	\$ 2.317	\$ 2.317	\$ 2.317	\$ 2.317	\$ 2.317	\$ 2.317
2/28/2020	\$	2.292	\$ 2.292	\$ 2.292	\$ 2.292	\$ 2.292	\$ 2.292	\$ 2.292	\$ 2.292	\$ 2.292	\$ 2.292	\$ 2.292	\$ 2.292
3/31/2020	\$	2.495	\$ 2.495	\$ 2.495	\$ 2.495	\$ 2.495	\$ 2.495	\$ 2.495	\$ 2.495	\$ 2.495	\$ 2.495	\$ 2.495	\$ 2.495
4/30/2020			\$ 2.758	\$ 2.758	\$ 2.758	\$ 2.758	\$ 2.758	\$ 2.758	\$ 2.758	\$ 2.758	\$ 2.758	\$ 2.758	\$ 2.758
5/29/2020				\$ 2.628	\$ 2.628	\$ 2.628	\$ 2.628	\$ 2.628	\$ 2.628	\$ 2.628	\$ 2.628	\$ 2.628	\$ 2.628
6/30/2020					\$ 2.571	\$ 2.571	\$ 2.571	\$ 2.571	\$ 2.571	\$ 2.571	\$ 2.571	\$ 2.571	\$ 2.571
7/31/2020						\$ 2.644	\$ 2.644	\$ 2.644	\$ 2.644	\$ 2.644	\$ 2.644	\$ 2.644	\$ 2.644
8/31/2020							\$ 2.756	\$ 2.756	\$ 2.756	\$ 2.756	\$ 2.756	\$ 2.756	\$ 2.756
9/30/2020								\$ 2.730	\$ 2.730	\$ 2.730	\$ 2.730	\$ 2.730	\$ 2.730
Average Cost per Dth \$		2.573	\$ 2.576	\$ 2.571	\$ 2.561	\$ 2.551	\$ 2.548	\$ 2.544	\$ 2.533	\$ 2.524	\$ 2.520	\$ 2.521	\$ 2.529
Dth Purchased		450,000	450,000	450,000	450,000	450,000	450,000	450,000	425,000	400,000	375,000	350,000	325,000

**South Jersey Gas Company
Planalytics Hedging Strategy
As of September 30, 2020**

Month	Quantity	Average Price
October-20	190,000	\$ 2.267
November-20	-	\$ -
December-20	920,000	\$ 3.160
January-21	1,550,000	\$ 3.298
February-21	1,110,000	\$ 3.253
March-21	440,000	\$ 3.115
April-21	580,000	\$ 2.816
May-21	-	\$ -
June-21	-	\$ -
July-21	-	\$ -
August-21	-	\$ -
September-21	-	\$ -

**South Jersey Gas Company
Discretionary Hedging Strategy
As of September 30, 2020**

Financial Fixed Priced				Physical Fixed Price			
Month	Quantity	Average Price		Month	Quantity	Average Price	
October-20	-	\$	-	October-20	-	\$	-
November-20	-	\$	-	November-20	-	\$	-
December-20	-	\$	-	December-20	-	\$	-
January-21	-	\$	-	January-21	-	\$	-
February-21	-	\$	-	February-21	-	\$	-
March-21	-	\$	-	March-21	-	\$	-
April-21	-	\$	-	April-21	-	\$	-
May-21	-	\$	-	May-21	-	\$	-
June-21	-	\$	-	June-21	-	\$	-
July-21	-	\$	-	July-21	-	\$	-
August-21	-	\$	-	August-21	-	\$	-
September-21	-	\$	-	September-21	-	\$	-

**South Jersey Gas Company
Summary of Hedging Activity
October 2019 - September 2020
As of June 30, 2020**

Supply Month	BGSS Sendout* (000)	Total Hedged (000)	Program Hedges			
			Non-Discr (000)	Planalytics (000)	Sim (000)	Disc (000)
October-19	1,292	640	450	190	-	-
November-19	2,857	1,630	450	60	1,120	-
December-19	4,970	2,520	450	950	1,120	-
January-20	6,208	3,120	450	1,550	1,120	-
February-20	5,287	2,650	450	1,080	1,120	-
March-20	4,003	2,010	450	440	1,120	-
April-20	2,049	1,030	450	580	-	-
May-20	1,035	460	450	10	-	-
June-20	688	450	450	-	-	-
July-20	725	460	450	10	-	-
August-20	723	450	450	-	-	-
September-20	725	450	450	-	-	-
Total	30,562	15,870	5,400	4,870	5,600	-
Total % Hedged		51.9%	17.7%	15.9%	18.3%	0.0%

*Based on Sendout in 2019 BGSS Filing

South Jersey Gas Company
Non Discretionary Hedging Strategy
As of June 30, 2020

Month	Quantity	Average Price
October-19	450,000	\$ 2.794
November-19	450,000	\$ 2.782
December-19	450,000	\$ 2.768
January-20	450,000	\$ 2.755
February-20	450,000	\$ 2.733
March-20	450,000	\$ 2.710
April-20	450,000	\$ 2.685
May-20	450,000	\$ 2.668
June-20	450,000	\$ 2.647
July-20	450,000	\$ 2.626
August-20	450,000	\$ 2.604
September-20	450,000	\$ 2.581

**South Jersey Gas Company
Non Discretionary Hedging Strategy
As of June 30, 2020**

INS_TYPE	(Multiple Items)
PFOlio	SJG_Financial_Trading_NonDiscr
PARAM_SEQ_NUM	1

[illegible]

**South Jersey Gas Company
Planalytics Hedging Strategy
As of June 30, 2020**

Month	Quantity	Average Price
October-19	190,000	\$ 1.944
November-19	60,000	\$ 2.759
December-19	950,000	\$ 2.165
January-20	1,550,000	\$ 2.243
February-20	1,080,000	\$ 2.400
March-20	440,000	\$ 2.484
April-20	580,000	\$ 2.421
May-20	10,000	\$ 2.456
June-20	-	\$ -
July-20	10,000	\$ 2.518
August-20	-	\$ -
September-20	-	\$ -

South Jersey Gas Company
Storage Incentive Mechanism
Benchmark Cost Calculation, Actual Results & Sharing (Proforma)
Actual April - September; Estimated October 2019

[illegible]

South Jersey Gas Company
Discretionary Hedging Strategy
As of June 30, 2020

Financial Fixed Priced				Physical Fixed Price			
Month	Quantity	Average Price		Month	Quantity	Average Price	
October-19	-	\$	-	October-19	-	\$	-
November-19	-	\$	-	November-19	-	\$	-
December-19	-	\$	-	December-19	-	\$	-
January-20	-	\$	-	January-20	-	\$	-
February-20	-	\$	-	February-20	-	\$	-
March-20	-	\$	-	March-20	-	\$	-
April-20	-	\$	-	April-20	-	\$	-
May-20	-	\$	-	May-20	-	\$	-
June-20	-	\$	-	June-20	-	\$	-
July-20	-	\$	-	July-20	-	\$	-
August-20	-	\$	-	August-20	-	\$	-
September-20	-	\$	-	September-20	-	\$	-

**South Jersey Gas Company
Summary of Hedging Activity
October 2020 - September 2021
As of June 30, 2020**

Supply Month	BGSS Sendout* (000)	Total Hedged (000)	Program Hedges			
			Non-Discr (000)	Planalytics (000)	Sim (000)	Disc (000)
October-20	1,152	500	450	50	-	-
November-20	2,713	1,570	450	-	1,120	-
December-20	4,663	1,570	450	-	1,120	-
January-21	5,844	1,570	450	-	1,120	-
February-21	4,852	1,545	425	-	1,120	-
March-21	3,802	1,520	400	-	1,120	-
April-21	1,910	375	375	-	-	-
May-21	934	350	350	-	-	-
June-21	601	325	325	-	-	-
July-21	632	300	300	-	-	-
August-21	631	275	275	-	-	-
September-21	631	250	250	-	-	-
Total	28,365	10,150	4,500	50	5,600	-
Total % Hedged		35.8%	15.9%	0.2%	19.7%	0.0%

*Based on Sendout in 2020 BGSS Filing

**South Jersey Gas Company
Non Discretionary Hedging Strategy
As of June 30, 2020**

Month	Quantity	Average Price
October-20	450,000	\$ 2.573
November-20	450,000	\$ 2.576
December-20	450,000	\$ 2.571
January-21	450,000	\$ 2.561
February-21	425,000	\$ 2.545
March-21	400,000	\$ 2.528
April-21	375,000	\$ 2.511
May-21	350,000	\$ 2.495
June-21	325,000	\$ 2.481
July-21	300,000	\$ 2.473
August-21	275,000	\$ 2.469
September-21	250,000	\$ 2.474

South Jersey Gas Company
Non Discretionary Hedging Strategy
As of June 30, 2020

INS_TYPE	(Multiple Items)
PFOLIO	SJG_Financial_Trading_NonDiscr
PARAM_SEQ_NUM	1

Average of RATE		Column Labels											
Row Labels		10/1/2020	11/1/2020	12/1/2020	1/1/2021	2/1/2021	3/1/2021	4/1/2021	5/1/2021	6/1/2021	7/1/2021	8/1/2021	9/1/2021
10/31/2018	\$	2.700											
11/30/2018	\$	2.728	\$ 2.728										
12/31/2018	\$	2.755	\$ 2.755	\$ 2.755									
1/31/2019	\$	2.819	\$ 2.819	\$ 2.819	\$ 2.819								
2/28/2019	\$	2.817	\$ 2.817	\$ 2.817	\$ 2.817	\$ 2.817							
3/29/2019	\$	2.792	\$ 2.792	\$ 2.792	\$ 2.792	\$ 2.792	\$ 2.792						
4/30/2019	\$	2.728	\$ 2.728	\$ 2.728	\$ 2.728	\$ 2.728	\$ 2.728	\$ 2.728					
5/31/2019	\$	2.680	\$ 2.680	\$ 2.680	\$ 2.680	\$ 2.680	\$ 2.680	\$ 2.680	\$ 2.680				
6/28/2019	\$	2.585	\$ 2.585	\$ 2.585	\$ 2.585	\$ 2.585	\$ 2.585	\$ 2.585	\$ 2.585	\$ 2.585			
7/31/2019	\$	2.510	\$ 2.510	\$ 2.510	\$ 2.510	\$ 2.510	\$ 2.510	\$ 2.510	\$ 2.510	\$ 2.510	\$ 2.510		
8/30/2019	\$	2.417	\$ 2.417	\$ 2.417	\$ 2.417	\$ 2.417	\$ 2.417	\$ 2.417	\$ 2.417	\$ 2.417	\$ 2.417	\$ 2.417	
9/30/2019	\$	2.395	\$ 2.395	\$ 2.395	\$ 2.395	\$ 2.395	\$ 2.395	\$ 2.395	\$ 2.395	\$ 2.395	\$ 2.395	\$ 2.395	\$ 2.395
10/31/2019	\$	2.444	\$ 2.444	\$ 2.444	\$ 2.444	\$ 2.444	\$ 2.444	\$ 2.444	\$ 2.444	\$ 2.444	\$ 2.444	\$ 2.444	\$ 2.444
11/26/2019	\$	2.435	\$ 2.435	\$ 2.435	\$ 2.435	\$ 2.435	\$ 2.435	\$ 2.435	\$ 2.435	\$ 2.435	\$ 2.435	\$ 2.435	\$ 2.435
12/31/2019	\$	2.408	\$ 2.408	\$ 2.408	\$ 2.408	\$ 2.408	\$ 2.408	\$ 2.408	\$ 2.408	\$ 2.408	\$ 2.408	\$ 2.408	\$ 2.408
1/31/2020	\$	2.317	\$ 2.317	\$ 2.317	\$ 2.317	\$ 2.317	\$ 2.317	\$ 2.317	\$ 2.317	\$ 2.317	\$ 2.317	\$ 2.317	\$ 2.317
2/28/2020	\$	2.292	\$ 2.292	\$ 2.292	\$ 2.292	\$ 2.292	\$ 2.292	\$ 2.292	\$ 2.292	\$ 2.292	\$ 2.292	\$ 2.292	\$ 2.292
3/31/2020	\$	2.495	\$ 2.495	\$ 2.495	\$ 2.495	\$ 2.495	\$ 2.495	\$ 2.495	\$ 2.495	\$ 2.495	\$ 2.495	\$ 2.495	\$ 2.495
4/30/2020			\$ 2.758	\$ 2.758	\$ 2.758	\$ 2.758	\$ 2.758	\$ 2.758	\$ 2.758	\$ 2.758	\$ 2.758	\$ 2.758	\$ 2.758
5/29/2020				\$ 2.628	\$ 2.628	\$ 2.628	\$ 2.628	\$ 2.628	\$ 2.628	\$ 2.628	\$ 2.628	\$ 2.628	\$ 2.628
6/30/2020					\$ 2.571	\$ 2.571	\$ 2.571	\$ 2.571	\$ 2.571	\$ 2.571	\$ 2.571	\$ 2.571	\$ 2.571
Average Cost per Dth	\$	2.573	\$ 2.576	\$ 2.571	\$ 2.561	\$ 2.545	\$ 2.528	\$ 2.511	\$ 2.495	\$ 2.481	\$ 2.473	\$ 2.469	\$ 2.474
Dth Purchased		450,000	450,000	450,000	450,000	425,000	400,000	375,000	350,000	325,000	300,000	275,000	250,000

South Jersey Gas Company
Planalytics Hedging Strategy
As of June 30, 2020

Month	Quantity	Average Price	
October-20	50,000	\$	2.379
November-20	-	\$	-
December-20	-	\$	-
January-21	-	\$	-
February-21	-	\$	-
March-21	-	\$	-
April-21	-	\$	-
May-21	-	\$	-
June-21	-	\$	-
July-21	-	\$	-
August-21	-	\$	-
September-21	-	\$	-

**South Jersey Gas Company
Discretionary Hedging Strategy
As of June 30, 2020**

Financial Fixed Priced				Physical Fixed Price			
Month	Quantity	Average Price		Month	Quantity	Average Price	
October-20	-	\$	-	October-20	-	\$	-
November-20	-	\$	-	November-20	-	\$	-
December-20	-	\$	-	December-20	-	\$	-
January-21	-	\$	-	January-21	-	\$	-
February-21	-	\$	-	February-21	-	\$	-
March-21	-	\$	-	March-21	-	\$	-
April-21	-	\$	-	April-21	-	\$	-
May-21	-	\$	-	May-21	-	\$	-
June-21	-	\$	-	June-21	-	\$	-
July-21	-	\$	-	July-21	-	\$	-
August-21	-	\$	-	August-21	-	\$	-
September-21	-	\$	-	September-21	-	\$	-

CONFIDENTIAL

FEDERAL REGULATORY FILINGS OF INTEREST TO THE COMPANY

Listed below are summaries of filings submitted to the Federal Energy Regulatory Commission (Commission or FERC), for review and approval, made by interstate pipeline suppliers which are of interest to the Company:

FERC PennEast Pipeline Project (Docket No. CP15-558-000)

On September 24, 2015, PennEast Pipeline Company, LLC (PennEast) filed an application pursuant to section 7(c) of the Natural Gas Act (NGA) and Parts 157 and 284 of the Commission's regulations, requesting authorization to construct and operate a new 116-mile natural gas pipeline from Luzerne County, Pennsylvania, to Mercer County, New Jersey, along with three laterals extending off the mainline, a compression station, and appurtenant above ground facilities (PennEast Project). The project is designed to provide up to 1,107,000 dekatherms per day (Dth/d) of firm transportation service. PennEast also requested a blanket certificate under Part 284, Subpart G of the FERC's regulations to provide open-access transportation services, and a blanket certificate under Part 157, Subpart F of the Commission's regulations to perform certain routine construction activities and operations.

By Order dated January 19, 2018 the FERC issued a certificate of public convenience and necessity to PennEast, authorizing it to construct and operate the proposed PennEast Project. The certificate authority issued in the Order was conditioned on: (1.) PennEast's proposed project being constructed and made available for service within two years of the date of the order, (2) PennEast's compliance with all applicable Commission regulations, (3) PennEast's compliance with the environmental conditions listed in the order, along with other stipulations. The Order also provided PennEast with the two requested blanket certificates mentioned above.

In January 30, 2020 an application was filed to amend the certificate authorization to construct, own, and operate the project in two (2) phases. The first phase would consist of 650,000 Dt/d covering 68 miles of pipeline in Pennsylvania, terminating in Northampton County, two out of three compressor units at the Kidder Compressor Station, as well as new interconnection facilities. Phase 2 would encompass the remaining route in Pennsylvania and New Jersey. Total project capacity would remain 1.1 Bcf/d. This application requested that the Commission issue an order by October 2020.

In February 3, 2021 the U.S. Supreme Court granted certiorari in PennEast Pipeline Company, LLC v. New Jersey subsequently, a press release issued by the Pipeline Company indicated placing Phase I in service in 2022 and the full project in service in 2024.

Rate Case Settlement Refund (Docket No. RP18-1126-004)

On July 1, 2020, in accordance with Commission Regulations, Transco submitted refunds to its customers for amounts collected more than the amount that would have been collected under the Settlement Rates, with interest. The refund covers the period March 1, 2019 to May 31, 2020.

Cash-Out Price Changes (Docket No. RP20-614) and Disposition of Cash-Out Costs and Revenues (Docket No. RP20-618)

On February 28, 2020, in Docket No. RP 20-614, Transco filed revised tariff records with the Commission to change the calculations establishing the prices used for cashing out monthly imbalances remaining at the time of final resolution pursuant to Section 25 of the General Terms and Conditions of Transco's Tariff. On February 28, 2020, in Docket No. RP20-618, Transco filed revised tariff records with the Commission to change the procedures used to address over- or under-recoveries resulting from the difference between revenues received and costs incurred by Transco under the cash-out provisions of

Transco's Tariff. Specifically, Transco proposes to establish a refund or surcharge rate designed to return to or recover from customers any over- or under-recovery of costs incurred under the cash-out provisions of the Tariff during an annual period. On March 30, 2020, the Commission accepted and suspended Transco's proposed tariff records to be effective September 1, 2020, subject to refund, and established hearing procedures. A prehearing conference occurred on April 16, 2020, and the presiding judge issued an Order Establishing Procedural Schedule on April 20, 2020. On May 1, 2020, the Presiding Judge issued an Order adopting Transco's April 28, 2020 motion filing requesting the adoption of a protective order. On May 5, the Settlement Judge recommended the continuation of settlement procedures, and on May 29, 2020, the Chief Administrative Law Judge ordered that it is in the public interest to continue the settlement judge proceedings.

Cash-Out Price Changes (Docket No. RP20-614-001) and Disposition of Cash-Out Costs and Revenues (Docket No. RP20-618-001)

On July 23, 2020, the second settlement conference was held in both cash-out proceedings. The participants agreed to schedule the third settlement conference on August 21, 2020. Also, on July 23, 2020, the Commission issued an Order Denying Clarification and Addressing Arguments Raised on Rehearing, rejecting rehearing requests filed by Cabot Oil & Gas Corporation, Chief Oil & Gas LLC, NFG Midstream Trout Run, LLC, and Seneca Resources Company, LLC.

Cash-Out Price Changes (Docket No. RP20-614-001) and Disposition of Cash-Out Costs and Revenues (Docket No. RP20-618-001)

On August 21, 2020, the third settlement conference was held in both cash out proceedings. On February 28, 2020, Transco filed revised tariff records, proposed effective April 1, 2020, to revise Section 15 of the General Terms and Conditions ("GT&C") of its tariff, "Refund of Cash-out Revenues," and to revise the calculations establishing the prices it uses to cash out monthly imbalances pursuant to Section 25 of the GT&C ("February 28 Filings"). On March 30, 2020, the Commission issued an "Order Accepting and Suspending Tariff Records, Subject to Refund, and Establishing Hearing Procedures" for the February 28 Filings. The Commission accepted and suspended the filed tariff records to be effective September 1, 2020, subject to refund and the outcome of hearing procedures. On August 31, 2020, Transco filed a motion to place into effect those revised tariff records, effective September 1, 2020.

Annual Charge Adjustment Tracker Filing (Docket No. RP20-1124-000)

On August 28, 2020, Transco filed a revised tariff record to track rate changes resulting from a decrease in the Annual Charge Adjustment rate from \$0.0013 to \$0.0011. The effective date of Transco's revised tariff records is October 1, 2020.

Annual Cash-Out Report (Docket No. RP20-1196-000)

On September 16, 2020, Transco filed its cash-out report for the annual period August 1, 2019 through July 31, 2020 ("Annual Period"). As of the end of the Annual Period, on a cumulative basis Transco's costs exceeded its revenues by \$67,703,160. In accordance with Section 15(d) of Transco's General Terms and Conditions, Transco will calculate a surcharge applicable to the annual period commencing November 1, 2020 and will submit a filing containing this surcharge rate at least 30 days prior to November 1, 2020.

Cash-Out Price Changes (Docket No. RP20-614-001) and Disposition of Cash-Out Costs and Revenues (Docket No. RP20-618-001)

On November 3, 2020, the Settlement Judge recommended to the Commission and the Chief Judge the continuation of settlement procedures.

Cash-Out Price Changes (Docket No. RP20-614-001) and Disposition of Cash-Out Costs and Revenues (Docket No. RP20-618-001)

On December 23, 2020, Transco filed an unopposed motion to extend the procedural schedule, and the Chief Administrative Law Judge granted the request on December 28, 2020. This extends the hearing date from March 15, 2021 to April 14, 2021 and the Initial Decision from August 16, 2021 to September 15, 2021.

Cash-Out Price Changes (Docket No. RP20-614-001) and Disposition of Cash-Out Costs and Revenues (Docket No. RP20-618-001) On February 28, 2020, in Docket No. RP20-614, Transco filed revised tariff records with the Commission to change the calculations establishing the prices used for cashing out monthly imbalances remaining at the time of final resolution pursuant to Section 25 of the General Terms and Conditions of Transco's Tariff.

