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June 1, 2021

**Electronic Filing**

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

**Re: In the Matter of the Petition of South Jersey Gas Company for Approval to Revise the Rider "H" Rate Associated with the Tax Cuts and Jobs Act of 2017  
BPU Docket No. \_\_\_\_\_**

Dear Ms. 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.

If you have any questions, please feel free to contact me directly.

Respectfully,

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

Deborah M. Franco

DMF:caj  
Enclosure

cc: Stefanie A. Brand (via electronic mail)  
Stacey Peterson (via electronic mail)  
Terel Klein, Esq. (via electronic mail)

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

<b>IN THE MATTER OF THE PETITION OF</b>	<b>:</b>	
<b>SOUTH JERSEY GAS COMPANY FOR</b>	<b>:</b>	
<b>APPROVAL TO REVISE THE RIDER “H”</b>	<b>:</b>	
<b>RATE ASSOCIATED WITH THE TAX</b>	<b>:</b>	<b>BPU DOCKET NO. _____</b>
<b>CUTS AND JOBS ACT OF 2017</b>	<b>:</b>	

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**CASE SUMMARY, PETITION, TESTIMONY AND SCHEDULES**

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June 1, 2021

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

**IN THE MATTER OF THE PETITION OF : CASE SUMMARY**  
**SOUTH JERSEY GAS COMPANY FOR : :**  
**APPROVAL TO REVISE THE RIDER “H” : BPU DOCKET NO. \_\_\_\_\_**  
**RATE ASSOCIATED WITH THE TAX : :**  
**CUTS AND JOBS ACT OF 2017 : :**

South Jersey Gas Company (the “Company”) files this Petition with the New Jersey Board of Public Utilities (“Board”) seeking approval to adjust its Rider “H” rate, which was initially established on October 1, 2018 by way of Board Order issued on September 17, 2018 in Docket Nos. AX18010001 and GR18030230. Rider “H” is designed to refund the Company’s excess deferred income taxes resulting from the Tax Cuts and Jobs Act of 2017. The proposed rate reflects a decrease of the Company’s current credit rate of \$0.031192 per therm, including taxes, to \$0.022930 per therm credit rate, including taxes, to be effective October 1, 2021.

If approved by the Board, the monthly impact of the proposed decrease in the Rider “H” credit rate produces an increase to the bill of a residential heating customer using 100 therms during a winter month of \$0.83 or 0.6%.

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

**IN THE MATTER OF THE PETITION OF : PETITION**  
**SOUTH JERSEY GAS COMPANY FOR :**   
**APPROVAL TO REVISE THE RIDER “H” : BPU DOCKET NO. \_\_\_\_\_**  
**RATE ASSOCIATED WITH THE TAX :**   
**CUTS AND JOBS ACT OF 2017 :**

**TO THE HONORABLE COMMISSIONERS OF THE BOARD OF PUBLIC UTILITIES:**

Petitioner, South Jersey Gas Company (“South Jersey,” “Petitioner,” or the “Company”), a public utility 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” or “BPU”) for authorization to reduce its currently effective Rider “H” credit rate associated with the Tax Cuts and Jobs Act of 2017, which was initially established by way of the Board’s September 2018 Order<sup>1</sup>. In support of this Petition, South Jersey states as follows:

**I. INTRODUCTION**

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.

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<sup>1</sup> In re the New Jersey Board of Public Utilities’ Consideration of the Tax Cuts and Jobs Act of 2017, BPU Docket No. AX18010001 and In re the Petition of South Jersey Gas Company for Approval of a Change in Rates, Customer refund and Rider Associated with the Tax Cuts and Jobs Act of 2017, BPU Docket No. GR18030230, Order dated September 17, 2018 (“September 2018 Order”).

2. South Jersey is regulated by the Board for the purposes of ensuring safe, adequate, and proper natural gas service pursuant to N.J.S.A. 48:2-23.

3. The purpose of this filing is to reconcile excess deferred income tax (“EDIT”) amortization and customer refunds for the period October 1, 2020 through September 30, 2021, to forecast EDIT amortization and customer refunds for the period October 1, 2021 through September 30, 2022 and to adjust its currently effective Rider “H” credit rate. The Company’s EDIT falls into two categories, those restricted to normalization provisions (i.e. “Protected”) and those that are not (ie. “Unprotected”).

## **II. BACKGROUND**

4. On December 22, 2017, the President signed into law the Tax Cuts and Jobs Act of 2017 (the “Tax Act”). In response thereto, on January 31, 2018, the Board directed affected utilities to file petitions proposing new rates reflecting the impacts from the Tax Act<sup>2</sup>. The most direct and significant impact of the Tax Act “is the reduction in the maximum corporate tax rate from thirty-five percent (35%) to twenty-one percent (21%) taking effect on January 1, 2018.” *Id.*

5. On March 2, 2018, the Company filed a petition in accordance with the Generic TCJA Order proposing (1) a reduction in base rates of \$25.88 million effective April 1, 2018, (2) a corresponding estimated \$12.88 million refund to customers for the period January 1, 2018

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<sup>2</sup> See In re the New Jersey Board of Public Utilities’ Consideration of the Tax Cuts and Jobs Act of 2017, BPU Docket No. AX18010001, Order dated January 31, 2018 (“Generic TCJA Order”). Based upon the Board’s review of the 2017 Act, the Board found in its Generic TCJA Order that the changes to the Tax Code will provide savings to the affected utilities and will result in an over-collection of tax revenue that will not be paid in federal income taxes.

through March 31, 2019, and (3) a remeasurement and adjustment to rates related to the Unprotected EDIT balance of approximately \$27.1 million.

6. In its March 2018 Order, the Board authorized the implementation of the Company's proposed rate reduction on an interim basis, effective April 1, 2018<sup>3</sup>. The Board deferred until a later date a decision on the Company's proposed refund and other tariff rider. In its September 2018 Order, the Board made the interim rates final effective October 1, 2018 and authorized the issuance of a customer refund of approximately \$13.8 million, including interest and excluding tax, on October 14, 2018. The September 2018 Order also approved SJG's proposed Rider "H" with an initial credit rate of \$0.013043 per therm to refund the Company's Unprotected EDIT balance over a five (5) year period with interest at the Company's short-term