On February 28, 2020, in Docket No. RP20-618, Transco filed revised tariff records with the Commission to change the procedures used to address over- or under-recoveries resulting from the difference between revenues received and costs incurred by Transco under the cash-out provisions of Transco's Tariff. Specifically, Transco proposes to establish a refund or surcharge rate designed to return to or recover from customers any over- or under-recovery of costs incurred under the cash-out provisions of the Tariff during an annual period. On March 30, 2020, the Commission accepted and suspended Transco's proposed tariff records to be effective September 1, 2020, subject to refund, and established hearing procedures. On August 31, 2020, Transco filed a motion to place into effect those revised tariff records, effective September 1, 2020. On October 1, 2020, Transco submitted its initial Cash-Out Surcharge filing pursuant to the proposed revisions set forth in Section 15 of the General Terms and Conditions of Transco's tariff that was filed in this proceeding. On October 30, 2020, the Commission accepted and suspended the tariff records to be effective November 1, 2020, subject to refund and the outcome of the Cash-Out proceedings. Transco and the Participants have held several formal and informal settlement conferences. On February 23, 2021, an informal settlement conference convened where a settlement in principle was reached. On February 18, 2021, the Chief Judge granted a motion from Transco to extend the procedural schedule dates preceding the hearing due to widespread and ongoing internet and power disruptions that presented exigent circumstances for Transco personnel in the impacted region that made it difficult if not impossible to complete the referenced filing by the deadline provided for in the previous procedural schedule. On February 24, 2021, Transco filed a Motion to Suspend the Procedural Schedule in light of the agreement in principle. The Chief Judge granted the request on February 25, 2021. The hearing is to be held in abeyance for 90 days while the parties draft final settlement documents to be filed with the Commission.

Approval of Rate Schedules LSS & SS-2 Third Party Fuel Tracker Filing (Docket No. RP20- 677)

On April 7, 2020, the Commission approved Transco's March 24, 2020 filing to track third party fuel retention percentages attributable to storage services purchased from National Fuel Gas Supply Corporation under its Rate Schedule SS-1, which are included in the fuel retention percentages under Transco's Rate Schedules LSS and SS-1. The effective date of the revised LSS and SS-2 fuel percentages is April 1, 2020.

Order Granting Tariff Record for Transco's Rate Schedule S-2 (Docket No. RP20-1072-000)

On August 18, 2020, the Commission issued a letter order granting Transco's July 31, 2020, filing of a tariff record to track rate changes attributable to storage service purchased from Texas Eastern under its

Rate Schedule X-28, the costs of which are included in the rates and charges payable under Transco's Rate Schedule S-2. The tariff record is accepted effective August 1, 2020, as proposed.

Rate Schedule SS-2 Tracker Filing (Docket No. RP20-1217-000)

On September 25, 2020, Transco submitted revised tariff records to track rate and fuel changes attributable to transportation service purchased by Transco from National Fuel under its Rate Schedule X-54, the costs of which are included in the rates and charges payable under Transco's Rate Schedule SS-2. The tariff records are proposed to be effective September 1, 2020

Rate Schedule S-2 OFO Penalty Refund (Docket No. RP21-376-000)

On October 21, 2020, Texas Eastern Transmission, LP (Texas Eastern) filed an OFO Penalty Disbursement and on December 10, 2020, Transco received its portion of this penalty disbursement for storage service purchased under Texas Eastern's Rate Schedule X-28 which is used by Transco to provide service to its customers under its Rate Schedule S-2. On January 7, 2021, pursuant to the provisions of Section 26.2(b) of Transco's General Terms and Conditions, Transco refunded the amount received from Texas Eastern's filed OFO Penalty Disbursement Report, with interest, to its Rate Schedule S-2 customers.

Rate Schedule GSS, LSS, and SS-2 Tracker Filing (Docket No. RP21-185)

On November 2, 2020, Transco submitted revised tariff records to track rate changes attributable to storage services purchased from Dominion under its Rate Schedule GSS and rates changes attributable to storage services purchased from National Fuel under its Rate Schedule SS-1. The tariff records are proposed to be effective November 1, 2020. On November 23, 2020, the Commission issued a letter order approving the filing.

Partial Abandonment of Service under Rate Schedule FT (Docket No. CP21-11-000)

On November 16, 2020, Transco filed an abbreviated application to abandon a portion of the firm transportation service provided to South Jersey Gas Company under Rate Schedule FT. Transco filed the application in response to South Jersey Gas' notification to Transco that it desires to effectuate a pre-arranged permanent release of 10,000 dt/day under its service agreement. The abandonment authorization is requested to be effective on March 1, 2021.

Approval of Transco's Annual Fuel Tracker Filing (Docket No. RP21-569-000)

On March 19, 2021, the Commission approved the fuel percentages included in Transco's annual fuel tracker filing. The tariff records are effective April 1, 2021.

Approval of Transco's Annual Electric Power Tracker Filing (Docket No. RP21-579-000)

On March 19, 2021, the Commission approved the rates included in Transco's annual electric power tracker filing. The tariff records are effective April 1, 2021.

Revision to the Annual Electric Power Tracker Filing (Docket No. RP21-642-000)

On March 23, 2021, Transco submitted a tariff record to correct the Rate Schedule LSS Rates tariff record filed on March 1, 2021 in Docket No. RP21-579-000 which was subsequently approved in a letter order dated March 19, 2021. On March 1, 2021, Transco submitted a filing in Docket No. RP21-579-000 to revise its Transmission Electric Power rates, which included, among other things, a revised tariff record for Rate Schedule LSS to be effective April 1, 2021. In the March 1 Filing, Transco inadvertently revised both the base and electric power rates applicable to injections and withdrawals on the referenced tariff record, when it intended to only revise the electric power rates.

Rate Schedules LSS and SS-2 Third Party Fuel Tracker Filing (Docket No. RP21-643-000)

Transco filed revised tariff records in Docket No. RP21-643-000 to track third party fuel retention percentages attributable to storage services purchased from National Fuel Gas Supply Corporation under its Rate Schedule SS-1. The effective date of the revised LSS and SS-2 fuel percentages is April 1, 2021.

Regional Energy Access Expansion (Docket No. PF20-3-000)

On June 11, 2020, Transco filed with the Commission a request to use the pre-filing review process for the planned Regional Energy Access Expansion. Transco plans to construct 22 miles of 30-inch-diameter pipeline in Luzerne County, Pennsylvania; 13.8 miles of 42-inch-diameter pipeline in Monroe County, Pennsylvania; one new 11,500 horsepower compressor station in Gloucester County, New Jersey; an additional 31,871 horsepower at existing compressor station 515 in Luzerne County, Pennsylvania; and modifications at existing meter stations and compressor stations in Pennsylvania and New Jersey. On June 18, 2020, the Commission issued a letter order granting Transco's request.

Regional Energy Access Expansion (Docket No. PF20-3-000)

On July 24, 2020 the Commission issued a Notice of Intent to Prepare an Environmental Assessment, Request for Comments on Environmental Issues, and Notice of Public Virtual Scoping Sessions. Commission staff will prepare an environmental assessment (EA) that will discuss the environmental impacts of the Regional Energy Access Expansion Project involving construction and operation of facilities by Transco in Bucks, Chester, Delaware, Luzerne, Monroe, Northampton, Wyoming, and York Counties, Pennsylvania; and Burlington, Camden, Gloucester, Hunterdon, Mercer, Somerset, and Warren Counties, New Jersey; and Baltimore County, Maryland. The Commission will use this EA in its decision-making process to determine whether the project is in the public convenience and necessity.

Regional Energy Access Expansion 7(c) Application (Docket No. CP21-94)

On March 26, 2021, Transco submitted its 7(c) application for the Regional Energy Access Expansion Project. The Project is an incremental expansion of Transco's existing pipeline system that will enable Transco to provide an additional 829,400 dt/day of firm transportation service from northeastern Pennsylvania to multiple delivery points along Transco's Leidy Line in Pennsylvania, Transco's mainline at the Station 210 Zone 6 Pooling Point in Mercer County, New Jersey, and multiple delivery points in Transco's Zone 6 in New Jersey, Pennsylvania, and Maryland.

Columbia Gas Transmission General Section 4 Rate Case Filing

On July 31, 2020, Columbia submitted a General Section 4 Rate Case Filing to the Federal Energy Regulatory Commission in Docket No. RP20-1060-000. The revised tariff records included in this filing support changes to Columbia's rates, rate schedules, and General Terms and Conditions

Motion to Place Replacement Tariff Sections into Effect (RP20-1060-002)

Appendix C & Appendix D

On January 28, 2021, Columbia Gas Transmission, LLC submitted to the Federal Energy Regulatory Commission a motion to place into effect on February 1, 2021 certain updated tariff sections contained in Columbia's Section 4 rate case filing submitted on July 31, 2020, in Docket No. RP20-1060-000, as well as one tariff section, not submitted with Columbia's Rate Case Filing, that was modified in subsequent regulatory proceedings.

45-Day Update Transmittal Letter

On March 17, 2021, Columbia Gas Transmission filed its 45-Day Update under Docket No. RP20-1060-

000.

Appendix A: COS-1

Appendix B: COS-4

Operational Transaction Rate Adjustment ("OTRA") Filing in Docket No. RP21-687-000

On March 31, 2021 Columbia Gas submitted its OTRA filing for the upcoming 2021 summer season. The tariff sections included in the filing set forth the proposed OTRA

TCO Annual Report on Sharing of Profits from Base Gas Sales with Customers- RP95-408-088

On April 26, 2021, in Docket No. RP95-408-088. Columbia filed its Annual Report on Sharing of Profits from Base Gas Sales with Customers, in which Columbia advises the Commission that since its last annual report, dated April 15, 2020, Columbia has not had any qualifying Bas Gas Sales. Accordingly, Columbia has no qualifying profits to report.

Revenue Sharing Report - RP16-314 & RP16-864-003

On April 30, 2021 Pursuant to Section 7.8 of the Modernization II Settlement, Columbia submits its Revenue Sharing Report which details the total base system revenues and whether or not the threshold for revenue sharing has been met. Columbia hereby provides its report detailing 2020 revenues which indicates that the sharing threshold was not met for the 2020 calendar year.

South Jersey Gas Company
Calculation of Balancing Service Clause Charge- Large Volume ("BSC-LV")
Rider "I"

		\$000
1	<u>Balancing Charge Related to Inventory</u>	
2	12 month average Inventory balance, including LNG	\$10,925
3	Rate of Return	<u>8.93%</u>
4		
5		
6	Storage Carrying Costs	\$975
7	% of Balancing compared to Single Coldest January Day (3 year average) (see calc, line 39-43)	<u>29.5%</u>
8		
9	Balancing Costs related to Inventory	\$288
10	Annual Firm Therms (000)	<u>134,741</u>
11		
12	Pre-tax Balancing Charge Related to Inventory	\$0.002137
13		
14		
15	<u>Proposed BSC Charges (Rider I)</u>	
16		
17	<u>1. Opt-Out Customer Charge</u>	
18	Pre-tax proposed Opt-Out Balancing Charge	\$0.002137
19		
20	After-tax proposed Opt-Out Balancing Charge	\$ 0.002279
21		
22	Current After-tax Opt-Out Balancing Charge	\$ 0.002775
23		
24	Opt-Out Customer Charge Increase/(Decrease) to After-tax Balancing Charge	\$ (0.000496)
25		
26	<u>2. Non-Opt-Out Customer Charge</u>	
27	The Company is proposing to use the after-tax BSC rate of \$0.088685, which is its proposed Rider "J" rate (see	
28	Schedule TWR-12, pg. 2), as the applicable rate for those customers under Rider "I" who do not Opt-Out.	
29		
30	Pre-tax proposed Non-Opt-Out Balancing Charge (same as Rider J proposed rate)	\$0.070159
31		
32	After-tax proposed Non-Opt-Out Balancing Charge (same as Rider J proposed rate)	\$0.074807
33		
34	Current After-tax Non-Opt-Out Balancing Charge	\$0.088685
35		
36	Non-Opt-Out Customer Charge Increase/(Decrease) to After-tax Balancing Charge	(\$0.013878)
37		
38		
39	<u>Calculation of % of Balancing compared to Single Coldest January Day (3 year average)</u>	Therms in (000)
40	Average of the 5 coldest January days of the past 3 years	3,382
41	Less: Average January days (3 years)	<u>2,384</u>
42	Balancing Therms	<u>998</u>
43	Balancing Therms as a % of coldest January days; average of 3 years	29.5%

\$000

1	Balancing Charge Related to Inventory	
2	12 month average Inventory balance, including LNG	\$10,925
3	Rate of Return	8.93%
4		
5		
6	Storage Carrying Costs	\$975
7	% of Balancing compared to Single Coldest January Day (3 year average) (see calc, line 39-43)	29.5%
8		
9	Balancing Costs related to Inventory	\$288
10	Annual Firm Therms (excluding FT) (000)	406,454
11		
12	Pre-tax Balancing Charge Related to Inventory	\$0.000709
13		
14	Balancing Charge Related to Demand and Commodity Charges	
15	Commodity Charges	\$47,714
16	Pipeline Demand Charges	\$73,786
17	Less: Adjustments (BGSS Incentive Credits)	\$25,146
18		
19	Total	\$96,355
20	% of Balancing compared to Single Coldest January Day (3 year average) (see calc, line 39-43)	29.5%
21		
22	Balancing Costs related to Demand & Commodity Charges	\$28,434
23	Annual Firm Therms (000)	409,412
24		
25	Pre-tax Balancing Charge Related to Demand and Commodity Charges	\$0.069450
26		
27		
28	Total Proposed BSC Charges (Rider J)	
29	Pre-tax proposed Balancing Charge related to Inventory	\$0.000709
30	Pre-tax proposed Balancing Charge related to Demand and Commodity Charges	\$0.069450
31		
32	Pre-tax total proposed Balancing Charge	\$0.070159
33		
34	After-tax total proposed Balancing Charge	\$0.074807
35		
36	Current After-tax total Balancing Charge	\$0.088685
37		
38	Total Increase/(Decrease) to After-tax Balancing Charge	(\$0.013878)
39		
40	Calculation of % of Balancing compared to Single Coldest January Day (3 year average)	(Therms in 000)
41	Average of the 5 coldest January days of the past 3 years	3,382
42	Less: Average January days (3 years)	2,384
43	Balancing Therms	998
44	Balancing Therms as a % of coldest January days; average of 3 years	29.5%

SOUTH JERSEY GAS COMPANY
SUMMARY OF TRANSPORTATION AND STORAGE CONTRACTS
CAPACITY CONTRACT CHANGES

Pipeline	Rate Schedule	Contract Number	MDQ Dths/d	MSQ Dth	Days Available	Contract Expiration Date	Evergreen (Y or N)	Recent Action to be Taken
Transco	FT	1003902	128,651			365 Evergreen	Y	Term Extended Per Evergreen -Production Turn Back effective 10/20
Transco	FT	1002231	2,264			365 Evergreen	Y	Term Extended Per Evergreen -Production Turn Back effective 10/20
Transco	FT	1013599	41,608			365 Evergreen	Y	Term Extended Per Evergreen
Transco	PSFT	1005003	3,002			90 Evergreen	Y	Term Extended Per Evergreen
Transco	FT	1044825	17,433			151 Evergreen	Y	Term Extended Per Evergreen
Transco	FT	9032696	105,000			365 10/31/2025	N	No Change
Transco	S-2	1000814		139,967		Evergreen	Y	Term Extended Per Evergreen
Transco	LSS	1000818		1,224,000		3/31/3023	N	No Change
Transco	SS-2	1003971		1,764,675		3/31/2028	N	No Change
Transco	GSS	1000813		1,346,482		3/31/2023	N	No Change
Transco	LNG (LGA)	9011431		215,042		Evergreen	Y	Term Extended Per Evergreen
Transco	ESS	9050779		232,314		Evergreen	Y	Term Extended Per Evergreen
Columbia Gas	NTS	39305	22,511			10/31/2022	N	No Change
Columbia Gas	FTS	38099	22,511			10/31/2022	N	No Change
Columbia Gas	FTS	156147	9,000			10/31/2022	N	No Change
Columbia Gas	FTS	161135	70,000			10/31/2030	N	No Change
Columbia Gas	SST	38086	52,891			10/31/2022	N	No Change
			26,446					
Columbia Gas	FSS	53000		3,473,022		182 10/31/2022	N	No Change
Dominion	GSS	300002		423,000		183 3/31/2028	N	No Change
Tennessee	FT-A	337061	78,000			365 5/31/2033	N	No Change

South Jersey Gas Company
Calculation of Spot/Natural Gas Purchase Commodity Prices

For the period October 1, 2021 through September 30, 2022

	Oct 2021	Nov 2021	Dec 2021	Jan 2022	Feb 2022	Mar 2022	Apr 2022	May 2022	Jun 2022	Jul 2022	Aug 2022	Sep 2022	Total
NYMEX Settle/Futures (\$/dth)	\$2.9900	\$3.0520	\$3.1800	\$3.2630	\$3.1920	\$2.9930	\$2.6040	\$2.5480	\$2.5770	\$2.6120	\$2.6180	\$2.6020	
NYMEX to Pipeline Rcpt Pt Basis (\$/dth)													
Spot Purchases - Columbia ESEP	(\$0.3650)	(\$0.3640)	(\$0.3610)	(\$0.3600)	(\$0.3610)	(\$0.3650)	(\$0.3730)	(\$0.3740)	(\$0.3740)	(\$0.3730)	(\$0.3730)	(\$0.3730)	
Spot Purchases - Tenn FT & Columbia ESEP	(\$0.8800)	(\$0.8800)	(\$0.8800)	(\$0.8800)	(\$0.8800)	(\$0.8800)	(\$0.8800)	(\$0.8800)	(\$0.8800)	(\$0.8800)	(\$0.8800)	(\$0.8800)	
Spot Purchases - Columbia	(\$0.1710)	(\$0.1700)	(\$0.1680)	(\$0.1660)	(\$0.1670)	(\$0.1710)	(\$0.2430)	(\$0.2440)	(\$0.2440)	(\$0.2430)	(\$0.2430)	(\$0.2430)	
Spot Purchases - Transco	\$0.0860	\$0.0870	\$0.0900	\$0.0920	\$0.0900	\$0.0860	\$0.0800	\$0.0790	\$0.0790	\$0.0800	\$0.0800	\$0.0800	
Spot Purchases - Transco Leidy	(\$0.3062)	(\$0.3059)	(\$0.3053)	(\$0.3048)	(\$0.3052)	(\$0.3062)	(\$0.3595)	(\$0.3598)	(\$0.3596)	(\$0.3594)	(\$0.3594)	(\$0.3595)	
Spot Purchases - FES & Monthly BGSS	\$0.0860	\$0.0870	\$0.0900	\$0.0920	\$0.0900	\$0.0860	\$0.0800	\$0.0790	\$0.0790	\$0.0800	\$0.0800	\$0.0800	
Spot Purchases on Transco PSFT	\$0.0860	\$0.0870	\$0.0900	\$0.0920	\$0.0900	\$0.0860	\$0.0800	\$0.0790	\$0.0790	\$0.0800	\$0.0800	\$0.0800	
Purchase Point Commodity (\$/dth)													
Spot Purchases - Columbia ESEP	\$2.6250	\$2.6880	\$2.8190	\$2.9030	\$2.8310	\$2.6280	\$2.2310	\$2.1740	\$2.2030	\$2.2390	\$2.2450	\$2.2290	
Spot Purchases - Tenn FT & Columbia ESEP	\$2.1100	\$2.1720	\$2.3000	\$2.3830	\$2.3120	\$2.1130	\$1.7240	\$1.6680	\$1.6970	\$1.7320	\$1.7380	\$1.7220	
Spot Purchases - Columbia	\$2.8820	\$2.8820	\$3.0120	\$3.0970	\$3.0250	\$2.8220	\$2.3610	\$2.3040	\$2.3330	\$2.3690	\$2.3750	\$2.3590	
Spot Purchases - Transco	\$3.0760	\$3.1390	\$3.2700	\$3.3550	\$3.2820	\$3.0790	\$2.6840	\$2.6270	\$2.6560	\$2.6920	\$2.6980	\$2.6820	
Spot Purchases - Transco Leidy	\$2.6838	\$2.7461	\$2.8747	\$2.9582	\$2.8868	\$2.6868	\$2.2445	\$2.1882	\$2.2174	\$2.2526	\$2.2586	\$2.2425	
Spot Purchases - FES & Monthly BGSS	\$3.0760	\$3.1390	\$3.2700	\$3.3550	\$3.2820	\$3.0790	\$2.6840	\$2.6270	\$2.6560	\$2.6920	\$2.6980	\$2.6820	
Spot Purchases on Transco PSFT	\$3.0760	\$3.1390	\$3.2700	\$3.3550	\$3.2820	\$3.0790	\$2.6840	\$2.6270	\$2.6560	\$2.6920	\$2.6980	\$2.6820	
Off-System COG per DT	\$2.8190	\$2.8820	\$3.0120	\$3.0970	\$3.0250	\$2.8220	\$2.3610	\$2.3040	\$2.3330	\$2.3690	\$2.3750	\$2.3590	
LNG Rates	\$2.8928	\$2.9815	\$3.0270	\$3.1260	\$2.9613	\$2.6380	\$2.6484	\$2.6145	\$2.6377	\$2.6692	\$2.6586	\$2.6030	
SPOT Purchases/Natural Gas Purchases (dth)													
Spot Purchases - Columbia ESEP	400,000	0	0	0	0	0	90,000	186,000	75,000	77,500	77,500	180,000	1,086,000
Spot Purchases - Tenn FT & Columbia ESEP	775,000	1,200,000	2,170,000	2,170,000	1,960,000	2,170,000	750,000	465,000	450,000	465,000	465,000	450,000	13,490,000
Spot Purchases - Columbia	50,000	75,000	75,000	100,000	100,000	100,000	336,060	208,357	168,030	173,631	173,631	235,242	1,794,951
Spot Purchases - Transco	431,377	738,414	704,270	567,941	233,495	131,865	1,184,675	970,594	793,604	759,201	696,032	532,547	7,744,015
Spot Purchases - Transco Leidy	35,000	468,492	726,163	1,089,244	765,204	582,203	648,240	669,848	348,240	251,894	287,878	150,000	6,022,405
Spot Purchases - FES & Monthly BGSS	252,606	424,264	591,632	697,829	638,460	489,220	275,728	198,799	151,141	272,789	245,518	254,446	4,492,431
Spot Purchases on Transco PSFT	0	0	93,062	93,062	84,056	0	0	0	0	0	0	0	270,180
Liquefied Natural Gas (LNG)	65,000	0	2,000	50,000	35,000	3,000	70,000	15,000	0	0	0	0	240,000
Total SPOT Purchases/Natural Gas Purchases (dth)	2,008,984	2,906,170	4,360,127	4,718,076	3,781,214	3,473,288	3,284,703	2,698,598	1,986,015	2,000,015	1,945,559	1,802,235	35,139,982
SPOT Purchases/Natural Gas Purchases (\$)													
Spot Purchases - Columbia ESEP	\$1,050,000	\$0	\$0	\$0	\$0	\$0	\$200,790	\$404,364	\$165,225	\$173,523	\$173,988	\$401,220	\$2,569,109
Spot Purchases - Tenn FT & Columbia ESEP	\$1,635,250	\$2,606,400	\$4,991,000	\$5,171,110	\$4,531,520	\$4,585,210	\$1,293,000	\$775,620	\$763,650	\$805,380	\$808,170	\$774,900	\$28,741,210
Spot Purchases - Columbia	\$140,950	\$216,150	\$225,900	\$309,700	\$302,500	\$282,200	\$793,438	\$480,055	\$392,014	\$411,332	\$412,374	\$554,936	\$4,521,548
Spot Purchases - Transco	\$1,326,917	\$2,317,882	\$2,302,964	\$1,905,442	\$766,329	\$406,011	\$3,179,668	\$2,549,750	\$2,107,813	\$2,043,768	\$1,877,894	\$1,428,292	\$22,212,729
Spot Purchases - Transco Leidy	\$93,932	\$1,286,517	\$2,087,526	\$3,222,160	\$2,208,988	\$1,564,251	\$1,454,989	\$1,465,785	\$772,182	\$567,406	\$650,200	\$336,377	\$15,710,311
Spot Purchases - FES & Monthly BGSS	\$777,017	\$1,331,764	\$1,934,637	\$2,341,216	\$2,095,424	\$1,506,308	\$740,055	\$522,244	\$401,430	\$734,349	\$662,406	\$682,424	\$13,729,273
Spot Purchases on Transco PSFT	\$0	\$0	\$304,313	\$312,223	\$275,872	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$892,408
Marcus Hook - Woodbury Lateral	\$7,614	\$7,614	\$7,614	\$7,614	\$7,614	\$7,614	\$7,614	\$7,614	\$7,614	\$7,614	\$7,614	\$7,614	\$91,374
Total SPOT Purchases/Natural Gas Purchases (\$)	\$5,031,680	\$7,766,327	\$11,853,954	\$13,269,464	\$10,188,248	\$8,351,594	\$7,669,554	\$6,205,432	\$4,609,928	\$4,743,372	\$4,592,646	\$4,185,763	\$88,467,962
SPOT/NGP WACOG at Purchase Point													
Unit Cost (before Hedging Impact)	\$2.5046	\$2.6724	\$2.7187	\$2.8125	\$2.6944	\$2.4045	\$2.3349	\$2.2995	\$2.3212	\$2.3717	\$2.3606	\$2.3225	\$2.5176
Hedging Program													
Hedged Volume (dth)													
(Gain)/Loss Non Discr	450,000	450,000	425,000	400,000	375,000	350,000	325,000	300,000	275,000	250,000	225,000	200,000	4,025,000
(Gain)/Loss Planalytics	50,000	0	130,000	180,000	110,000	30,000	60,000	0	0	0	0	0	560,000
Gain (Loss) SIM	800,000	0	0	0	0	0	0	0	0	0	0	0	800,000
Total Hedged Volumes	1,300,000	450,000	555,000	580,000	485,000	380,000	385,000	300,000	275,000	250,000	225,000	200,000	5,385,000
Hedged Volume (\$)													
Hedged (Gain)/Loss- Non Discr	(\$172,550)	(\$192,000)	(\$230,975)	(\$244,875)	(\$194,600)	(\$102,450)	\$36,425	\$49,375	\$39,400	\$30,800	\$28,650	\$28,400	(\$924,400)
Hedged (Gain)/Loss - Planalytics	(\$13,090)	\$0	(\$29,575)	(\$38,086)	(\$22,264)	(\$4,929)	(\$7,938)	\$0	\$0	\$0	\$0	\$0	(\$115,882)
Gain (Loss) SIM	(\$230,560)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$230,560)
Total Hedging (Gain)/Loss	(\$416,200)	(\$192,000)	(\$260,550)	(\$282,961)	(\$216,864)	(\$107,379)	\$28,487	\$49,375	\$39,400	\$30,800	\$28,650	\$28,400	(\$1,270,842)
Weighted Avg. Unit Cost	(\$0.3202)	(\$0.4267)	(\$0.4695)	(\$0.4879)	(\$0.4471)	(\$0.2826)	\$0.0740	\$0.1646	\$0.1433	\$0.1232	\$0.1273	\$0.1420	(\$0.2360)
WACOG vs. NYMEX Diff.	(\$3.3102)	(\$3.4787)	(\$3.6495)	(\$3.7509)	(\$3.6391)	(\$3.2756)	(\$2.5300)	(\$2.3834)	(\$2.4337)	(\$2.4888)	(\$2.4907)	(\$2.4600)	
Total \$ Impact	(\$4,303,200)	(\$1,565,400)	(\$2,025,450)	(\$2,175,501)	(\$1,764,984)	(\$1,244,719)	(\$974,053)	(\$715,025)	(\$669,275)	(\$622,200)	(\$560,400)	(\$492,000)	(\$17,112,207)
Total Spot Purchases	\$5,031,680	\$7,766,327	\$11,853,954	\$13,269,464	\$10,188,248	\$8,351,594	\$7,669,554	\$6,205,432	\$4,609,928	\$4,743,372	\$4,592,646	\$4,185,763	\$88,467,962
Total Hedging Program Impact	(\$4,303,200)	(\$1,565,400)	(\$2,025,450)	(\$2,175,501)	(\$1,764,984)	(\$1,244,719)	(\$974,053)	(\$715,025)	(\$669,275)	(\$622,200)	(\$560,400)	(\$492,000)	(\$17,112,207)
Total Spot Purchases adj. for Hedging	\$728,480	\$6,200,927	\$9,828,504	\$11,093,963	\$8,423,264	\$7,106,875	\$6,695,501	\$5,490,407	\$3,940,653	\$4,121,172	\$4,032,246	\$3,693,763	\$71,355,755
SPOT WACOG at Purchase Point													
Unit Cost (after Hedging Impact)	\$0.3626	\$2.1337	\$2.2542	\$2.3514	\$2.2277	\$2.0462	\$2.0384	\$2.0345	\$1.9842	\$2.0606	\$2.0725	\$2.0495	\$2.0306

South Jersey Gas Company
Calculation of Spot/Natural Gas Purchase Commodity Prices

For the period October 1, 2020 - September 30, 2021

	Oct 2020	Nov 2020	Dec 2020	Jan 2021	Feb 2021	Mar 2021	Apr 2021	May 2021	Jun 2021	Jul 2021	Aug 2021	Sep 2021	Total
NYMEX Settle/Futures (\$/dth)	\$2.1010	\$2.9960	\$2.8960	\$2.4670	\$2.7600	\$2.8540	\$2.5860	\$2.9250	\$2.9280	\$2.9740	\$2.9840	\$2.9710	
NYMEX to Pipeline Rcpt Pt Basis (\$/dth)													
Spot Purchases - Columbia ESEP	(\$0.3830)	(\$0.3650)	(\$0.3670)	(\$0.3760)	(\$0.3700)	(\$0.3680)	(\$0.3740)	(\$0.3670)	(\$0.3670)	(\$0.3660)	(\$0.3650)	(\$0.3660)	
Spot Purchases - Tenn FT & Columbia ESEP	(\$0.8800)	(\$0.8800)	(\$0.8800)	(\$0.8800)	(\$0.8800)	(\$0.8800)	(\$0.8800)	(\$0.8800)	(\$0.8800)	(\$0.8800)	(\$0.8800)	(\$0.8800)	
Spot Purchases - Columbia	(\$0.1130)	(\$0.0980)	(\$0.1000)	(\$0.1070)	(\$0.1020)	(\$0.1000)	(\$0.2870)	(\$0.2810)	(\$0.2810)	(\$0.2800)	(\$0.2800)	(\$0.2800)	
Spot Purchases - Transco	\$0.0620	\$0.0810	\$0.0790	\$0.0700	\$0.0760	\$0.0780	\$0.0770	\$0.0840	\$0.0840	\$0.0850	\$0.0850	\$0.0850	
Spot Purchases - Transco Leidy	(\$0.2284)	(\$0.2238)	(\$0.2243)	(\$0.2265)	(\$0.2250)	(\$0.2245)	(\$0.4334)	(\$0.4317)	(\$0.4317)	(\$0.4315)	(\$0.4314)	(\$0.4315)	
Spot Purchases - FES & Monthly BGSS	\$0.0620	\$0.0810	\$0.0790	\$0.0700	\$0.0760	\$0.0780	\$0.0770	\$0.0840	\$0.0840	\$0.0850	\$0.0850	\$0.0850	
Spot Purchases on Transco PSFT													
Purchase Point Commodity (\$/dth)													
Spot Purchases - Columbia ESEP	\$1.7180	\$2.6310	\$2.5290	\$2.0910	\$2.3900	\$2.4860	\$2.2120	\$2.5580	\$2.5610	\$2.6080	\$2.6190	\$2.6050	
Spot Purchases - Tenn FT & Columbia ESEP	\$1.2210	\$2.1160	\$2.0160	\$1.5870	\$1.8800	\$1.9740	\$1.7060	\$2.0450	\$2.0480	\$2.0940	\$2.1040	\$2.0910	
Spot Purchases - Columbia	\$1.9880	\$2.8980	\$2.7960	\$2.3600	\$2.6580	\$2.7540	\$2.2990	\$2.6440	\$2.6470	\$2.6940	\$2.7040	\$2.6910	
Spot Purchases - Transco	\$2.1630	\$3.0770	\$2.9750	\$2.5370	\$2.8360	\$2.9320	\$2.6630	\$3.0090	\$3.0120	\$3.0590	\$3.0690	\$3.0560	
Spot Purchases - Transco Leidy	\$1.8726	\$2.7722	\$2.6717	\$2.2405	\$2.5350	\$2.6295	\$2.1526	\$2.4933	\$2.4963	\$2.5425	\$2.5526	\$2.5395	
Spot Purchases - FES & Monthly BGSS	\$2.1630	\$3.0770	\$2.9750	\$2.5370	\$2.8360	\$2.9320	\$2.6630	\$3.0090	\$3.0120	\$3.0590	\$3.0690	\$3.0560	
Spot Purchases on Transco PSFT	\$2.1630	\$3.0770	\$2.9750	\$2.5370	\$2.8360	\$2.9320	\$2.6630	\$3.0090	\$3.0120	\$3.0590	\$3.0690	\$3.0560	
Off-System COG per DT	\$1.9880	\$2.8980	\$2.7960	\$2.3600	\$2.6580	\$2.7540	\$2.2990	\$2.6440	\$2.6470	\$2.6940	\$2.7040	\$2.6910	
LNG Rates	\$1.7181	\$2.9075	\$2.6455	\$2.1674	\$2.4714	\$2.5539	\$2.6105	\$3.0311	\$3.0673	\$3.1230	\$3.0963	\$3.0574	
SPOT Purchases/Natural Gas Purchases (dth)													
Spot Purchases - Columbia ESEP	620,000	0	0	0	0	0	90,000	186,000	75,000	77,500	77,500	180,000	1,306,000
Spot Purchases - Tenn FT & Columbia ESEP	775,000	1,200,000	2,170,000	2,170,000	1,960,000	2,170,000	750,000	465,000	450,000	465,000	465,000	450,000	13,490,000
Spot Purchases - Columbia	50,000	75,000	75,000	100,000	100,000	100,000	336,060	208,357	168,030	173,631	173,631	235,242	1,794,951
Spot Purchases - Transco	40,461	628,922	355,682	218,785	168,539	447,498	1,239,140	1,005,052	991,573	981,775	823,075	673,707	7,574,208
Spot Purchases - Transco Leidy	35,000	468,492	726,163	1,089,244	765,204	382,203	648,240	669,848	348,240	251,894	287,878	150,000	5,822,405
Spot Purchases - FES & Monthly BGSS	272,881	467,749	628,088	788,487	150,000	100,000	273,380	196,189	148,782	270,423	243,173	252,760	3,791,912
Spot Purchases on Transco PSFT	0	0	93,062	93,062	84,056	0	0	0	0	0	0	0	270,180
Liquefied Natural Gas (LNG)	102,828	0	0	0	0	0	58,644	0	0	0	0	0	161,472
Total SPOT Purchases/Natural Gas Purchases (dth)	1,896,170	2,840,163	4,047,995	4,459,578	3,227,799	3,199,702	3,395,464	2,730,447	2,181,624	2,220,223	2,070,258	1,941,708	34,211,130
SPOT Purchases/Natural Gas Purchases (\$)													
Spot Purchases - Columbia ESEP	\$1,065,160	\$0	\$0	\$0	\$0	\$0	\$199,080	\$475,788	\$192,075	\$202,123	\$202,973	\$468,900	\$2,806,096
Spot Purchases - Tenn FT & Columbia ESEP	\$946,275	\$2,539,200	\$4,374,720	\$3,443,790	\$3,684,800	\$4,283,580	\$1,279,500	\$950,925	\$921,600	\$973,710	\$978,360	\$940,950	\$25,317,410
Spot Purchases - Columbia	\$99,400	\$217,350	\$209,700	\$236,000	\$265,800	\$275,400	\$772,602	\$550,896	\$444,775	\$467,762	\$469,498	\$633,036	\$4,642,220
Spot Purchases - Transco	\$87,516	\$1,935,194	\$1,058,153	\$555,057	\$477,977	\$1,312,066	\$3,299,829	\$3,024,202	\$2,986,617	\$3,003,251	\$2,526,017	\$2,058,848	\$22,324,726
Spot Purchases - Transco Leidy	\$65,542	\$1,298,760	\$1,940,089	\$2,440,453	\$1,939,794	\$1,004,998	\$1,395,371	\$1,670,126	\$869,314	\$640,450	\$734,836	\$380,929	\$14,380,661
Spot Purchases - FES & Monthly BGSS	\$590,242	\$1,439,263	\$1,868,563	\$2,000,392	\$425,400	\$293,200	\$728,011	\$590,333	\$448,130	\$827,223	\$746,299	\$772,434	\$10,729,491
Spot Purchases on Transco PSFT	\$0	\$0	\$276,859	\$238,098	\$238,383	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$751,341
Marcus Hook - Woodbury Lateral	\$7,614	\$7,614	\$7,614	\$7,614	\$7,614	\$7,614	\$7,614	\$7,614	\$7,614	\$7,614	\$7,614	\$7,614	\$91,374
Total SPOT Purchases/Natural Gas Purchases (\$)	\$2,861,750	\$7,437,381	\$9,735,699	\$8,919,405	\$7,039,768	\$7,176,858	\$7,682,007	\$7,269,885	\$5,870,125	\$6,122,131	\$5,665,598	\$5,262,711	\$81,043,318
SPOT/NGP WACOG at Purchase Point													
Unit Cost (before Hedging Impact)	\$1.5092	\$2.6186	\$2.4051	\$2.0001	\$2.1810	\$2.2430	\$2.2624	\$2.6625	\$2.6907	\$2.7574	\$2.7367	\$2.7104	\$2.3689
Hedging Program													
Hedged Volume (dth)													
(Gain)/Loss Non Discr	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	5,400,000
(Gain)/Loss Planalytics	190,000	0	920,000	1,550,000	1,110,000	440,000	580,000	0	0	0	0	0	4,790,000
Gain (Loss) SIM	800,000	0	0	0	0	0	800,000	800,000	800,000	800,000	800,000	800,000	5,600,000
Total Hedged Volumes	1,440,000	450,000	1,370,000	2,000,000	1,560,000	890,000	1,830,000	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000	15,790,000
Hedged Volume (\$)													
Hedged (Gain)/Loss- Non Discr	\$212,475	(\$188,825)	(\$146,325)	\$42,125	(\$94,100)	(\$137,925)	(\$18,875)	(\$176,294)	(\$166,525)	(\$185,925)	(\$184,950)	(\$171,125)	(\$1,216,269)
Hedged (Gain)/Loss - Planalytics	\$31,616	\$0	\$242,512	\$1,287,585	\$547,230	\$114,840	\$133,284	\$0	\$0	\$0	\$0	\$0	\$2,357,067
Gain (Loss) SIM	(\$30,480)	\$0	\$0	\$0	\$0	\$0	\$92,640	(\$178,560)	(\$180,960)	(\$217,760)	(\$225,760)	(\$215,360)	(\$956,240)
Total Hedging (Gain)/Loss	\$213,611	(\$188,825)	\$96,187	\$1,329,710	\$453,130	(\$23,085)	\$207,049	(\$354,854)	(\$347,485)	(\$403,685)	(\$410,710)	(\$386,485)	\$184,558
Weighted Avg. Unit Cost	\$0.1483	(\$0.4196)	\$0.0702	\$0.6649	\$0.2905	(\$0.0259)	\$0.1131	(\$0.2839)	(\$0.2780)	(\$0.3229)	(\$0.3286)	(\$0.3092)	\$0.0117
WACOG vs. NYMEX Diff.	(\$1.9527)	(\$3.4156)	(\$2.8258)	(\$1.8021)	(\$2.4695)	(\$2.8799)	(\$2.4729)	(\$3.2089)	(\$3.2060)	(\$3.2969)	(\$3.3126)	(\$3.2802)	
Total \$ Impact	(\$2,811,829)	(\$1,537,025)	(\$3,871,333)	(\$3,604,290)	(\$3,852,470)	(\$2,563,145)	(\$4,525,331)	(\$4,011,104)	(\$4,007,485)	(\$4,121,185)	(\$4,140,710)	(\$4,100,235)	(\$43,146,142)
Total Spot Purchases	\$2,861,750	\$7,437,381	\$9,735,699	\$8,919,405	\$7,039,768	\$7,176,858	\$7,682,007	\$7,269,885	\$5,870,125	\$6,122,131	\$5,665,598	\$5,262,711	\$81,043,318
Total Hedging Program Impact	(\$2,811,829)	(\$1,537,025)	(\$3,871,333)	(\$3,604,290)	(\$3,852,470)	(\$2,563,145)	(\$4,525,331)	(\$4,011,104)	(\$4,007,485)	(\$4,121,185)	(\$4,140,710)	(\$4,100,235)	(\$43,146,142)
Total Spot Purchases adj. for Hedging	\$49,921	\$5,900,356	\$5,864,366	\$5,315,115	\$3,187,298	\$4,613,713	\$3,156,676	\$3,258,781	\$1,862,640	\$2,000,946	\$1,524,888	\$1,162,476	\$37,897,176
SPOT WACOG at Purchase Point													
Unit Cost (after Hedging Impact)	\$0.0263	\$2.0775	\$1.4487	\$1.1918	\$0.9875	\$1.4419	\$0.9297	\$1.1935	\$0.8538	\$0.9012	\$0.7366	\$0.5987	\$1.1077

**BEFORE THE
NEW JERSEY BOARD OF PUBLIC UTILITIES**

SOUTH JERSEY GAS COMPANY

Direct Testimony

of

**W. Peter Druckenmiller
Program Manager, Residential Energy Efficiency**

On Behalf of

South Jersey Gas Company

1 **I. INTRODUCTION**

2 **Q. Please state your name, affiliation, and business address.**

3 **A.** My name is Peter Druckenmiller, and my business address is One South Jersey Place,
4 Atlantic City, New Jersey 08401. I am the Program Manager, Residential Energy
5 Efficiency for South Jersey Gas (“SJG”, “South Jersey” or the “Company”).
6

7 **Q. Please explain your educational and professional background.**

8 **A.** I earned a Bachelor of Arts degree in Economics and Business Administration from
9 Ursinus College. In my current position as Program Manager, I manage program activities
10 within the Company’s Energy Efficiency Department and provide subject matter expertise
11 in energy efficiency program designs. I also represent the Company in civic and regulatory
12 forums related to conservation and energy efficiency.

13 Prior to serving the Company in my current role, I was the Manager of Energy
14 Efficiency Implementation for a number of utilities’ programs in Pennsylvania for five
15 years. Prior to energy efficiency implementation, I have served in several roles in natural
16 gas transportation, and in scheduling and trading, working with portfolios through the Mid-
17 Atlantic utilities.

18
19 **Q. What is the purpose of your testimony in this proceeding?**

20 **A.** The purpose of my testimony is to provide information about the various conservation-
21 oriented initiatives that South Jersey has launched since the Conservation Incentive
22 Program (“CIP”) was originally approved by the Board of Public Utilities (“Board” or
23 “BPU”) on October 12, 2006 in BPU Docket No. GR0512019, and further extended on

1 January 20, 2010 and May 21, 2014. I will also provide actual cost information for each
2 of these programs.

3
4 **Q. Do you sponsor any schedules as part of your testimony?**

5 A. Yes. My testimony includes the following schedules which were prepared under my
6 supervision:

7 (i) Schedule WPD-1 contains the Company's CIP Quarterly Report for the prior CIP
8 year period from October 2019 through September 2020; and

9 (ii) Schedule WPD-2 contains the Company's CIP Quarterly Report for the current CIP
10 year period from October 2020 through March 2021.

11 **II. BACKGROUND**

12 **Q. Please describe the Company's approach to conservation and the evolution of its**
13 **workforce since inception of the CIP?**

14 A. The CIP has enabled South Jersey to share the common goal of energy efficiency with its
15 customers. For several years, the Company has focused resources in an effort to manage
16 and develop energy conservation programs collaboratively with the BPU and other utilities.
17 The Board's approval of the CIP has aligned the Company's interests with those of its
18 customers, as the program has eliminated the Company's financial disincentive to promote
19 methods and opportunities for customers to reduce their natural gas consumption and their
20 bills.

21 The Board's approval of the CIP, and other significant efforts such as the initiation
22 of the New Jersey Clean Energy Program, have recast public policy concerning the
23 efficient use of natural gas and its effect on the environment. The CIP and the promotion

1 of energy efficiency have become an integral part of our Company's culture. For example,
2 the focus of South Jersey's residential and commercial and industrial sales force has shifted
3 from increasing customer natural gas consumption to promoting specific customer-focused
4 programs that encourage conservation and energy efficiency.

5 South Jersey Gas has begun to tie together the themes of energy efficiency, comfort,
6 and savings. In 2016, the Company made the conscious decision to create a separate and
7 distinct Energy Efficiency Department, the purpose of which is to create a sustainable
8 business model that will be applied to our various markets for years to come. To that point,
9 in September 2020, the Company filed a petition in Docket No. GO20090618 seeking
10 approval of a three (3) year \$166.9 million energy efficiency program (the “EEP V”),
11 targeting more aggressive energy efficiency programming for both residential and
12 commercial customers. On April 7, 2021, the BPU approved the Company’s EEP V for a
13 three (3) year \$133.3 million program, consisting of the following programs: (1) Efficient
14 Products; (2) Existing Homes, Home Performance with Energy Star; (3) Commercial and
15 Industrial with Direct install and Energy Solutions for Business: Prescriptive and Custom;
16 (4) Multi-Family; (5) Utility led subprograms, Home Energy Reports, Quick Home Energy
17 Checkup (QHEC) , Existing Homes Moderate Income Weatherization; (6) Commercial
18 and Industrial, Engineered Solutions and Energy Management¹. The EEP V enables South
19 Jersey to aggressively promote the efficient use of natural gas through better technology,

¹ In re the Matter of the Implementation of L. 2018, c. 17 Regarding the Establishment of Energy Efficiency and Peak Demand Reduction Programs, BPU Docket No. QO19010040, and In re the Matter of the Petition of South Jersey Gas Company for Approval of New Energy Efficiency Programs and Associated Cost Recovery Pursuant to the Clean Energy Act, BPU Docket No. GO20090618, Order dated April 7, 2021.

1 energy education, and sensible energy consumption patterns through targeted presentations
2 and partnerships with public entities and nonprofit organizations.

3 Relatedly, South Jersey remains committed to supporting the State's energy
4 efficiency goals and we appreciate the key role we play in achieving the targets contained
5 in the New Jersey Clean Energy Act of 2018 (the "Act"). We will continue to support
6 programs that encourage energy efficiency in a manner consistent with the Act and which
7 will help make energy bills more affordable for our customers.

8 Finally, strategic energy efficiency communication is fully integrated into South
9 Jersey's CIP as a Company initiative. It remains our goal to educate our customers, political
10 leaders, corporate executives, business leaders, and building managers about the facts
11 associated with the CIP, and to bring to light the vast array of energy programs, policies,
12 and practices necessary to achieve sustainable energy efficiency in the marketplace.

13 **III. CURRENT PROGRAMS**

14 **Q. Please provide a brief overview of the current programs.**

15 **A.** The current CIP programs consist of four (4) Company initiatives: (1) Direct Mail
16 Campaign; (2) Public Sector Outreach; (3) Sustainable Jersey and (4) and PowerSave. Due
17 to the Covid-19 Pandemic, there was no activity with the Eastern Heating and Cooling
18 along with no in-person outreach. Historically, The Heating Cooling Council (EHCC) has
19 been vital in offering training seminars to HVAC contractors, specifically in teaching them
20 how to perform Manual J and ACCA Manual S calculations. A description and status of
21 each program is discussed in further detail below and in the attached Schedules WPD-1
22 and WPD-2, which consist of the Company's CIP Quarterly Reports for the prior CIP year
23 period from October 2019 through September 2020, as well as actual results from the

1 current CIP year period from October 2020 through March 2021. Schedules WPD-1 and
2 WPD-2 illustrate how CIP programming has continued to promote energy efficiency with
3 a sense of urgency towards educating policy makers, energy program designers,
4 environmental organizations, and trade ally contractors on the critical relationships
5 between building science and the installation of high efficiency heating and water heating
6 equipment.

7
8 **Q. Please describe the Company's Direct Mail Campaign.**

9 **A.** The Direct Mail Campaign is a platform in which the Company sends information directly
10 to our customers through our website, social media, letters, and messages that are typed
11 directly onto our bills.

12 **Q. What efforts has the Company made with respect to Public Sector Outreach?**

13 **A.** Our market is represented by various chambers of commerce, trade associations, and other
14 public and private organizations that support economic enterprise and promote public
15 welfare. To promote energy efficiency programming, South Jersey established an outreach
16 program to communicate to local and State institutional constituents and created supportive
17 relationships with trade ally organizations. The purpose of this outreach is to illustrate how
18 better energy practices will lead to lower operating costs, and ultimately, savings for
19 customers and taxpayers. For all of 2020 and so far for 2021, all outreach and in-person
20 meetings were held virtually due to the Covid-19 Pandemic.

21 South Jersey Gas also continues to run Google, Facebook, display, and mobile ads,
22 and features an energy efficiency message on our corporate headquarters billboard. The
23 Company continues to leverage its partnership approach with the NJ Clean Energy

1 Program to offer customers the most energy value available to them through our enhanced
2 energy efficiency website: www.southjerseygas.com/incentives. Further, the Company
3 continues to develop energy efficiency communication strategies to provide customers
4 with energy efficiency measures and comfort at an affordable price. For instance, South
5 Jersey Gas has utilized its direct mail, electronic communications, and social media
6 messaging to reach our customers directly.

7 The Company continues to reach out to municipal and other civic and efficiency
8 minded constituents by participating in a variety of programs both inside and outside our
9 service territory. For all of 2020, and so far for 2021, many planned events were cancelled
10 and/or held virtually, due to the Covid-19 Pandemic.

11 With the introduction of Power Save on February 4, 2019, the Company has
12 provided support and resources to thirty (30) schools across Atlantic, Camden, Cape May,
13 Cumberland, Gloucester, and Salem Counties.

14
15 **Q. Please explain the Company’s involvement with the New Jersey Sustainable Jersey**
16 **Program.**

17 **A.** In 2013, the Company began taking a more global view of sustainability and energy
18 efficiency messaging. To foster that effort, the Company engaged with Sustainable Jersey
19 and made a substantial contribution to foster its efforts to create a “South Jersey Hub where
20 multiple towns are able to come together to join Hubs throughout the state, including the
21 Atlantic/Cape May Hub and Burlington/Camden/Gloucester Hub in our territory.
22 Sustainable Jersey provides financial resources and support for sustainability programs and
23 encourages participation in clean energy and energy efficiency programs. With South

Jersey's contribution, Sustainable Jersey has been able to make significant progress to advance initiatives throughout Southern New Jersey. In March of 2015, the Company provided \$150,000 to help fund the new Sustainable Jersey for Schools Program. Sustainable Jersey for Schools is a voluntary certification program for New Jersey public schools that provides tools, training, and financial incentives to support and reward schools as they pursue sustainability programs such as energy efficiency, renewable energy, and climate mitigation.

In April and May of 2019, the Company provided Sustainable Jersey with two grants totaling \$100,000; one for \$50,000 for a Platinum Sponsorship for Sustainable Jersey Schools, and another \$50,000 Platinum Level grant for Sustainable Jersey Ten (10) Year Special Anniversary. In 2020 and 2021, the Company sponsored Fellow for \$20,000, and due to the Covid-19 Pandemic, sponsored Digital Schools for \$5,000. The Company supports the EDF Fellows program through Sustainable Jersey to work with three (3) cities and two (2) school districts in our service territory. The program empowers customers to become more aware of their energy use, and to implement strategic solutions that lead to energy efficiency and conservation.

IV. CURRENT CIP YEAR PROGRAM EXPENSES

Q. Please provide an overview of the current CIP year program expenses.

A. Quarterly expenses incurred for each of South Jersey's CIP programs are summarized in SJG's CIP Quarterly Reports. The current CIP year program expenses are attached hereto as Schedule WPD-2. During the first half of the current CIP year, which is from October 2020 to March 2021, South Jersey invested \$338,049 in these programs. With the Company's enhanced involvement in Sustainable Jersey's increased targeted and cost-

1 effective media promotions, South Jersey projects that it will spend approximately
2 \$500,000 by the conclusion of the CIP year ending September 30, 2021.

3 Since the inception of the CIP in 2006, South Jersey has been providing the BPU
4 and Rate Counsel with quarterly reports summarizing the Company's CIP expenditures.
5 While quarterly reporting may have been warranted in the early years of the CIP program,
6 the Company respectfully requests that the requirement of the quarterly reports be waived
7 and replaced with annual reporting.

8 **Q. Please briefly summarize your testimony.**

9 **A.** My testimony has provided an overview of the programs in effect during the 2019 -2020
10 CIP year, as well as insight into the 2020 - 2021 CIP year programs, and their related
11 expenditures. All South Jersey's CIP programs are designed to complement current energy
12 policies articulated by the Board and the State of New Jersey and are intended to motivate
13 customers to efficiently use energy and reduce their costs.

14 **Q. Does this conclude your testimony?**

15 **A.** Yes.

Deborah M. Franco, Esq.
VP, Rates, Regulatory & Sustainability

November 16, 2020

Stacy Peterson, Director
Division of Energy
NJ Board of Public Utilities
44 South Clinton Street, 3rd Floor
P. O. Box 350
Trenton, NJ 08625-350

Felicia Thomas – Friel, Esq.
Division of Rate Counsel
140 East Front Street, 4th Floor
P.O. Box 003
Trenton, NJ 08625

Re: Conservation Incentive Program (“CIP”) Quarterly Report

Dear Ms. Peterson and Ms. Thomas - Friel:

Pursuant to the Board’s Order dated December 12, 2006, in Docket No. GR05121019, South Jersey Gas Company (“SJG”) is filing its Conservation Incentive Program (“CIP”) Quarterly Report for the quarter ending September 30, 2020. The report is comprised of the following components:

- Status Report of CIP Programs – Exhibit 1
- Quarterly CIP Report of Expenses – Exhibit 2
- Energy Efficiency Ad – Exhibit 3
- Energy Efficiency Radio Spot – Exhibit 4

South Jersey Gas is suspending the submission of a hard copy and hereby files our Quarterly CIP Report for period ending September 30, 2020 via electronic mail only per Board Orders in Docket No. EO20030254 dated March 19, 2020 and May 20, 2020.

Please do not hesitate to contact me, should you have any questions.

Respectfully,



Deborah M. Franco

DMF:caj/f84
Attachments

cc: M. Minkel

**South Jersey Gas Company
Status Report of Approved Conservation Incentive Programs (CIP)
Docket No. GR05121019**

Report of Quarterly Activities as of September 30, 2020

Public Sector Outreach Program

South Jersey Gas (“SJG” or the “Company”) continues to promote energy efficiency through its own suite of programs approved in Docket No. GO18030350 (the EEP IV), as well as those offered by the Office of Clean Energy to our customers. SJG continues to support efforts to participated in outreach events to educate customers on energy conservation and create awareness of our energy efficiency programs.

We contend that all customers, who can take advantage of the Company’s and the State’s energy efficiency programs, are making a deliberate effort to reduce their energy usage. SJG offers a variety of educational information that allows customers to learn how to save energy and money. The company includes energy efficiency information on our website, on bill inserts, through trade ally training and by educating students through the PowerSave partnership.

While all the outreach events that the Company had sponsored or had planned to participate in during this quarter were postponed or cancelled as a result of the COVID-19 pandemic, SJG did develop a localized energy efficiency awareness campaign that ran on local radio and newspapers covering the Company’s service area. The campaign’s s for radio and digital display. These campaigns were launched in July and will continue throughout the remainder of the year. Exhibit 3 provides a sample of the content that was used in print media.

20 HVAC contractors. The intent of these sessions was to education HVAC contractors of both South Jersey Gas’ energy efficiency programs and those offered through the Office of Clean Energy. SJG’s plans to continue these virtual training sessions until such a time that large in person training sessions can be held.

On-Going Energy Efficiency Messaging:

SJG continues to run Google, Facebook, display and mobile ads, and features an energy efficiency message on our corporate headquarters billboard. The Company continues its efforts to leverage its partnership approach with the NJ Clean Energy Program, to offer customers, both residential and commercial, the most energy value available to them through our enhanced energy efficiency website at www.southjerseygas.com/saveenergy.

Alliance to Save Energy:

Along with the Company's ongoing alliance with Sustainable Jersey, the Company continues its support for the Alliance to Save Energy and its Power Save Schools Program. Through this program "*students are empowered to grow as leaders, apply academic knowledge to solve the real – world challenge of increasing utility bills, and move their schools and communities toward a greater future with energy efficiency practices and measurable energy savings.*" (see <https://www.ase.org/projects/powersave-schools>).

In support of this endeavor, South Jersey Gas continued its commitment to the communities we serve by continuing its sponsorship of the PowerSave program. The Company's ongoing support has resulted in the expansion of the PowerSave program to thirty (30) schools in the South Jersey Gas service territory.

Exhibit 2

**South Jersey Gas Company
Docket Number GR05121019**

Quarterly CIP Report of Expenses

Program Name	1st Quarter 10/01/19 - 12/31/19	2nd Quarter 1/1/20 -3/31/20	3rd Quarter 4/1/20 - 6/30/20	4th Quarter 7/1/20 - 9/30/20	Annual Total
Direct Mail Campaign	\$1,275	\$2,785	\$0	\$63	\$4,123
Public Sector Outreach	\$68,529	\$45,589	\$41,690	\$166,019	\$321,826
Training	\$2,500	\$0	\$0	\$0	\$2,500
Sponsorships & Associations	\$0	\$0	\$100,000	\$77,258	\$177,258
Total CIP Expenses	<u>\$72,303</u>	<u>\$48,374</u>	<u>\$141,690</u>	<u>\$243,340</u>	<u>\$505,707</u>



**Lower your Energy Bills
with Energy Efficiency Programs
exclusively for SJG Customers.**

Visit: southjerseygas.com/save
Or call: 1.888.305.7114



Exhibit 4

**South Jersey Gas
Energy Efficiency Radio Spot**

30 Second Copy: Being home means it's a great time to find new ways to save energy & money. At South Jersey Gas, we make it easy with a variety of Energy Efficiency programs exclusively for South Jersey Gas customers. Ready to lower your energy bills and start saving? Simply visit southjerseygas.com/save or call 1.888.305.7114 to get started.

10 Second Copy -. South Jersey Gas Energy Efficiency programs offer customers easy ways to help lower your energy bills while making your home more efficient. Get started today by visiting southjerseygas.com/save or call 1.888.305.7114



April 27, 2021

Stacy Peterson, Director
Division of Energy
NJ Board of Public Utilities
44 South Clinton Street, 3rd Floor
P. O. Box 350
Trenton, NJ 08625-350

Felicia Thomas – Friel, Esq.
Division of Rate Counsel
140 East Front Street, 4th Floor
P.O. Box 003
Trenton, NJ 08625

Re: Conservation Incentive Program (“CIP”) Quarterly Report

Dear Ms. Peterson and Ms. Thomas - Friel:

Pursuant to the Board’s Order dated December 12, 2006, in Docket No. GR05121019, South Jersey Gas Company (“SJG”) is filing its Conservation Incentive Program (“CIP”) Quarterly Report for the quarter ending March 31, 2021. The report is comprised of the following two components:

- Status Report of CIP Programs – Exhibit 1
- Quarterly CIP Report of Expenses – Exhibit 2

South Jersey Gas is suspending the submission of a hard copy and hereby files our Quarterly CIP Report via electronic mail only per Board Orders in Docket No. EO20030254 dated March 19, 2020 and May 20, 2020.

Please do not hesitate to contact me, should you have any questions.

Respectfully,

A handwritten signature in blue ink that reads "Cindy Capozzoli".

Cindy Capozzoli
Director, Rates

CC:caj/f84
Attachments

cc: M. Minkel

**South Jersey Gas Company
Status Report of Approved Conservation Incentive Programs (CIP)
Docket No. GR05121019**

Report of Quarterly Activities as of March 31, 2021

Public Sector Outreach Program

South Jersey Gas (“SJG” or the “Company”) continues to promote energy efficiency through its own suite of programs approved in Docket No. GO18030350 (the EEP IV), as well as those offered by the Office of Clean Energy to our customers. SJG continues to support efforts to participated in outreach events to educate customers on energy conservation and create awareness of our energy efficiency programs.

We contend that all customers, who can take advantage of the Company’s and the State’s energy efficiency programs, are making a deliberate effort to reduce their energy usage. SJG offers a variety of educational information that allows customers to learn how to save energy and money. The company includes energy efficiency information on our website, on bill inserts, through trade ally training and by educating students through the PowerSave partnership.

To help customers increase their energy efficiency engagement, we launched Conserve, a free, online Energy Efficiency resource conveniently located on the SJG & ETG websites. Conserve offers tips and information to help customers decrease their energy consumption, lower their energy bills and reduce their impact on the environment. Conserve will feature new content on an ongoing basis, within topic categories that focus generally on saving energy and money (*Go Green & Save*), home and family (*Together at Home*), community programs and reader input (*Community*), special features and multimedia (*Spotlight*) and energy-saving products and services (*Smart Energy PartnersSM*). In addition to energy-saving tips, ideas and solutions, Conserve will provide games, puzzles and other content to engage children and families.

Sponsorships and Associations

SJG continues to sponsor and support Sustainable Jersey and Alliance to Save Energy's PowerSave schools program. Through PowerSave schools, SJG will support thirty schools in our service area. Through Sustainable Jersey, SJG is participating in the 2021 Environmental Defense Fund's Climate Corps Program. This program provides EDF Climate Corps Fellows for expertise and support for school districts and municipalities to take advantage of New Jersey's Clean Energy Program (NJCEP) and utility incentives (such as SJG's Smart Energy Partners program) for energy efficiency audits and facility and/or equipment upgrades to help save energy and money. Through Sustainable Jersey, SJG is also supporting the Sustainable Jersey Digital Schools program. This program's focus is supporting schools in address the digital divide and preparing digital learning for the next school year.

On-Going Energy Efficiency Messaging:

SJG continues to run Google, Facebook, display and mobile ads, and features an energy efficiency message on our corporate headquarters billboard. The Company continues its efforts to leverage its partnership approach with the NJ Clean Energy Program, to offer customers, both residential and commercial, the most energy value available to them through our enhanced energy efficiency website at www.southjerseygas.com/saveenergy.

Exhibit 2

**South Jersey Gas Company
Docket Number GR05121019**

Quarterly CIP Report of Expenses

Program Name	1st Quarter 10/01/20 - 12/31/20	2nd Quarter 1/1/21 -3/31/21	3rd Quarter 4/1/21 - 6/30/21	4th Quarter 7/1/21 - 9/30/21	Annual Total
Direct Mail Campaign	\$1,356				\$1,356
Public Sector Outreach	\$10,940	\$10,000			\$20,940
Training					\$0
Sponsorships & Associations	\$52,560	\$263,193			\$315,753
Total CIP Expenses	\$64,856	\$273,193	\$0	\$0	\$338,049

**BEFORE THE
NEW JERSEY BOARD OF PUBLIC UTILITIES**

SOUTH JERSEY GAS COMPANY

**Direct Testimony
of
Daniel P. Yardley,
Yardley Associates**

**On Behalf of
South Jersey Gas Company**

1 **I. INTRODUCTION**

2 **Q. Please state your name, affiliation, and business address.**

3 **A.** My name is Daniel P. Yardley. I am Principal, Yardley Associates and my business
4 address is 2409 Providence Hills Drive, Matthews, NC 28105.

5 **Q. On whose behalf are you testifying?**

6 **A.** I am testifying on behalf of South Jersey Gas Company (“South Jersey Gas” or the
7 “Company”).

8 **Q. Please summarize your professional and educational background.**

9 **A.** I have been employed as a consultant to the natural gas industry for thirty years.
10 During this period, I have directed or participated in numerous consulting
11 assignments. A number of these assignments involved the development of gas
12 distribution company cost allocation, pricing, service unbundling, revenue
13 decoupling and other tariff analyses. In addition to this work, I have performed
14 interstate pipeline cost of service, rate design and service unbundling analyses; gas
15 supply planning analyses; and financial evaluation analyses. I received a Bachelor
16 of Science Degree in Electrical Engineering from the Massachusetts Institute of
17 Technology in 1988.

18 **Q. Have you previously testified before the New Jersey Board of Public Utilities?**

19 **A.** Yes. I testified before the New Jersey Board of Public Utilities (the “Board” or
20 “BPU”) on behalf of South Jersey Gas, Elizabethtown Gas Company and New
21 Jersey Natural Gas Company (“NJNG”) in a number of different proceedings. I
22 sponsored testimony in 2005 that supported the Company’s petition to implement

1 an innovative rate design that promoted customer conservation and energy
2 efficiency, which led to the development of the Company's Conservation Incentive
3 Program ("CIP"), and in 2013 that supported continuation of the CIP. I have also
4 testified or sponsored pre-filed testimony in proceedings before a number of other
5 State utility regulatory commissions, the Federal Energy Regulatory Commission
6 and the Canada Energy Regulator on matters pertaining to cost of service, cost
7 allocation, rate design, revenue decoupling and upstream capacity planning.

8 **Q. What is the purpose of your testimony in this proceeding?**

9 **A.** The purpose of my testimony is to describe South Jersey Gas' CIP and present the
10 derivation of the associated tariff charges resulting from the operation of the
11 program for the annual period ending September 30, 2021 to be effective October
12 1, 2021.

13 **Q. Are you sponsoring any schedules that accompany your prepared direct**
14 **testimony?**

15 **A.** Yes. I am sponsoring the following schedules, each of which will be explained
16 later in my testimony:

17 Schedule No. DPY-1: Actual CIP Results for 2019-20;

18 Schedule No. DPY-2: Comparison of 2020-21 Customer Usage to
19 Baseline;

20 Schedule No. DPY-3: Calculation of Large Customer Adjustment;

21 Schedule No. DPY-4: Determination of Weather-Related Component of
22 CIP;

23 Schedule No. DPY-5: Application of BGSS Savings Eligibility Test;

24 Schedule No. DPY-6: Prior Period CIP Over / Under Recovery;

Schedule No. DPY-7: Derivation of CIP Charge / Credit Effective October 1, 2021; and

Schedule No. DPY-8: Proposed Tariff Sheets.

II. DESCRIPTION OF THE CIP

Q. How was the Company's CIP developed?

A. Following a period of relatively low and stable prices throughout the 1990s, natural gas commodity prices experienced increased volatility and higher market clearing prices in the ensuing years as the growing demand for natural gas to fire electric generation contributed to a significant tightening of the supply-demand balance. Prices continued to rise following major hurricanes that damaged Gulf Coast production in the summer of 2005. South Jersey Gas together with NJNG developed and proposed an innovative program late in 2005 that would allow them to aggressively promote energy efficiency and conservation to customers. A necessary component of the proposal was the implementation of a tariff mechanism that eliminated the link between throughput and margin recoveries.

South Jersey Gas and NJNG, together with Board Staff and the New Jersey Department of the Public Advocate, Division of Rate Counsel ("Rate Counsel") worked diligently to agree on the terms of a pilot program. The CIP was agreed to by these parties pursuant to the CIP Stipulation, which was approved by the Board for implementation on October 1, 2006. In January 2010, the Board extended the CIP for an additional three-to-four-year period. In May of 2014, the Board approved continuation of the CIP with limited modifications as agreed to by the Company, NJNG, Board Staff and Rate Counsel ("2014 CIP Stipulation").

1 **Q. How does the CIP promote energy efficiency and conservation?**

2 **A.** The CIP is comprised of customer-oriented conservation programs and an
3 innovative tariff mechanism that normalizes South Jersey Gas' margin recoveries
4 for the impact of conservation and other changes in customer use. The CIP tariff
5 more appropriately aligns South Jersey Gas' interests with those of its customers as
6 any customer savings from conservation do not contribute negatively to the
7 Company's financial performance. Elimination of the disincentives to pursue
8 customer conservation has enabled South Jersey Gas to implement new initiatives
9 that capitalize on various channels for promoting conservation by its customers.

10 **Q. Is the CIP consistent with the current public policy direction in New Jersey?**

11 **A.** Yes. The CIP promotes cost-effective energy choices by consumers by equipping
12 them with greater information concerning their consumption patterns. To the extent
13 that South Jersey Gas customers participate in programs to install or upgrade
14 existing equipment with high efficiency alternatives, the New Jersey economy and
15 the environment benefit. The CIP contributes to economic benefits through the
16 local jobs supported by the contractor activity and the lower cost of energy use to
17 customers. The CIP also contributes to environmental benefits as higher efficiency
18 equipment leads to reductions in greenhouse gas emissions. These benefits are
19 consistent with New Jersey energy policy objectives.

20 **Q. Please summarize the important features of the CIP Tariff.**

21 **A.** Details of the CIP mechanism are set forth as Rider M of South Jersey Gas' tariff.
22 Rider M is applicable to all residential and general service customers. The CIP
23 tariff establishes a baseline monthly usage for four different groups of South Jersey

1 Gas customers: (i) residential non-heating, (ii) residential heating, (iii) general
2 service, and (iv) general service – large volume. Additionally, Rider M sets forth
3 the calculation method for establishing the charge or credit for each applicable
4 group based on a comparison of actual usage to the baseline usage and on class-
5 specific margin factors. Rider M also reflects features that potentially limit the
6 Company’s recoveries in a given year. These include limitations upon the recovery
7 of the margin impact of non-weather related changes in use, and a requirement that
8 total recoveries not contribute to the Company earning in excess of 9.60 percent
9 return on equity.

10 **Q. Please describe the recovery limitations applicable to the non-weather related**
11 **CIP amount.**

12 **A.** The CIP incorporates a recovery limitation specifically applicable to changes in
13 average consumption that are not attributable to weather. This is referred to as the
14 non-weather component of the CIP amount and is determined by subtracting the
15 weather component from the total CIP amount. The non-weather component is
16 subject to a recovery limitation determined through the application of a two-
17 pronged test. The first prong of the recovery test limits recoveries of any amounts
18 whereby Basic Gas Supply Service (“BGSS”) savings are less than 75 percent of
19 the non-weather component. The second prong of the recovery test limits recoveries
20 of any amounts by which the non-weather component exceeds 6.5 percent of
21 variable margin revenues. The amount of the non-weather component that does not
22 pass both of these recovery limits is deferred to the subsequent year and is included
23 in the non-weather component subject to the two-pronged test at that time.

1 **Q. Are there any changes in the recovery limitations resulting from Board actions**
2 **taken in response to the Covid-19 pandemic?**

3 **A.** Yes. The Board reduced allowable non-weather related CIP recoveries to 4 percent
4 of variable margin revenues during the period July 1, 2021 through June 30, 2022.

5 **Q. Please explain the source of BGSS savings that are relied upon for the BGSS**
6 **savings test.**

7 **A.** BGSS savings result from gas supply contract restructurings, avoided costs or other
8 purchasing practices that benefit customers by lowering BGSS costs. The 2014
9 CIP Stipulation specifies the categories of BGSS savings as well as an initial level
10 of verified BGSS savings. In the current filing, the Company is supporting total
11 BGSS savings of \$7.4 million as further described in the testimony of Maria
12 Mendoza. The \$7.4 million of BGSS savings includes \$5.3 million of permanent
13 capacity release savings, \$1.9 million of additional capacity release savings and
14 \$0.2 million of avoided cost BGSS savings.

15 **Q. What steps are necessary to calculate the annual CIP charge or credit?**

16 **A.** The calculation of the Rider M adjustment is performed for each of the four
17 customer groups subject to the clause, resulting in a single credit or charge
18 applicable to all customers within each grouping. The calculation begins by
19 dividing the actual customers for each month into the actual booked volumes to
20 establish an actual average use per customer. An adjustment to the number of
21 general service and general service large volume customers is made to reflect any
22 large customers that have been added to the system.

1 Next, the monthly average use per customer value is compared to the baseline usage
2 per customer for the corresponding customer group. This difference represents the
3 average usage impact for all customers in the class for the month. In order to
4 determine the total volume impact for the class, the monthly differences are
5 multiplied by the corresponding actual number of customers.

6 The margin impact is simply the usage impact multiplied by the margin revenue
7 factor for the customer group set forth in Rider M. The charge or credit for the
8 group is the total margin adjustment divided by the forecasted sales for the recovery
9 period. Since the charge or credit is derived based on projected throughput, any
10 over or under-recovery from the prior recovery period is included in the calculation
11 of the charge or credit for the current period.

12 **III. CIP RESULTS FOR 2020-21**

13 **Q. What time period is covered under this CIP filing?**

14 **A.** This filing addresses the annual period beginning October 1, 2020 through
15 September 30, 2021. The schedules supporting this filing are based on seven
16 months of actual data and five months of projected data for the period. The
17 resulting charge or credit, including any over or under recovery for the prior period,
18 is applied to customer bills beginning on October 1, 2021. The timing of the CIP
19 rate adjustments was agreed to in order to synchronize them with the review and
20 implementation of South Jersey Gas' annual BGSS filing.

1 **Q. Have you prepared a summary of results for the prior year of the CIP program**
2 **covering the twelve-month period ending September 30, 2020?**

3 **A.** Yes. Now that the annual period covered by the previous year of the CIP is
4 complete, actual results for this time period can be calculated. Schedule No. DPY-
5 1 provides the actual results for the year ending September 30, 2020 for each of the
6 four groups, which reflect a combined total of \$14.7 million margin revenue below
7 the benchmark level, including both the weather and non-weather impacts.

8 **Q. Please provide a comparison of customer usage to the benchmark for the**
9 **annual period beginning October 1, 2020.**

10 **A.** Actual average use per customer for October 2020 through April 2021 and
11 projections through September 2021 are provided for each of the customer groups
12 covered by the CIP tariff in Schedule No. DPY-2. Schedule No. DPY-2 also
13 provides a comparison of the actual values shown in column (d) to the baseline
14 values set forth in Rider M and shown in column (e). The margin impact of the
15 difference in average use per customer is calculated by multiplying the change in
16 average use per customer times the actual number of customers times the margin
17 revenue factor. The margin revenue factor for each customer group is also set forth
18 in Rider M. The monthly benchmark use per customer and margin revenue factors
19 reflect the Company's base rates established in the 2020 Base Rate Case¹. The total

¹ In regards to the matter of the Petition of South Jersey Gas Company for Approval of Increased Base Tariff Rates and Charges for Gas Service, Changes to Depreciation Rates and Other Tariff Revisions, BPU Docket No. GR20030243, Order dated September 23, 2020 ("2020 Base Rate Case").

1 impact of changes in average use per customer for the period results in margin
2 revenue of \$7.9 million below the benchmark level.

3 **Q. Does the comparison reflected in Schedule No. DPY-2 reflect the large**
4 **customer adjustment as provided for in Rider M?**

5 **A.** Yes. The actual number of customers for the general service and general service
6 large volume customer groups shown in column (c) of Schedule No. DPY-2 reflects
7 an adjustment for large customer additions to South Jersey Gas' system. As
8 specified in Rider M, an adjustment is made for any incremental general service
9 customer that exceeds 1,200 cubic feet per hour of connected load and any general
10 service large volume customer that exceeds 50,000 cubic feet per hour of connected
11 load. The incremental load for these customers is converted into an equivalent
12 number of additional customers to be included in the Rider M calculations going
13 forward. This removes any potential disincentive to connecting beneficial, large
14 customer loads. The level of the monthly large customer adjustment applicable for
15 the period October 1, 2020 through September 30, 2021 is provided as Schedule
16 No. DPY-3.

17 **Q. Have you performed the dual pronged eligibility test applicable to the non-**
18 **weather component of the CIP for the current year?**

19 **A.** Yes. I determined the weather-related component of the CIP by calculating the
20 margin impact of weather consistent with the terms of South Jersey Gas'
21 Temperature Adjustment Clause. The calculation of the weather-related
22 component for each customer group is provided in Schedule No. DPY-4. The total
23 weather-related component, which equals \$18.1 million of revenue deficiency, is

1 subtracted from the total CIP revenue deficiency of \$7.9 million, shown in Schedule
2 No. DPY-2, to establish the non-weather related component for the current period,
3 which is a revenue credit of \$10.2 million. Since the non-weather CIP amount is a
4 credit to customers, the BGSS Savings and the variable margin revenue tests shown
5 on Schedule No. DPY-5 are not applicable. The full amount of the credit is
6 reflected beginning October 1, 2021.

7 **Q. Please provide the derivation of the CIP charge or credit to be effective**
8 **October 1, 2021.**

9 **A.** The total amount of the CIP that is to be charged to customers through Rider M is
10 the combination of the weather and non-weather-related margin impacts, or \$7.9
11 million. Recovery of this amount would not result in the Company exceeding the
12 ROE limitation set forth in Rider M. The weather and non-weather-related CIP
13 amounts are collected through customer group-specific charges based on projected
14 throughput for the annual period beginning October 1, 2021. The throughput
15 forecast is the same as that proposed to be utilized to establish the BGSS price
16 effective October 1, 2021. In addition to the CIP amount for the current year, the
17 calculated charges also include the net over-collection of the CIP for the recovery
18 period ending September 30, 2021 of \$2.5 million, which is shown in Schedule No.
19 DPY-6. The derivation of the resulting CIP charges and credits are set forth in
20 Schedule No. DPY-7. This schedule also shows the application of state taxes in
21 order to establish rates billed to customers.

- 1 **Q. Are you sponsoring revised tariff sheets that implement these charges?**
- 2 **A. Yes. Schedule No. DPY-8 provides proposed tariff sheets that reflect the CIP**
3 charges and credits to be effective October 1, 2021.
- 4 **Q. Given that the CIP charge or credit is based in part on projected data, how**
5 **will these projections be trued up in the future?**
- 6 **A. The actual CIP recoveries or credits to customers will be trued up in future filings.**
7 The first element of the true-up will reflect any adjustment to the recoverable
8 amount based on actual data for the period May 1, 2021 through September 30,
9 2021, which represents the final five months of the current year of the CIP. The
10 second element of the true-up relates to differences between actual and projected
11 throughput for the annual period beginning October 1, 2021, which is the period
12 over which the CIP charge or credit is collected. The true-up of these elements for
13 actual experience will be reflected in the docket addressing the Company's CIP
14 filing to be made on or before June 1, 2022.
- 15 **Q. Does this conclude your prepared direct testimony?**
- 16 **A. Yes, it does.**

		Total Class	Number of	Average	Baseline	Difference	Margin	Margin
<u>No.</u>	<u>Month</u>	<u>Throughput</u>	<u>Customers</u>	<u>Use / Cust.</u>	<u>Use / Cust.</u>	<u>Per Cust.</u>	<u>Revenue Factor</u>	<u>Excess / (Deficiency)</u>
	(a)	(b)	(c)	(d) = (b) / (c)	(e)	(f) = (d) - (e)	(g)	(h) = (f) * (c) * (g)
1								
2	<u>Actual Year-to-Date</u>							
3	October '19	151,323	11,489	13.2	9.8	3.4	\$ 0.678051	\$ 26,261
4	November '19	266,879	11,480	23.2	17.6	5.6	\$ 0.678051	\$ 43,959
5	December '19	466,185	11,466	40.7	30.8	9.9	\$ 0.678051	\$ 76,642
6	January '20	434,224	11,445	37.9	29.9	8.0	\$ 0.678051	\$ 62,393
7	February '20	401,434	11,418	35.2	30.8	4.4	\$ 0.678051	\$ 33,740
8	March '20	303,363	11,409	26.6	24.1	2.5	\$ 0.678051	\$ 19,261
9	April '20	221,914	11,438	19.4	16.2	3.2	\$ 0.678051	\$ 24,829
10	May '20	201,617	11,470	17.6	10.9	6.7	\$ 0.678051	\$ 51,935
11	June '20	136,125	11,500	11.8	11.9	(0.1)	\$ 0.678051	\$ (492)
12	July '20	121,175	11,504	10.5	10.5	0.0	\$ 0.678051	\$ 260
13	August '20	132,119	11,479	11.51	9.0	2.5	\$ 0.678051	\$ 19,533
14	September '20	120,394	11,467	10.5	8.4	2.1	\$ 0.678051	\$ 16,322
15								
16				258.1	209.9			
17								
18								
19								
20								
21	Total Group 1 Margin Excess / (Deficiency)							\$ 374,642
22								
23								
24								
25								
26	<u>Actual Year-to-Date</u>							
27	October '19	8,326,034	356,438	23.4	17.4	6.0	\$ 0.678051	\$ 1,440,189
28	November '19	31,408,713	357,814	87.8	72.8	15.0	\$ 0.678051	\$ 3,634,254
29	December '19	42,188,638	359,223	117.4	125.4	(8.0)	\$ 0.678051	\$ (1,937,820)
30	January '20	42,872,131	360,327	119.0	151.6	(32.6)	\$ 0.678051	\$ (7,969,433)
31	February '20	37,458,087	361,081	103.7	129.7	(26.0)	\$ 0.678051	\$ (6,356,131)
32	March '20	25,150,263	362,004	69.5	102.8	(33.3)	\$ 0.678051	\$ (8,179,837)
33	April '20	20,229,849	362,851	55.8	54.4	1.4	\$ 0.678051	\$ 332,757
34	May '20	12,010,055	363,281	33.1	22.6	10.5	\$ 0.678051	\$ 2,576,529
35	June '20	6,470,299	363,653	17.8	12.3	5.5	\$ 0.678051	\$ 1,354,317
36	July '20	4,798,206	364,018	13.2	13.5	(0.3)	\$ 0.678051	\$ (78,679)
37	August '20	9,584,750	364,235	26.3	8.5	17.8	\$ 0.678051	\$ 4,399,705
38	September '20	6,068,220	364,663	16.6	15.8	0.8	\$ 0.678051	\$ 207,853
39								
40				683.5	726.8			
41								
42								
43								
44								
45	Total Group 2 Margin Excess / (Deficiency)							\$ (10,576,299)

South Jersey Gas Company
2021-22 Conservation Incentive Program Filing

Comparison of 2019-20 Customer Usage to Baseline

Line No.	Month (a)	Total Class Throughput (b)	Number of Customers (c)	Average Use / Cust. (d) = (b) / (c)	Baseline Use / Cust. (e)	Difference Per Cust. (f) = (d) - (e)	Margin Revenue Factor (g)	Margin Excess / (Deficiency) (h) = (f) * (c) * (g)
1								
2	<u>Actual Year-to-Date</u>							
3	October '19	4,029,364	26,309	153.2	98.3	54.9	\$ 0.566312	\$ 817,295
4	November '19	11,033,361	26,645	414.1	334.4	79.7	\$ 0.566312	\$ 1,202,435
5	December '19	14,408,265	26,912	535.4	572.2	(36.8)	\$ 0.566312	\$ (561,091)
6	January '20	14,637,748	27,043	541.3	668.9	(127.6)	\$ 0.566312	\$ (1,954,521)
7	February '20	13,278,919	27,114	489.7	553.2	(63.5)	\$ 0.566312	\$ (974,366)
8	March '20	9,408,108	27,196	345.9	509.6	(163.7)	\$ 0.566312	\$ (2,520,640)
9	April '20	7,211,451	27,211	265.0	262.5	2.5	\$ 0.566312	\$ 38,828
10	May '20	3,839,609	27,232	141.0	160.0	(19.0)	\$ 0.566312	\$ (293,073)
11	June '20	2,178,052	27,153	80.2	117.2	(37.0)	\$ 0.566312	\$ (568,736)
12	July '20	1,964,957	27,106	72.5	107.9	(35.4)	\$ 0.566312	\$ (543,535)
13	August '20	5,376,272	27,084	198.5	85.8	112.7	\$ 0.566312	\$ 1,728,647
14	September '20	2,795,546	27,157	102.9	124.7	(21.8)	\$ 0.566312	\$ (334,652)
15								
16				3,339.8	3,594.7			
17								
18								
19								
20								
21	Total Group 3 Margin Excess / (Deficiency)							\$ (3,963,409)
22								
23								
24								
25								
26	<u>Actual Year-to-Date</u>							
27	October '19	1,637,410	170	9,631.8	8,357.0	1,274.8	\$ 0.283532	\$ 61,447
28	November '19	3,566,896	170	20,981.7	19,088.4	1,893.3	\$ 0.283532	\$ 91,259
29	December '19	3,893,405	170	22,902.4	23,786.5	(884.1)	\$ 0.283532	\$ (42,614)
30	January '20	4,347,740	170	25,574.9	33,867.6	(8,292.7)	\$ 0.283532	\$ (399,712)
31	February '20	3,370,471	171	19,710.4	26,589.0	(6,878.7)	\$ 0.283532	\$ (333,504)
32	March '20	3,009,055	171	17,596.8	24,561.7	(6,964.9)	\$ 0.283532	\$ (337,684)
33	April '20	2,858,897	171	16,718.7	12,840.3	3,878.4	\$ 0.283532	\$ 188,039
34	May '20	1,198,967	170	7,052.7	9,454.9	(2,402.2)	\$ 0.283532	\$ (115,786)
35	June '20	734,491	169	4,346.1	5,214.4	(868.3)	\$ 0.283532	\$ (41,608)
36	July '20	1,020,839	168	6,076.4	7,028.8	(952.4)	\$ 0.283532	\$ (45,366)
37	August '20	1,486,675	168	8,849.3	4,538.1	4,311.1	\$ 0.283532	\$ 205,354
38	September '20	1,279,327	167	7,660.6	3,558.7	4,101.9	\$ 0.283532	\$ 194,226
39								
40				167,101.9	178,885.6			
41								
42								
43								
44								
45	Total Group 4 Margin Excess / (Deficiency)							\$ (575,949)
46								
47								
48	Total Groups 1 through 4							\$ (14,741,012)

South Jersey Gas Company
2021-22 Conservation Incentive Program Filing

Comparison of 2020-21 Customer Usage to Baseline

Line No.		<u>Month</u>	<u>Total Class Throughput</u>	<u>Number of Customers</u>	<u>Average Use / Cust.</u>	<u>Baseline Use / Cust.</u>	<u>Difference Per Cust.</u>	<u>Margin Revenue Factor</u>	<u>Margin Excess / (Deficiency)</u>
		(a)	(b)	(c)	(d) = (b) / (c)	(e)	(f) = (d) - (e)	(g)	(h) = (f) * (c) * (g)
1									
2									
3	Actual	October-20	189,188	11,355	16.7	13.2	3.5	\$0.810259	\$ 32,121
4	Actual	November-20	272,915	11,336	24.1	23.3	0.8	\$0.810259	\$ 7,578
5	Actual	December-20	432,276	11,338	38.1	40.7	(2.5)	\$0.810259	\$ (23,276)
6	Actual	January-21	488,810	11,337	43.1	37.9	5.2	\$0.810259	\$ 47,549
7	Actual	February-21	506,510	11,323	44.7	35.2	9.6	\$0.810259	\$ 87,827
8	Actual	March-21	388,200	11,329	34.3	26.6	7.7	\$0.810259	\$ 70,462
9	Actual	April-21	185,731	11,333	16.4	19.4	(3.0)	\$0.810259	\$ (27,653)
10	Projected	May-21	94,104	11,763	8.0	17.6	(9.6)	\$0.810259	\$ (91,498)
11	Projected	June-21	106,254	11,806	9.0	11.8	(2.8)	\$0.810259	\$ (26,785)
12	Projected	July-21	106,569	11,841	9.0	9.7	(0.7)	\$0.810259	\$ (6,716)
13	Projected	August-21	83,139	11,877	7.0	8.7	(1.70)	\$0.810259	\$ (16,360)
14	Projected	September-21	130,977	11,907	11.0	9.9	1.1	\$0.810259	\$ 10,613
15									
16									
17									
18									
19									
20									
21									
22									
23									
24									
25		Total Group 1 Margin Excess / (Deficiency)							\$ 63,861
26									
27									
28									
29									
30									
31									
32									
33									
34									
35									
36									
37									
38									
39									
40									
41									
42	Actual	October-20	10,546,991	365,111	28.9	28.7	0.2	\$0.810259	\$ 64,220
43	Actual	November-20	21,361,888	365,896	58.4	72.3	(13.9)	\$0.810259	\$ (4,120,228)
44	Actual	December-20	43,297,364	366,761	118.1	124.6	(6.6)	\$0.810259	\$ (1,951,421)
45	Actual	January-21	51,632,160	367,403	140.5	143.6	(3.0)	\$0.810259	\$ (898,205)
46	Actual	February-21	49,549,118	367,824	134.7	122.2	12.5	\$0.810259	\$ 3,731,005
47	Actual	March-21	32,111,740	368,386	87.2	89.2	(2.0)	\$0.810259	\$ (606,310)
48	Actual	April-21	16,771,621	368,734	45.5	48.7	(3.2)	\$0.810259	\$ (966,720)
49	Projected	May-21	8,493,597	369,287	23.0	26.7	(3.7)	\$0.810259	\$ (1,107,107)
50	Projected	June-21	5,173,174	369,512	14.0	17.8	(3.8)	\$0.810259	\$ (1,137,723)
51	Projected	July-21	5,174,476	369,605	14.0	13.3	0.7	\$0.810259	\$ 209,633
52	Projected	August-21	5,176,863	369,776	14.0	14.2	(0.2)	\$0.810259	\$ (59,923)
53	Projected	September-21	5,549,005	369,934	15.0	13.5	1.5	\$0.810259	\$ 449,613
54									
55									
56									
57									
58									
59									
60									
61									
62									
63									
64		Total Group 2 Margin Excess / (Deficiency)							\$ (6,393,166)

South Jersey Gas Company
2021-22 Conservation Incentive Program Filing
Comparison of 2020-21 Customer Usage to Baseline

Line No.									
	Month	Total Class Throughput	Number of Customers	Average Use / Cust.	Baseline Use / Cust.	Difference Per Cust.	Margin Revenue Factor	Margin Excess / (Deficiency)	
	(a)	(b)	(c)	(d) = (b) / (c)	(e)	(f) = (d) - (e)	(g)	(h) = (f) * (c) * (g)	
1									
2									
3									
4	Actual	October-20	4,958,232	26,336	188.3	178.3	10.0	\$0.664493	\$ 174,270
5	Actual	November-20	7,075,590	26,498	267.0	361.9	(94.9)	\$0.664493	\$ (1,671,264)
6	Actual	December-20	14,843,486	26,613	557.8	582.0	(24.3)	\$0.664493	\$ (429,316)
7	Actual	January-21	16,802,200	26,704	629.2	660.5	(31.3)	\$0.664493	\$ (556,088)
8	Actual	February-21	15,277,710	26,780	570.5	584.3	(13.8)	\$0.664493	\$ (246,300)
9	Actual	March-21	10,971,290	26,872	408.3	441.8	(33.5)	\$0.664493	\$ (598,727)
10	Actual	April-21	7,189,216	27,282	263.5	245.3	18.2	\$0.664493	\$ 329,867
11	Projected	May-21	4,172,370	27,317	152.7	135.9	16.8	\$0.664493	\$ 305,645
12	Projected	June-21	3,473,526	27,340	127.1	83.0	44.1	\$0.664493	\$ 800,275
13	Projected	July-21	3,496,233	27,371	127.7	112.8	14.9	\$0.664493	\$ 271,667
14	Projected	August-21	3,491,861	27,385	127.5	125.3	2.2	\$0.664493	\$ 40,209
15	Projected	September-21	3,527,193	27,458	128.5	119.3	9.2	\$0.664493	\$ 167,064
16									
17									
18									
19									
20									
21									
22									
23									
24									
25									
26		Total Group 3 Margin Excess / (Deficiency)							\$ (1,412,698)
27									
28									
29									
30									
31									
32									
33									
34									
35									
36									
37									
38									
39	Actual	October-20	1,330,916	167	7,969.6	11,646.8	(3,677.2)	\$0.329642	\$ (202,433)
40	Actual	November-20	2,193,433	167	13,134.3	17,762.3	(4,628.0)	\$0.329642	\$ (254,771)
41	Actual	December-20	4,033,120	167	24,150.4	24,096.3	54.1	\$0.329642	\$ 2,979
42	Actual	January-21	4,451,360	170	26,184.5	30,224.7	(4,040.2)	\$0.329642	\$ (226,411)
43	Actual	February-21	3,932,220	170	23,130.7	22,589.6	541.1	\$0.329642	\$ 30,322
44	Actual	March-21	3,540,440	172	20,584.0	21,861.4	(1,277.4)	\$0.329642	\$ (72,429)
45	Actual	April-21	3,204,886	175	18,313.6	14,830.2	3,483.4	\$0.329642	\$ 200,950
46	Projected	May-21	1,399,846	169	8,283.1	6,519.7	1,763.4	\$0.329642	\$ 98,239
47	Projected	June-21	1,061,618	169	6,281.8	4,346.1	1,935.7	\$0.329642	\$ 107,835
48	Projected	July-21	1,056,704	169	6,252.7	4,920.5	1,332.2	\$0.329642	\$ 74,215
49	Projected	August-21	1,069,775	169	6,330.0	6,053.3	276.7	\$0.329642	\$ 15,416
50	Projected	September-21	1,044,206	169	6,178.7	5,394.8	783.9	\$0.329642	\$ 43,673
51									
52									
53									
54									
55									
56									
57									
58									
59									
60									
61		Total Group 4 Margin Excess / (Deficiency)							\$ (182,415)
62									
63									
64		Total Groups 1 through 4							\$ (7,924,418)

South Jersey Gas Company
2021-22 Conservation Incentive Program Filing
GSG and GSG-LV Large Customer Adjustment

Line			Customers Above 1,200 CFH		Equivalent GSG Customers		Monthly	Cumulative
No.	Month		Count	CFH	Avg. CFH	Customers	Adjustment	Large Customer
	(a)		(b)	(c)	(d)	(e) = (c) / (d)	(f) = (e) - (b)	(g)
1			Group 3: GSG					
2	Starting Point							72
3								
4								
5	Actual	October-20	5	19,904	600	33	28	100
6	Actual	November-20	8	21,660	600	36	28	128
7	Actual	December-20	4	8,617	600	14	10	138
8	Actual	January-21	4	6,619	600	11	7	145
9	Actual	February-21	4	13,023	600	22	18	163
10	Actual	March-21	7	10,910	600	18	11	174
11	Actual	April-21	4	90,418	600	151	147	321
12	Projected	May-21	0	0	600	0	0	321
13	Projected	June-21	0	0	600	0	0	321
14	Projected	July-21	0	0	600	0	0	321
18	Projected	August-21	0	0	600	0	0	321
19	Projected	September-21	0	0	600	0	0	321
15								
16								
17								
20								
21								
22								
23								
24								
25								
26								
27			Group 4: GSG Large Volume					
28	Starting Point							0
29								
30								
31	Actual	October-20	0	0	25,000	0	0	0
32	Actual	November-20	0	0	25,000	0	0	0
33	Actual	December-20	0	0	25,000	0	0	0
34	Actual	January-21	0	0	25,000	0	0	0
35	Actual	February-21	0	0	25,000	0	0	0
36	Actual	March-21	0	0	25,000	0	0	0
37	Actual	April-21	0	0	25,000	0	0	0
38	Projected	May-21	0	0	25,000	0	0	0
39	Projected	June-21	0	0	25,000	0	0	0
40	Projected	July-21	0	0	25,000	0	0	0
41	Projected	August-21	0	0	25,000	0	0	0
42	Projected	September-21	0	0	25,000	0	0	0
43								

No.	Month	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Projected	
	(a)	October-20	November-20	December-20	January-21	February-21	March-21	April-21	May-21	Total
		(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
1		Group 2: RSG Heating								
2	480.11 RSG Heat Sales									
3										
4	Therms	10,119,254	20,435,955	41,526,599	49,649,331	47,686,144	30,928,505	16,178,167	8,160,659	224,684,614
5										
6	Customers	350,615	351,350	352,261	352,951	353,622	354,465	354,865	354,811	
7	Base Load / Customer	13.8	13.8	13.8	13.8	13.8	13.8	13.8	13.8	
8	Total Baseload	4,837,919	4,848,061	4,860,631	4,870,152	4,879,410	4,891,042	4,896,562	4,895,821	38,979,598
9										
10	Heat Load	5,281,335	15,587,894	36,665,968	44,779,179	42,806,734	26,037,463	11,281,605	3,264,838	185,705,016
11										
12	Actual Degree Days	181	398	789	890	843	569	320	117	4,107
13	Normal Degree Days	243	512	805	974	819	668	341	117	4,479
14	Difference	(62)	(114)	(16)	(84)	24	(99)	(21)	-	(372)
15										
16	Actual Heat Use per Degree Day	45,217.00	45,217.00	45,217.00	45,217.00	45,217.00	45,217.00	45,217.00	45,217.00	45,217.00
17										
18	Weather Impact - Therms	(2,803,454)	(5,154,738)	(723,472)	(3,798,228)	1,085,208	(4,476,483)	(949,557)	-	(16,820,724)
19										
20	Margin Revenue Factor	0.810259	0.810259	0.810259	0.810259	0.810259	0.810259	0.810259	0.810259	
21										
22	Weather Impact - Dollars	\$ (2,271,524)	\$ (4,176,673)	\$ (586,200)	\$ (3,077,548)	\$ 879,300	\$ (3,627,111)	\$ (769,387)	\$ -	\$ (13,629,143)
23										
24										
25	490.21 RSG Heat Transp									
26										
27										
28	Therms	427,737	925,933	1,770,765	1,982,828	1,862,974	1,183,231	593,454	333,500	9,080,422
29										
30	Customers	14,496	14,546	14,500	14,452	14,202	13,921	13,869	14,500	
31	Base Load / Customer	12.85	12.85	12.85	12.85	12.85	12.85	12.85	12.85	
32	Total Baseload	186,332	186,975	186,384	185,767	182,553	178,941	178,273	186,384	1,471,608
33										
34	Heat Load	241,405	738,958	1,584,382	1,797,061	1,680,421	1,004,290	415,181	147,116	7,608,814
35										
36	Actual Degree Days	181	398	789	890	843	569	320	117	4,107
37	Normal Degree Days	243	512	805	974	819	668	341	117	4,479
38	Difference	(62)	(114)	(16)	(84)	24	(99)	(21)	-	(372)
39										
40	Actual Heat Use per Degree Day	1,853.00	1,853.00	1,853.00	1,853.00	1,853.00	1,853.00	1,853.00	1,853.00	1,853.00
41										
42	Weather Impact - Therms	(114,886)	(211,242)	(29,648)	(155,652)	44,472	(183,447)	(38,913)	-	(689,316)
43										
44	Margin Revenue Factor	0.810259	0.810259	0.810259	0.810259	0.810259	0.810259	0.810259	0.810259	
45										
46	Weather Impact - Dollars	\$ (93,087)	\$ (171,161)	\$ (24,023)	\$ (126,118)	\$ 36,034	\$ (148,640)	\$ (31,530)	\$ -	\$ (558,525)
47										
48										
49	Group 2: RSG Heating Summary									
50	480.11 RSG Heat Sales									\$ (13,629,143)
51	490.21 RSG Heat Transp									\$ (558,525)
52	Total									\$ (14,187,668)

South Jersey Gas Company
2021-22 Conservation Incentive Program Filing
Determination of Weather-Related Component of CIP

Line No.	Month (a)	Actual October-20 (b)	Actual November-20 (c)	Actual December-20 (d)	Actual January-21 (e)	Actual February-21 (f)	Actual March-21 (g)	Actual April-21 (h)	Projected May-21 (i)	Total (j)
1										
2	<u>481.31 GSG Com Heat Sales</u>									
3										
4	Therms	2,194,153	3,667,094	8,042,943	9,126,053	8,590,586	5,784,215	3,527,202	2,902,500	43,834,745
5										
6	Customers	18,845	19,010	19,106	19,195	19,255	19,345	19,389	19,350	
7	Base Load / Customer	72.57	72.57	72.57	72.57	72.57	72.57	72.57	72.57	
8	Total Baseload	1,367,558	1,379,532	1,386,499	1,392,957	1,397,312	1,403,843	1,407,036	1,404,206	11,138,943
9										
10	Heat Load	826,595	2,287,561	6,656,444	7,733,095	7,193,274	4,380,372	2,120,167	1,498,294	32,695,802
11										
12	Actual Degree Days	181	398	789	890	843	569	320	117	4,107
13	Normal Degree Days	243	512	805	974	819	668	341	117	4,479
14	Difference	(62)	(114)	(16)	(84)	24	(99)	(21)	-	(372)
15										
16	Actual Heat Use per Degree Day	7,961.00	7,961.00	7,961.00	7,961.00	7,961.00	7,961.00	7,961.00	7,961.00	7,961.00
17										
18	Weather Impact - Therms	(493,582)	(907,554)	(127,376)	(668,724)	191,064	(788,139)	(167,181)	-	(2,961,492)
19										
20	Margin Revenue Factor	0.664493	0.664493	0.664493	0.664493	0.664493	0.664493	0.664493	0.664493	
21										
22	Weather Impact - Dollars	\$ (327,982)	\$ (603,063)	\$ (84,640)	\$ (444,362)	\$ 126,961	\$ (523,713)	\$ (111,091)	\$ -	\$ (1,967,890)
23										
24										
25										
26	<u>481.32 GSG Ind Heat Sales</u>									
27										
28	Therms	34,234	160,896	367,435	473,259	350,924	285,566	173,086	81,130	1,926,528
29										
30	Customers	267	266	266	269	265	265	265	266	
31	Base Load / Customer	103.26	103.26	103.26	103.26	103.26	103.26	103.26	103.26	
32	Total Baseload	27,569	27,466	27,466	27,776	27,363	27,363	27,363	27,466	219,830
33										
34	Heat Load	6,664	133,430	339,969	445,483	323,561	258,203	145,723	53,664	1,706,697
35										
36	Actual Degree Days	181	398	789	890	843	569	320	117	4,107
37	Normal Degree Days	243	512	805	974	819	668	341	117	4,479
38	Difference	(62)	(114)	(16)	(84)	24	(99)	(21)	-	(372)
39										
40	Actual Heat Use per Degree Day	416.00	416.00	416.00	416.00	416.00	416.00	416.00	416.00	416.00
41										
42	Weather Impact - Therms	(25,792)	(47,424)	(6,656)	(34,944)	9,984	(41,184)	(8,736)	-	(154,752)
43										
44	Margin Revenue Factor	0.664493	0.664493	0.664493	0.664493	0.664493	0.664493	0.664493	0.664493	
45										
46	Weather Impact - Dollars	\$ (17,139)	\$ (31,513)	\$ (4,423)	\$ (23,220)	\$ 6,634	\$ (27,366)	\$ (5,805)	\$ -	\$ (102,832)

No.	Month (a)	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Projected	Total (j)
		October-20	November-20	December-20	January-21	February-21	March-21	April-21	May-21	
		(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	
1		Group 3: GSG (continued)								
2	489.831 GSG Com Heat Transp									
3										
4	Therms	2,388,202	2,946,272	5,972,817	6,636,709	5,781,296	4,435,744	3,151,868	778,608	32,091,514
5										
6	Customers	5,210	5,202	5,219	5,212	5,217	5,191	5,163	5,191	
7	Base Load / Customer	262.18	262.18	262.18	262.18	262.18	262.18	262.18	262.18	
8	Total Baseload	1,365,948	1,363,851	1,368,308	1,366,472	1,367,783	1,360,967	1,353,626	1,360,894	10,907,849
9										
10	Heat Load	1,022,254	1,582,421	4,604,509	5,270,236	4,413,512	3,074,777	1,798,242	(582,286)	21,183,665
11										
12	Actual Degree Days	181	398	789	890	843	569	320	117	4,107
13	Normal Degree Days	243	512	805	974	819	668	341	117	4,479
14	Difference	(62)	(114)	(16)	(84)	24	(99)	(21)	-	(372)
15										
16	Actual Heat Use per Degree Day	5,158.00	5,158.00	5,158.00	5,158.00	5,158.00	5,158.00	5,158.00	5,158.00	5,158.00
17										
18	Weather Impact - Therms	(319,796)	(588,012)	(82,528)	(433,272)	123,792	(510,642)	(108,318)	-	(1,918,776)
19										
20	Margin Revenue Factor	0.664493	0.664493	0.664493	0.664493	0.664493	0.664493	0.664493	0.664493	
21										
22	Weather Impact - Dollars	\$ (212,502)	\$ (390,730)	\$ (54,839)	\$ (287,906)	\$ 82,259	\$ (339,318)	\$ (71,977)	\$ -	\$ (1,275,013)
23	489.832 GSG Ind Heat Transp									
24										
25										
26										
27										
28	Therms	27,836	60,708	140,754	139,495	132,015	98,637	63,151	19,825	682,420
29										
30	Customers	65	65	65	63	62	62	61	65	
31	Base Load / Customer	359.55	359.55	359.55	359.55	359.55	359.55	359.55	359.55	
32	Total Baseload	23,371	23,371	23,371	22,651	22,292	22,292	21,932	23,371	182,649
33										
34	Heat Load	4,465	37,337	117,383	116,843	109,723	76,345	41,219	(3,546)	499,770
35										
36	Actual Degree Days	181	398	789	890	843	569	320	117	4,107
37	Normal Degree Days	243	512	805	974	819	668	341	117	4,479
38	Difference	(62)	(114)	(16)	(84)	24	(99)	(21)	-	(372)
39										
40	Actual Heat Use per Degree Day	122.00	122.00	122.00	122.00	122.00	122.00	122.00	122.00	122.00
41										
42	Weather Impact - Therms	(7,564)	(13,908)	(1,952)	(10,248)	2,928	(12,078)	(2,562)	-	(45,384)
43										
44	Margin Revenue Factor	0.664493	0.664493	0.664493	0.664493	0.664493	0.664493	0.664493	0.664493	
45										
46	Weather Impact - Dollars	\$ (5,026)	\$ (9,242)	\$ (1,297)	\$ (6,810)	\$ 1,946	\$ (8,026)	\$ (1,702)	\$ -	\$ (30,157)
47										
48										
49	Group 3: GSG Summary									
50	481.31 GSG Com Heat Sales									\$ (1,967,890)
51	481.32 GSG Ind Heat Sales									\$ (102,832)
52	489.831 GSG Com Heat Transp									\$ (1,275,013)
53	489.832 GSG Ind Heat Transp									\$ (30,157)
54	Total									\$ (3,375,899)

South Jersey Gas Company
2021-22 Conservation Incentive Program Filing

Determination of Weather-Related Component of CIP

Line No.	Month (a)	Actual October-20 (b)	Actual November-20 (c)	Actual December-20 (d)	Actual January-21 (e)	Actual February-21 (f)	Actual March-21 (g)	Actual April-21 (h)	Projected May-21 (i)	Total (j)
1										
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51										
52										
53										
54										
55										
56										

Group 4: GSG Large Volume (continued)

489.867 GSG-LV Com Heat Transp

Therms 998,696 1,646,852 3,017,622 3,496,523 3,017,808 2,605,881 2,360,936 798,336 17,942,653

Customers 115 115 115 116 116 116 118 99

Base Load / Customer 5,099.56 5,099.56 5,099.56 5,099.56 5,099.56 5,099.56 5,099.56 5,099.56

Total Baseload 586,450 586,450 586,450 591,549 591,549 591,549 601,748 504,857 4,640,603

Heat Load 412,246 1,060,402 2,431,172 2,904,974 2,426,259 2,014,331 1,759,187 293,479 13,302,050

Actual Degree Days 181 398 789 890 843 569 320 117 4,107

Normal Degree Days 243 512 805 974 819 668 341 117 4,479

Difference (62) (114) (16) (84) 24 (99) (21) - (372)

Actual Heat Use per Degree Day 3,239.00 3,239.00 3,239.00 3,239.00 3,239.00 3,239.00 3,239.00 3,239.00 3,239.00

Weather Impact - Therms (200,818) (369,246) (51,824) (272,076) 77,736 (320,661) (68,019) - (1,204,908)

Margin Revenue Factor 0.329642 0.329642 0.329642 0.329642 0.329642 0.329642 0.329642 0.329642

Weather Impact - Dollars \$ (66,198) \$ (121,719) \$ (17,083) \$ (89,688) \$ 25,625 \$ (105,703) \$ (22,422) \$ - \$ (397,188)

489.868 GSG-LV Ind Heat Transp

Therms 66,983 84,062 117,110 122,908 58,399 113,712 143,167 94,136 800,476

Customers 8 8 8 8 8 8 8 8

Base Load / Customer 10,103 10,103 10,103 10,103 10,103 10,103 10,103 10,103

Total Baseload 80,826 80,826 80,826 80,826 80,826 80,826 80,826 80,826 646,611

Heat Load (13,844) 3,236 36,284 42,081 (22,427) 32,885 62,340 13,310 153,865

Actual Degree Days 181 398 789 890 843 569 320 117 4,107

Normal Degree Days 243 512 805 974 819 668 341 117 4,479

Difference (62) (114) (16) (84) 24 (99) (21) - (372)

Actual Heat Use per Degree Day 37.00 37.00 37.00 37.00 37.00 37.00 37.00 37.00 37.00

Weather Impact - Therms (2,294) (4,218) (592) (3,108) 888 (3,663) (777) - (13,764)

Margin Revenue Factor 0.329642 0.329642 0.329642 0.329642 0.329642 0.329642 0.329642 0.329642

Weather Impact - Dollars \$ (756) \$ (1,390) \$ (195) \$ (1,025) \$ 293 \$ (1,207) \$ (256) \$ - \$ (4,536)

Group 4: GSG Large Volume Summary

481.630 GSG-LV Com Heat Sales \$ (95,158)

481.640 GSG-LV Ind Heat Sales \$ (397,188)

489.867 GSG-LV Com Heat Transp \$ (4,536)

489.868 GSG-LV Ind Heat Transp \$ (496,882)

South Jersey Gas Company
2021-22 Conservation Incentive Program Filing

BGSS Savings Test

Line No.	Description (a)	Amount (b)
1	Step 1: Determine Weather and Non-Weather CIP Impacts	
2		
3		
4	CIP Group 1	
5	CIP Group 2	
6	CIP Group 3	
7	CIP Group 4	
8		
9		
10		
11		
12		
13		
14		
15	Step 2: Apply Modified BGSS Savings Test	
16		
17		
18	A. Non-weather Impact Subject to Modified BGSS Savings Test	
19	Non-Weather Deficiency	\$ -
20	75% Factor	75%
21	Subtotal	\$ -
22		
23	Prior Year Carry-Forward (Modified BGSS Savings Test)	\$ -
24	75% Factor	75%
25	Subtotal	\$ -
26		
27	Non-weather Impact Subject to Test	\$ -
28		
29		
30	B. BGSS Savings	
31	Permanent Capacity Savings	\$ 5,319,149
32	Additional Capacity BGSS Savings	\$ 1,863,185
33	Avoided Cost BGSS Savings	\$ 180,210
34	Total BGSS Savings	\$ 7,362,544
35		
36		
37	C. Results	
38	Non-Weather Impacts Passing Test (current accrual)	\$ -
39	Non-Weather Impacts Passing Test (prior year carry-forward)	\$ -
40	Non-Weather Impacts Exceeding Test	\$ -

South Jersey Gas Company
2021-22 Conservation Incentive Program Filing

BGSS Savings Test

Line
No.

Step 3: Apply Variable Margin Revenue Test

A. Non-weather Impact Subject to Variable Margin Revenue Test

Non-Weather Impact	\$	-
Prior Year Carry-Forward (Variable Margin Revenue Test)	\$	-
Non-weather Impact Subject to Test	\$	-

B. Variable Margin Revenues

Variable Margin Revenues applicable to 6.5% Fixed Recovery Cap	\$	270,170,648
6.5% Factor		6.5%
Subtotal	\$	17,561,092
Variable Margin Revenues applicable to 4.0% Fixed Recovery Cap	\$	19,204,412
4.0% Factor		4.0%
Subtotal	\$	768,176

Total Fixed Recovery Cap **\$ 18,329,269**

C. Results

Non-Weather Impacts Passing Test (current accrual)	\$	-
Non-Weather Impacts Passing Test (prior year carry-forward)	\$	-
Non-Weather Impacts Exceeding Test	\$	-

Notes:

(1) Variable margin revenues equal to the actual number of customers multiplied by the Benchmark UPC and multiplied by the margin revenue factor.

Step 4: Determine Recoverable Non-Weather CIP Impacts

A. Current Year Accrual Recoverable Non-Weather Impacts

Amount Passing Modified BGSS Savings Test	\$	-
Amount Passing Variable Margin Revenue Test	\$	-
Recoverable Amount	\$	-

B. Previous Carry-Forward Recoverable Amounts

Total Unrecoverable Amount From Prior Year	\$	-
Prior Year Subject to Modified BGSS Savings Test	\$	-
Prior Year Passing Modified BGSS Savings Test	\$	-
Remaining Unrecoverable Amount	\$	-
Prior Year Subject to Variable Margin Revenue Test	\$	-
Prior Year Passing Variable Margin Revenue Test	\$	-
Remaining Unrecoverable Amount	\$	-
Non-Recoverable Prior Year Carry-Forward	\$	-
Recoverable Amount From Prior Year	\$	-

Total Non-Weather Recoverable CIP Amount

\$ -

South Jersey Gas Company
2021-22 Conservation Incentive Program Filing

Calculation of Over/(Under) Recovered CIP Balance

Line No.	Category	Group 1 RSG Non-Heating	Group 2 RSG Heating	Group 3 GSG	Group 4 GSG-LV	Total (f) = (b) + (c) + (d) + (e)
	(a)	(b)	(c)	(d)	(e)	
1	Actual and Projected Recoveries					
2						
3						
4	Actual October-20	\$ (15,694)	\$ 196,591	\$ 20,226	\$ 15,521	\$ 216,645
5	Actual November-20	\$ (20,277)	\$ 935,078	\$ 153,025	\$ 30,135	\$ 1,097,960
6	Actual December-20	\$ (36,850)	\$ 1,989,281	\$ 282,682	\$ 50,846	\$ 2,285,958
7	Actual January-21	\$ (53,403)	\$ 3,013,967	\$ 424,768	\$ 68,593	\$ 3,453,926
8	Actual February-21	\$ (52,361)	\$ 3,043,441	\$ 422,010	\$ 74,473	\$ 3,487,564
9	Actual March-21	\$ (51,456)	\$ 2,855,143	\$ 410,432	\$ 66,800	\$ 3,280,919
10	Actual April-21	\$ (31,454)	\$ 1,651,600	\$ 258,432	\$ 51,714	\$ 1,930,292
11	Projected May-21	\$ (13,447)	\$ 799,073	\$ 139,836	\$ 25,672	\$ 951,133
12	Projected June-21	\$ (10,214)	\$ 497,613	\$ 97,836	\$ 18,410	\$ 603,645
13	Projected July-21	\$ (21,867)	\$ 411,021	\$ 93,069	\$ 19,699	\$ 501,923
14	Projected August-21	\$ (13,539)	\$ 384,990	\$ 92,365	\$ 19,357	\$ 483,173
15	Projected September-21	\$ (18,334)	\$ 366,838	\$ 94,083	\$ 17,345	\$ 459,932
16						
17						
18						
19						
20						
21						
22	Total Recoveries	\$ (338,895)	\$ 16,144,636	\$ 2,488,764	\$ 458,565	\$ 18,753,070
23						
24	Prior Period Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -
25						
26						
27						
28						
29	Recoverable CIP Amounts					
30	Final from 2019-2020 CIP Year (Excess)/Deficiency	\$ (291,757)	\$ 12,271,133	\$ 3,557,871	\$ 700,582	\$ 16,237,829
31						
32	Total Recoverable CIP	\$ (291,757)	\$ 12,271,133	\$ 3,557,871	\$ 700,582	\$ 16,237,829
33						
34						
35						
36	Over / (Under) Recovery	\$ (47,138)	\$ 3,873,502	\$ (1,069,107)	\$ (242,017)	\$ 2,515,241

South Jersey Gas Company
2021-22 Conservation Incentive Program Filing

Derivation of CIP Charge / Credit

Line No.	Description (a)	Margin Excess / (Deficiency) (b)	2021-22 Throughput Therms (c)	Charge / (Credit) (d) = (-b) / (c)	Taxes (e)	Total Charge / (Credit) (f) = (d) + (e)
1	Group 1: RSG Non-Heating					
2						
3	Weather-Related	\$ -				
4	Non Weather-Related	\$ 63,861				
5	Total CIP	\$ 63,861				
6						
7	Prior Year Amounts					
8	Prior Year Carry-Over	\$ -				
9	Prior Year Over/(Under) Recovery	\$ (47,138)				
10	Total CIP Including Prior Year	\$ 16,723				
11	Net Charge/(Credit)		2,670,820	\$ (0.006261)		
12						
13	NJ State Sales Tax				\$ (0.000415)	
14	Total Including Sales Tax					\$ (0.006676)
15						
16						
17						
18	Group 2: RSG Heating					
19						
20	Weather-Related	\$ (14,187,668)				
21	Non Weather-Related	\$ 7,794,502				
22	Total CIP	\$ (6,393,166)				
23						
24	Prior Year Amounts					
25	Prior Year Carry-Over	\$ -				
26	Prior Year Over/(Under) Recovery	\$ 3,873,502				
27	Total CIP Including Prior Year	\$ (2,519,664)				
28	Net Charge/(Credit)		276,545,750	\$ 0.009111		
29						
30	NJ State Sales Tax				\$ 0.000604	
31	Total Including Sales Tax					\$ 0.009715

South Jersey Gas Company
2021-22 Conservation Incentive Program Filing

Derivation of CIP Charge / Credit

Line No.	Description (a)	Margin Excess / (Deficiency) (b)	2021-22 Throughput Terms (c)	Charge / (Credit) (d) = (-b) / (c)	Taxes (e)	Total Charge / (Credit) (f) = (d) + (e)
1	Group 3: GSG					
2						
3	Weather-Related	\$ (3,375,892)				
4	Non Weather-Related	\$ 1,963,194				
5	Total CIP	\$ (1,412,698)				
6						
7	Prior Year Amounts					
8	Prior Year Carry-Over	\$ -				
9	Prior Year Over/(Under) Recovery	\$ (1,069,107)				
10	Total CIP Including Prior Year	\$ (2,481,805)				
11	Net Charge/(Credit)		104,444,218	\$ 0.023762		
12						
13	NJ State Sales Tax				\$ 0.001574	
14	Total Including Sales Tax					\$ 0.025336
15						
16						
17						
18	Group 4: GSG Large Volume					
19						
20	Weather-Related	\$ (496,882)				
21	Non Weather-Related	\$ 314,467				
22	Total CIP	\$ (182,415)				
23						
24	Prior Year Amounts					
25	Prior Year Carry-Over	\$ -				
26	Prior Year Over/(Under) Recovery	\$ (242,017)				
27	Total CIP Including Prior Year	\$ (424,432)				
28	Net Charge/(Credit)		28,368,195	\$ 0.014962		
29						
30	NJ State Sales Tax				\$ 0.000991	
31	Total Including Sales Tax					\$ 0.015953

SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 13 - GAS

**Third Revised Sheet No. 6
Superseding Second Revised Sheet No. 6**

RESIDENTIAL SERVICE (RSG)

APPLICABLE TO USE OF SERVICE FOR:

All residential purposes. Customer may elect Firm Sales Service or Firm Transportation Service. To be eligible for Firm Transportation Service RSG, a customer must hold clear and marketable title to gas that is made available for delivery to the customer's residence on the Company's system.

CHARACTER OF SERVICE Firm Sales Service and Firm Transportation Service.

MONTHLY RATE: ⁽¹⁾

Customer Charge: \$10.502563 per month

Delivery Charge:

(a) Residential Non-Heating Customers
Firm Sales Service and Firm Transportation Service \$~~.923553~~1.033627 per therm

(b) Residential Heating Customers
Firm Sales Service and Firm Transportation Service \$~~1.108630~~1.050018 per therm

Basic Gas Supply Service ("BGSS") Charge:

All consumption for customers who elect Firm Sales Service. See Rider "A" of this Tariff.

APPLICABLE RIDERS:

Basic Gas Supply Service Clause: BGSS charges are depicted in Rider "A" of this Tariff.

Transportation Initiation Clause: The rates set forth above have been adjusted, as is appropriate, pursuant to Rider "C" of this Tariff.

Societal Benefits Clause: The rates set forth above have been adjusted, as is appropriate, pursuant to Rider "E" of this Tariff.

Temperature Adjustment Clause: The rates set forth above have been adjusted, as is appropriate, pursuant to Rider "F" of this Tariff.

⁽¹⁾ Please refer to Appendix A for components of Monthly Rates and Price to Compare

Issued _____
by South Jersey Gas Company,
M. Orsen, President

Effective with service rendered
on and after _____

Filed pursuant to Order in Docket No. _____ of the Board of
Public Utilities, State of New Jersey, dated _____

SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 13 - GAS

**Third Revised Sheet No. 10
Superseding Second Revised Sheet No. 10**

GENERAL SERVICE (GSG)

APPLICABLE TO USE OF SERVICE FOR:

All Commercial and Industrial Customers who would not qualify for any other Rate Schedule. A customer qualifying for service under Rate Schedule GSG may elect either Firm Sales Service or Firm Transportation Service. To be eligible for Firm Transportation Service under this Rate Schedule GSG, a customer must hold clear and marketable title to gas that is made available for delivery to customer's facility on the Company's system.

CHARACTER OF SERVICE:

Firm Sales Service or Firm Transportation Service.

MONTHLY RATE: ⁽¹⁾

Customer Charge:

\$37.052188 per month

Delivery Charges:

Firm Sales Service and Firm Transportation Service

\$~~.9137039~~10215 per therm

Basic Gas Supply Service ("BGSS") Charge:

All consumption for customers who elect
Firm Sales Service

See Rider "A" of this Tariff.

LINE LOSS:

Line Loss shall be 1.43% as provided in Special Provision (o).

APPLICABLE RIDERS:

Basic Gas Supply Service Clause:

BGSS charges are depicted in Rider "A" of this Tariff.

Transportation Initiation Clause:

The rates set forth above have been adjusted, as is appropriate, pursuant to Rider "C" of this Tariff.

Societal Benefits Clause:

The rates set forth above have been adjusted, as is appropriate, pursuant to Rider "E" of this Tariff.

Temperature Adjustment Clause:

The rates set forth above have been adjusted, as is appropriate, pursuant to Rider "F" of this Tariff.

⁽¹⁾ Please refer to Appendix A for components of Monthly Rates and Price to Compare.

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 13 - GAS

**Third Revised Sheet No. 14
Superseding Second Revised Sheet No. 14**

GENERAL SERVICE – LARGE VOLUME (GSG-LV)

APPLICABLE TO USE OF SERVICE FOR:

All Commercial and Industrial Customers who would not qualify for any other Rate Schedule (other than Rate Schedule GSG), and who has an annualized usage of 100,000 therms or more,. A customer qualifying for service under Rate Schedule GSG-LV may elect either Firm Sales Service or Firm Transportation Service. To be eligible for Firm Transportation Service under this Rate Schedule GSG-LV, a customer must hold clear and marketable title to gas that is made available for delivery to customer's facility on the Company's system.

CHARACTER OF SERVICE:

Firm Sales Service or Firm Transportation Service.

MONTHLY RATE: ⁽¹⁾

Customer Charge:

\$239.906300 per month

Delivery Charges:

Firm Sales Service and Firm Transportation Service⁽²⁾

Demand Charge:

D-1FT: \$13.061563 per Mcf of Contract Demand

Volumetric Charge:

\$~~.545188~~ .543798 per therm

Basic Gas Supply Service ("BGSS") Charge:

All consumption for customers who elect
Firm Sales Service

See Rider "A" of this Tariff.

LINE LOSS:

Line Loss shall be 1.43% as provided in Special Provision (o).

⁽¹⁾ Please refer to Appendix A for components of Monthly Rates and Price to Compare.

⁽²⁾ See Special Provision (p) of this Rate Schedule GSG-LV, regarding appropriate balancing charges.

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 13 - GAS

**Second Revised Sheet No. 102
Superseding First Revised Sheet No. 102**

RIDER "M"
CONSERVATION INCENTIVE PROGRAM
(Continued)

mechanism. The Deficiency or Excess shall be calculated each month by multiplying the result obtained from subtracting the Baseline Usage per Customer from the Actual Usage per Customer by the actual number of customers, and then multiplying the resulting therms by the Margin Revenue Factor.

- (d) Recovery of any Deficiency in accordance with Paragraph (c), above, associated with non-weather related changes in customer usage will be limited to the level of BGSS savings achieved as provided for in the 2014 Order of the Board of Public Utilities in Docket No. GR13030185. The value of the weather-related changes in customer usage shall be calculated in accordance with Rider F to this tariff.
- (e) Except as limited by Paragraph (d), above, the amount to be surcharged or credited to the Customer Class Group shall equal the aggregate Deficiency or Excess for all months during the Annual Period determined in accordance with the provisions herein, divided by the FAU for the Customer Class Group.
- (f) The currently effective CIP Factor by Customer Class Group are as follows:

	Group I: RSG <u>Non-Heating</u>	Group II: RSG <u>Heating</u>	Group III: <u>GSG</u>	Group IV: <u>GSG-LV</u>
CIP Factors Per Therm	(\$0. 409222006 <u>261</u>)	\$0. 06392200 <u>9111</u>	\$0. 02696502 <u>3762</u>	\$0. 016224014 <u>962</u>
Applicable Revenue Tax Factor	—1.002505	1.002505	1.002505	1.002505
CIP Factors Per Therm	—(\$0.109496)	—\$0.064082	\$0.027033	\$0.016265
Applicable NJ Sales Tax Factor	1.066250	1.066250	1.066250	1.066250
CIP Factors Per Therm with NJ Sales Tax	(\$0.11675000 <u>6676</u>)	\$0.068327009 <u>715</u>	\$0.02882402 <u>5336</u>	\$0.017343015 <u>953</u>

- (g) The CIP shall not operate to cause the Company to earn in excess of its allowed rate of return on common equity of 9.60% for any twelve month period ending September 30; any revenue which is not recovered will not be deferred. For purposes of this paragraph (g), the Company's rate of return on common equity shall be calculated by dividing the Company's net income for such annual period by the Company's average 13 month common equity balance for such annual period, all data as reflected in the Company's monthly reports to the Board of Public Utilities. The Company's net income shall be calculated by subtracting from total net income the Company's share of margins from: (1) Interruptible Sales; (2) Interruptible Transportation; (3) On-System Capacity Release; (4) Off-System Sales and Capacity Release; (5) the Storage Incentive Mechanism, (6) the Energy Efficiency Tracker, (7) the Accelerated Infrastructure Replacement Program and (8) the Storm Hardening and Reliability Program.
- (h) As used in this Rider "M", the following terms shall have the meanings ascribed to them herein:

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 13 - GAS

First Revised Sheet No. 103
Superseding Original Sheet No. 103

RIDER "M"
CONSERVATION INCENTIVE PROGRAM (CIP)
(Continued)

- (i) **Actual Number of Customers** – the Actual Number of Customers ("ANC") shall be determined on a monthly basis for each of the Customer Class Groups to which the CIP Clause applies. The ANC shall equal the aggregate actual booked number of customers for the month as recorded on the Company's books, plus any Incremental Large Customer Count Adjustment for the Customer Class Group.
- (ii) **Actual Usage per Customer** – the Actual Usage per Customer ("AUC") shall be determined in terms on a monthly basis for each of the Customer Class Groups to which the CIP applies. The AUC shall equal the aggregate actual booked sales for the month as recorded on the Company's books divided by the Actual Number of Customers for the corresponding month.
- (iii) **Adjustment Period** – shall be the ~~calendar~~-year beginning immediately following the conclusion of the Annual Period.
- (iv) **Annual Period** – shall be the twelve consecutive months from October 1 of one calendar year through September 30 of the following calendar year.
- (v) **Baseline Usage per Customer** – the Baseline Usage per Customer ("BUC") shall be the average normalized consumption per customer by month derived from the Company's most recent base rate case, and stated in terms on a monthly basis for each Customer Class Group to which the CIP applies. The BUC shall be rounded to the nearest one tenth of one therm.
- (vi) **Customer Class Group** – For purposes of determining and applying the CIP, customers shall be aggregated into four separate recovery class groups. The Customer Class Groups shall be as follows:
- | | |
|------------|----------------------------------|
| Group I: | RSG (non-heating customers only) |
| Group II: | RSG (heating customers only) |
| Group III: | GSG customers |
| Group IV: | GSG-LV customers |
- (vii) **Forecast Annual Usage** – the Forecast Annual Usage ("FAU") shall be the projected total annual throughput for all customers within the applicable Customer Class Group. The FAU shall be estimated based on normal weather.
- (viii) **Incremental Large Customer Count Adjustment** – the Company shall maintain a list of incremental commercial and industrial customers added to its system on or after September 1, 2017 whose connected load is greater than that typical for the Company's average commercial and industrial customer in the GSG or GSG-LV rate schedules. For purposes of the CIP, large incremental customers shall be those GSG customers whose connected load exceeds 1,200 cubic feet per hour ("CFH") and those GSG-LV customers whose connected load exceeds 50,000 CFH. A new customer at an existing location previously connected to the Company's facilities shall not be considered an incremental customer. The Actual Number of Customers for the Customer Class Group shall be adjusted to reflect the impact of all such incremental commercial or industrial customers. Specifically, the Incremental Large Customer Count Adjustment for the GSG customer class for the applicable month shall equal the aggregate connected load for all new active customers that exceed the 1,200 CFH threshold divided by 600 CFH,

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SOUTH JERSEY GAS COMPANY
Schedule of Rate Components
Appendix A - Effective _____

Page 1

RESIDENTIAL GAS SERVICE (RSG) - NONHEAT CUSTOMER

	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<u>CUSTOMER CHARGE</u>		9.850000		0.652563	10.502563
<u>DELIVERY CHARGE (per therm):</u>					
Base Rate		0.810259		0.053680	0.863939
TIC	C	0.000345	0.000001	0.000023	0.000369
SBC:					
RAC	E, G	0.047362	0.000119	0.003146	0.050626
CLEP	E, K	0.026639	0.000067	0.001769	0.028475
USF	E	<u>0.010800</u>	<u>0.000000</u>	<u>0.000800</u>	<u>0.011600</u>
Total SBC		0.084801	0.000186	0.005715	0.090701
CIP	M	(0.006261)	0.000000	(0.000415)	(0.006676)
EET	N	0.026008	0.000065	0.001727	0.027800
2017 Tax Act	H	(0.029181)	(0.000073)	(0.001938)	(0.031192)
Balancing Service Charge BS-1	J	0.082967	0.000208	0.005510	0.088685
Balancing Service Charge BUY-OUT PRICE (Applicable to Transportation Customers Only)	J				Rate Set Monthly
TOTAL DELIVERY CHARGE		0.968938	0.000386	0.064302	1.033627
<u>BGSS: (Applicable To Sales Customers Only)</u>	A	0.258120	0.000647	0.017143	0.275910

SOUTH JERSEY GAS COMPANY
Schedule of Rate Components
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RESIDENTIAL GAS SERVICE (RSG) - HEAT CUSTOMER					
	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
CUSTOMER CHARGE		9.850000		0.652563	10.502563
<u>DELIVERY CHARGE (per therm):</u>					
Base Rate		0.810259		0.053680	0.863939
TIC	C	0.000345	0.000001	0.000023	0.000369
SBC:					
RAC	E, G	0.047362	0.000119	0.003146	0.050626
CLEP	E, K	0.026639	0.000067	0.001769	0.028475
USF	E	<u>0.010800</u>	<u>0.000000</u>	<u>0.000800</u>	<u>0.011600</u>
Total SBC		0.084801	0.000186	0.005715	0.090701
CIP	M	0.009111	0.000000	0.000604	0.009715
EET	N	0.026008	0.000065	0.001727	0.027800
2017 Tax Act	H	(0.029181)	(0.000073)	(0.001938)	(0.031192)
Balancing Service Charge BS-1	J	0.082967	0.000208	0.005510	0.088685
Balancing Service Charge BUY-OUT PRICE (Applicable to Transportation Customers Only)	J				Rate Set Monthly
Total Delivery Charge		0.984310	0.000386	0.065321	1.050018
<u>BGSS: (Applicable To Sales Customers Only)</u>	A	0.258120	0.000647	0.017143	0.275910

SOUTH JERSEY GAS COMPANY
Schedule of Rate Components
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GENERAL SERVICE (GSG)					
	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
CUSTOMER CHARGE		34.750000		2.302188	37.052188
<u>DELIVERY CHARGE (per therm):</u>					
Base Rate		0.664493		0.044023	0.708516
TIC	C	0.000345	0.000001	0.000023	0.000369
SBC:					
RAC	E, G	0.047362	0.000119	0.003146	0.050626
CLEP	E, K	0.026639	0.000067	0.001769	0.028475
USF	E	<u>0.010800</u>	<u>0.000000</u>	<u>0.000800</u>	<u>0.011600</u>
Total SBC		0.084801	0.000186	0.005715	0.090701
CIP	M	0.023762	0.000000	0.001574	0.025336
EET	N	0.026008	0.000065	0.001727	0.027800
2017 Tax Act	H	(0.029181)	(0.000073)	(0.001938)	(0.031192)
Balancing Service Charge BS-1	J	0.082967	0.000208	0.005510	0.088685
Balancing Service Charge BUY-OUT PRICE (Applicable to Transportation Customers Only)	J				Rate Set Monthly
Total Delivery Charge		0.853195	0.000386	0.056634	0.910215
<u>BGSS: (Applicable To Sales Customers Only using less than 5,000 therms annually)</u>	A	0.258120	0.000647	0.017143	0.275910
<u>BGSS: (Applicable To Sales Customers Only using 5,000 therms annually or greater)</u>	A				RATE SET MONTHLY

SOUTH JERSEY GAS COMPANY
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<u>GENERAL SERVICE-LV (GSG-LV)</u>					
	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<u>CUSTOMER CHARGE</u>		225.000000		14.906300	239.906300
<u>D-1 Demand Charge (Mcf)</u>		12.250000		0.811563	13.061563
<u>DELIVERY CHARGE (per therm):</u>					
Base Rate		0.329642		0.021839	0.351481
TIC	C	0.000345	0.000001	0.000023	0.000369
SBC:					
RAC	E, G	0.047362	0.000119	0.003146	0.050626
CLEP	E, K	0.026639	0.000067	0.001769	0.028475
USF	E	<u>0.010800</u>	<u>0.000000</u>	<u>0.000800</u>	<u>0.011600</u>
Total SBC		0.084801	0.000186	0.005715	0.090701
CIP	M	0.014962	0.000000	0.000991	0.015953
EET	N	0.026008	0.000065	0.001727	0.027800
2017 Tax Act	H	(0.029181)	(0.000073)	(0.001938)	(0.031192)
Balancing Service Charge BS-1	J	0.082967	0.000208	0.005510	0.088685
Balancing Service Charge BUY-OUT PRICE (Applicable to Transportation Customers Only)	J				Rate Set Monthly
Total Delivery Charge		0.509544	0.000386	0.033867	0.543798
<u>BGSS: (Applicable Sales Customers Only)</u>	A				RATE SET MONTHLY

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COMPREHENSIVE TRANSPORTATION SERVICE (CTS)

	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<u>FIRM</u>					
<u>CUSTOMER CHARGE</u>		750.000000		49.687500	799.687500
<u>D-1 Demand Charge (Mcf)</u>		31.750000		2.103438	33.853438
<u>DELIVERY CHARGE (per therm):</u>					
Base Rate		0.084501		0.005598	0.090099
SBC:					
RAC	E, G	0.047362	0.000119	0.003146	0.050626
CLEP	E, K	0.026639	0.000067	0.001769	0.028475
USF	E	<u>0.010800</u>	<u>0.000000</u>	<u>0.000800</u>	<u>0.011600</u>
Total SBC		0.084801	0.000186	0.005715	0.090701
EET	N	0.026008	0.000065	0.001727	0.027800
2017 Tax Act	H	(0.029181)	(0.000073)	(0.001938)	(0.031192)
Total Delivery Charge		0.166129	0.000178	0.011102	0.177408
Balancing Service Charge BS-1	I	0.082967	0.000208	0.005510	0.088685
Balancing Service Charge BS-1 (Opt Out Provision)	I	0.002596	0.000007	0.000172	0.002775
BUY-OUT PRICE					RATE SET MONTHLY
<u>LIMITED FIRM</u>					
<u>CUSTOMER CHARGE</u>		100.000000		6.625000	106.625000
<u>DELIVERY CHARGE (per therm):</u>					
Base Rate		0.058400		0.003900	0.062300
SBC:					
RAC	E, G	0.047362	0.000119	0.003146	0.050626
CLEP	E, K	0.026639	0.000067	0.001769	0.028475
USF	E	<u>0.010800</u>	<u>0.000000</u>	<u>0.000800</u>	<u>0.011600</u>
Total SBC		0.084801	0.000186	0.005715	0.090701
EET	N	0.026008	0.000065	0.001727	0.027800
2017 Tax Act	H	(0.029181)	(0.000073)	(0.001938)	(0.031192)
Total Delivery Charge		0.140028	0.000178	0.009404	0.149609
Balancing Service Charge BS-1	I	0.082967	0.000208	0.005510	0.088685
Balancing Service Charge BS-1 (Opt Out Provision)	I	0.002596	0.000007	0.000172	0.002775
BUY-OUT PRICE					RATE SET MONTHLY

SOUTH JERSEY GAS COMPANY
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<u>LARGE VOLUME SERVICE (LVS)</u>					
	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<u>FIRM</u>					
<u>CUSTOMER CHARGE</u>		1,050.000000		69.562500	1,119.562500
<u>D-1 Demand Charge (Mcf)</u>		18.750000		1.242188	19.992188
<u>D-2 DEMAND BGSS(Applicable to Sales Customers Only)</u>	A	15.465128	0.038740	1.027131	16.530999
<u>DELIVERY CHARGE (per therm):</u>					
Base Rate		0.056873		0.003768	0.060641
SBC:					
RAC	E, G	0.047362	0.000119	0.003146	0.050626
CLEP	E, K	0.026639	0.000067	0.001769	0.028475
USF	E	<u>0.010800</u>	<u>0.000000</u>	<u>0.000800</u>	<u>0.011600</u>
Total SBC		0.084801	0.000186	0.005715	0.090701
EET	N	0.026008	0.000065	0.001727	0.027800
2017 Tax Act	H	(0.029181)	(0.000073)	(0.001938)	(0.031192)
Total Delivery Charge		0.138501	0.000178	0.009272	0.147950
Balancing Service Charge BS-1	I	0.082967	0.000208	0.005510	0.088685
Balancing Service Charge BS-1 (Opt Out Provision) (Applicable to Transportation Customers Only)	I	0.002596	0.000007	0.000172	0.002775
Balancing Service Charge CASH OUT CHARGE (CREDIT) (Applicable Transportaton Customers Only)	I				RATE SET MONTHLY
<u>BGSS: (Applicable Sales Customers Only)</u>	A				RATE SET MONTHLY
<u>LIMITED FIRM</u>					
<u>CUSTOMER CHARGE</u>		100.000000		6.625000	106.625000
<u>DELIVERY CHARGE (per therm):</u>					
Base Rate		0.132480		0.008777	0.141257
SBC:					
RAC	E, G	0.047362	0.000119	0.003146	0.050626
CLEP	E, K	0.026639	0.000067	0.001769	0.028475
USF	E	<u>0.010800</u>	<u>0.000000</u>	<u>0.000800</u>	<u>0.011600</u>
Total SBC		0.084801	0.000186	0.005715	0.090701
EET	N	0.026008	0.000065	0.001727	0.027800
2017 Tax Act	H	(0.029181)	(0.000073)	(0.001938)	(0.031192)
Total Delivery Charge		0.214108	0.000178	0.014281	0.228566
Balancing Service Charge BS-1	I	0.082967	0.000208	0.005510	0.088685
Balancing Service Charge BS-1 (Opt Out Provision) (Applicable to Transportation Customers Only)	I	0.002596	0.000007	0.000172	0.002775
BUY-OUT PRICE	I				RATE SET MONTHLY

SOUTH JERSEY GAS COMPANY
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FIRM ELECTRIC SALES (FES)					
	RIDER	RATE	PUA	NJ SALES TAX	TARIFF RATE
WINTER					
D-1 DEMAND (MCF) (Rate is negotiated. Shown here is the benchmark rate.)		2.897200		0.191900	3.089100
D-2 DEMAND BGSS(MCF) (Applicable to Sales Customers Only)	A	7.732564	0.019370	0.513566	8.265500
DELIVERY CHARGE (per therm):					
SBC:					
RAC	E, G	0.047362	0.000119	0.003146	0.050626
CLEP	E, K	0.026639	0.000067	0.001769	0.028475
USF	E	<u>0.010800</u>	<u>0.000000</u>	<u>0.000800</u>	<u>0.011600</u>
Total SBC		0.084801	0.000186	0.005715	0.090701
EET	N	0.026008	0.000065	0.001727	0.027800
Total Delivery Charge		0.110809	0.000251	0.007442	0.118501
C-3 All Therms (Rate is negotiated. Shown here is the benchmark rate.)		0.162900		0.010800	0.173700
C-4 Escalator Rate (To be determined as prescribed in the Company's Tariff)					RATE SET MONTHLY
Balancing Service Charge CASH OUT CHARGE (CREDIT) (Applicable to Firm Transportatin Customers Only)	I				RATE SET MONTHLY
BGSS: (Applicable To Sales Customers Only)	A				RATE SET MONTHLY
SUMMER					
D-1 DEMAND (MCF) (Rate is negotiated. Shown here is the benchmark rate.)		2.897200		0.191900	3.089100
D-2 DEMAND BGSS(MCF) (Applicable to Sales Customers Only)	A	7.732564	0.019370	0.513566	8.265500
SBC:					
RAC	E, G	0.047362	0.000119	0.003146	0.050626
CLEP	E, K	0.026639	0.000067	0.001769	0.028475
USF	E	0.010800	0.000000	0.000800	0.011600
EET	N	0.026008	0.000065	0.001727	0.027800
Total Delivery Charge		0.110809	0.000251	0.007442	0.118501
C-3 All Therms (Rate is negotiated. Shown here is the benchmark rate.)		0.162900		0.010800	0.173700
C-4 Escalator Rate (To be determined as prescribed in the Company's Tariff)					RATE SET MONTHLY
Balancing Service Charge CASH OUT CHARGE (CREDIT) (Applicable to Firm Transportatin Customers Only)	I				RATE SET MONTHLY
BGSS: (Applicable To Sales Customers Only)	A				RATE SET MONTHLY

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ELECTRIC GENERATION SERVICE (EGS) - RESIDENTIAL

	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<u>CUSTOMER CHARGE</u>		9.850000		0.652600	10.502600
<u>DELIVERY CHARGE (per therm):</u>					
Base Rate		0.160837		0.010655	0.171492
SBC:					
RAC	E, G	0.047362	0.000119	0.003146	0.050626
CLEP	E, K	0.026639	0.000067	0.001769	0.028475
USF	E	<u>0.010800</u>	<u>0.000000</u>	<u>0.000800</u>	<u>0.011600</u>
Total SBC		0.084801	0.000186	0.005715	0.090701
EET	N	0.026008	0.000065	0.001727	0.027800
2017 Tax Act	H	(0.029181)	(0.000073)	(0.001938)	(0.031192)
Balancing Service Charge BS-1	J	0.082967	0.000208	0.005510	0.088685
Total Delivery Charge		0.325432	0.000385	0.021669	0.347487
<u>BGSS: (Applicable To Sales Customers Only)</u>	A	0.258120	0.000647	0.017143	0.275910

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<u>ELECTRIC GENERATION SERVICE (EGS) - COMMERCIAL/INDUSTRIAL</u>					
	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<u>CUSTOMER CHARGE</u>		79.000000		5.233750	84.233750
<u>D-1 DEMAND (MCF)</u>		8.250000		0.546563	8.796563
<u>DELIVERY CHARGE (per therm):</u>					
Base Rate - Winter Season (Nov - Mar)		0.156530		0.010370	0.166900
Base Rate - Summer Season (Apr - Oct)		0.126530		0.008383	0.134913
SBC:					
RAC	E, G	0.047362	0.000119	0.003146	0.050626
CLEP	E, K	0.026639	0.000067	0.001769	0.028475
USF	E	<u>0.010800</u>	<u>0.000000</u>	<u>0.000800</u>	<u>0.011600</u>
Total SBC		0.084801	0.000186	0.005715	0.090701
EET	N	0.026008	0.000065	0.001727	0.027800
2017 Tax Act	H	(0.029181)	(0.000073)	(0.001938)	(0.031192)
Balancing Service Charge BS-1	J	0.082967	0.000208	0.005510	0.088685
Total Delivery Charge - Winter Season		0.321125	0.000385	0.021384	0.342895
Total Delivery Charge - Summer Season		0.291125	0.000385	0.019397	0.310908
<u>BGSS: (Applicable To Sales Customers Only)</u>	A				RATE SET MONTHLY

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<u>ELECTRIC GENERATION SERVICE-LV (EGS-LV)</u>					
	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<u>FIRM</u>					
<u>CUSTOMER CHARGE</u>		750.000000		49.687500	799.687500
<u>D-1 DEMAND (MCF) (Rate is negotiated. Shown here is the benchmark rate.)</u>		25.370704		1.680809	27.051513
<u>D-2 DEMAND BGSS (MCF) (Applicable to Sales Customers Only)</u>	A	15.539254	0.038926	1.032054	16.610234
<u>DELIVERY CHARGE (per therm):</u>					
SBC:					
RAC	E, G	0.047362	0.000119	0.003146	0.050626
CLEP	E, K	0.026639	0.000067	0.001769	0.028475
USF	E	<u>0.010800</u>	<u>0.000000</u>	<u>0.000800</u>	<u>0.011600</u>
		0.084801	0.000186	0.005715	0.090701
EET	N	0.026008	0.000065	0.001727	0.027800
2017 Tax Act	H	(0.029181)	(0.000073)	(0.001938)	(0.031192)
Total Delivery Charge		0.081628	0.000178	0.005504	0.087309
Balancing Service Charge BS-1	I	0.082967	0.000208	0.005510	0.088685
Balancing Service Charge BS-1 (Opt Out Provision)	I	0.002596	0.000007	0.000172	0.002775
Balancing Service Charge CASH OUT CHARGE (CREDIT) (Applicable to Firm Transportatin Customers Only)	I				RATE SET MONTHLY
<u>BGSS: (Applicable To Sales Customers Only)</u>	A				RATE SET MONTHLY
<u>LIMITED FIRM</u>					
<u>D-2 DEMAND BGSS(MCF) (Applicable to Sales Customers Only)</u>	A	7.732564	0.019370	0.513566	8.265500
<u>DELIVERY CHARGE (per therm):</u>					
SBC:					
RAC	E, K	0.047362	0.000119	0.003146	0.050626
CLEP	E, G	0.026639	0.000067	0.001769	0.028475
USF	E	<u>0.010800</u>	<u>0.000000</u>	<u>0.000800</u>	<u>0.011600</u>
		0.084801	0.000186	0.005715	0.090701
EET	N	0.026008	0.000065	0.001727	0.027800
2017 Tax Act	H	(0.029181)	(0.000073)	(0.001938)	(0.031192)
Total Delivery Charge		0.081628	0.000178	0.005504	0.087309
<u>C-3 (Rate is negotiated. Shown here is the benchmark rate.)</u>		0.162900		0.010800	0.173700
Balancing Service Charge BS-1	I	0.082967	0.000208	0.005510	0.088685
Balancing Service Charge BS-1 (Opt Out Provision)	I	0.002596	0.000007	0.000172	0.002775
Balancing Service Charge CASH OUT CHARGE (CREDIT) (Applicable to Firm Transportatin Customers Only)	I				RATE SET MONTHLY
<u>BGSS: (Applicable To Sales Customers Only)</u>	A				RATE SET MONTHLY

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<u>YARD LIGHTING SERVICE (YLS)</u>					
	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
MONTHLY CHARGE / INSTALL		14.783222		0.979388	15.762610
<u>STREET LIGHTING SERVICE (SLS)</u>					
MONTHLY CHARGE / INSTALL		17.893193		1.185424	19.078617
<u>INTERRUPTIBLE GAS SALES (IGS)</u>					
Commodity					Rate Set Monthly
SBC:					
RAC	E, K	0.047362	0.000119	0.003146	0.050626
USF	E	0.010800	0.000000	0.000800	0.011600
Total SBC:		0.058162	0.000119	0.003946	0.062226
EET	N	0.026008	0.000065	0.001727	0.027800

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<u>INTERRUPTIBLE TRANSPORTATION (ITS)</u>					
	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<u>CUSTOMER CHARGE</u>		100.000000		6.625000	106.625000
<u>TRANSPORTATION CHARGE A</u>		0.028400		0.001900	0.030300
SBC:					
RAC	E, K	0.047362	0.000119	0.003146	0.050626
CLEP	E, G	0.026639	0.000067	0.001769	0.028475
USF	E	<u>0.010800</u>	<u>0.000000</u>	<u>0.000800</u>	<u>0.011600</u>
Total SBC:		0.084801	0.000186	0.005715	0.090701
EET	N	0.026008	0.000065	0.001727	0.027800
<u>TRANSPORTATION CHARGE B</u>		0.093200		0.006200	0.099400
SBC:					
RAC	E, K	0.047362	0.000119	0.003146	0.050626
CLEP	E, G	0.026639	0.000067	0.001769	0.028475
USF	E	<u>0.010800</u>	<u>0.000000</u>	<u>0.000800</u>	<u>0.011600</u>
Total SBC:		0.084801	0.000186	0.005715	0.090701
EET	N	0.026008	0.000065	0.001727	0.027800
<u>TRANSPORTATION CHARGE C</u>		0.153200		0.010100	0.163300
SBC:					
RAC	E, K	0.047362	0.000119	0.003146	0.050626
CLEP	E, G	0.026639	0.000067	0.001769	0.028475
USF	E	<u>0.010800</u>	<u>0.000000</u>	<u>0.000800</u>	<u>0.011600</u>
Total SBC:		0.084801	0.000186	0.005715	0.090701
EET	N	0.026008	0.000065	0.001727	0.027800

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NATURAL GAS VEHICLE (NGV)

		<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<u>COMPANY OPERATED FUELING STATIONS</u>					
<u>DELIVERY CHARGE (per therm):</u>					
SBC					
RAC	E, K	0.047362	0.000119	0.003146	0.050626
CLEP	E, G	0.026639	0.000067	0.001769	0.028475
USF	E	<u>0.010800</u>	<u>0.000000</u>	<u>0.000800</u>	<u>0.011600</u>
Total SBC:		0.084801	0.000186	0.005715	0.090701
EET	N	0.026008	0.000065	0.001727	0.027800
2017 Tax Act	H	(0.029181)	(0.000073)	(0.001938)	(0.031192)
Total Delivery Charge		0.081628	0.000178	0.005504	0.087309
<u>DISTRIBUTION CHARGE</u>		0.220521	0.000603	0.014649	0.235773
<u>COMPRESSION CHARGE</u>		0.613280	0.001678	0.040741	0.655699
Balancing Service Charge BS-1	I	0.082967	0.000208	0.005510	0.088685
Balancing Service Charge BS-1 (Opt Out Provision) (Applicable for Transportation Customers Only)	I	0.002596	0.000007	0.000172	0.002775
Balancing Service Charge BS-1	J	0.082967	0.000208	0.005510	0.088685
<u>BGSS: (Applicable To Sales Customers Only)</u>	A				RATE SET MONTHLY
<u>CUSTOMER OPERATED FUELING STATIONS</u>					
<u>CUSTOMER CHARGE</u>					
	0 - 999 CF/hour	37.500000		2.484400	39.984400
	1,000 - 4,999 CF/hour	75.000000		4.968800	79.968800
	5,000 - 24,999 CF/hour	220.000000		14.575000	234.575000
	25,000 or Greater CF/hour	925.000000		61.281250	986.281250
<u>DELIVERY CHARGE (per therm):</u>					
SBC					
RAC	E, K	0.047362	0.000119	0.003146	0.050626
CLEP	E, G	0.026639	0.000067	0.001769	0.028475
USF	E	<u>0.010800</u>	<u>0.000000</u>	<u>0.000800</u>	<u>0.011600</u>
Total SBC:		0.084801	0.000186	0.005715	0.090701
EET	N	0.026008	0.000065	0.001727	0.027800
2017 Tax Act	H	(0.029181)	(0.000073)	(0.001938)	(0.031192)
Total Delivery Charge		0.081628	0.000178	0.005504	0.087309
<u>DISTRIBUTION CHARGE</u>		0.220521	0.000552	0.014646	0.235719
Balancing Service Charge BS-1	I	0.082967	0.000208	0.005510	0.088685
Balancing Service Charge BS-1 (Opt Out Provision) (Applicable for Transportation Customers Only)	I	0.002596	0.000007	0.000172	0.002775
Balancing Service Charge BS-1	J	0.082967	0.000208	0.005510	0.088685
<u>BGSS: (Applicable To Sales Customers Only)</u>	A				RATE SET MONTHLY
<u>Facilities Charge (Applicable only to Customers that elect the Company construct Compressed Natural Gas ("CNG") fueling Facilities located on Customer's property)</u>		0.240615		0.015941	0.256556

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Heat Residential Rate Schedule:

	<i>RSG FSS</i>	<i>RSG-FTS</i>	<i>Difference</i>
BGSS	0.275910	0.000000	0.275910
Base Rate	0.863939	0.863939	0.000000
CLEP	0.028475	0.028475	0.000000
RAC	0.050626	0.050626	0.000000
CIP	0.009715	0.009715	0.000000
USF	0.011600	0.011600	0.000000
TIC	0.000369	0.000369	0.000000
EET	0.027800	0.027800	0.000000
2017 Tax Act	(0.031192)	(0.031192)	0.000000
BSC "J" BS-1	0.088685	0.088685	0.000000
Price to Compare	1.325927	1.050018	0.275910

NonHeat Residential Rate Schedule:

	<i>RSG FSS</i>	<i>RSG-FTS</i>	<i>Difference</i>
BGSS	0.275910	0.000000	0.275910
CIP	(0.006676)	(0.006676)	0.000000
Base Rate	0.863939	0.863939	0.000000
CLEP	0.028475	0.028475	0.000000
RAC	0.050626	0.050626	0.000000
USF	0.011600	0.011600	0.000000
TIC	0.000369	0.000369	0.000000
EET	0.027800	0.027800	0.000000
2017 Tax Act	(0.031192)	(0.031192)	0.000000
BSC "J" BS-1	0.088685	0.088685	0.000000
Price to Compare	1.309536	1.033627	0.275910

GSG
(Under 5,000 therms annually)

	<i>GSG FSS</i>	<i>GSG-FTS</i>	<i>Difference</i>
BGSS	0.275910	0.000000	0.275910
CIP	0.025336	0.025336	0.000000
Base Rates	0.708516	0.708516	0.000000
CLEP	0.028475	0.028475	0.000000
RAC	0.050626	0.050626	0.000000
USF	0.011600	0.011600	0.000000
TIC	0.000369	0.000369	0.000000
EET	0.027800	0.027800	0.000000
2017 Tax Act	(0.031192)	(0.031192)	0.000000
BSC "J" BS-1	0.088685	0.088685	0.000000
Price to Compare	1.186125	0.910215	0.275910

GSG
(5,000 therms annually or greater)

	<i>GSG FSS</i>	<i>GSG-FTS</i>	<i>Difference</i>
BGSS	0.419786	0.000000	0.419786
CIP	0.025336	0.025336	0.000000
Base Rates	0.708516	0.708516	0.000000
CLEP	0.028475	0.028475	0.000000
RAC	0.050626	0.050626	0.000000
USF	0.011600	0.011600	0.000000
TIC	0.000369	0.000369	0.000000
EET	0.027800	0.027800	0.000000
2017 Tax Act	(0.031192)	(0.031192)	0.000000
BSC "J" BS-1	0.088685	0.088685	0.000000
Price to Compare	1.330001	0.910215	0.419786

GSG-LV

	<i>Prior to 7/15/97</i>		
	<i>GSG-LV FSS</i>	<i>GSG-LV-FTS</i>	<i>Difference</i>
BGSS	0.419786	0.000000	0.419786
CIP	0.015953	0.015953	0.000000
Base Rates	0.351481	0.351481	0.000000
CLEP	0.028475	0.028475	0.000000
RAC	0.050626	0.050626	0.000000
USF	0.011600	0.011600	0.000000
TIC	0.000369	0.000369	0.000000
EET	0.027800	0.027800	0.000000
2017 Tax Act	(0.031192)	(0.031192)	0.000000
BSC "J" BS-1	0.088685	0.088685	0.000000
Price to Compare	0.963584	0.543798	0.419786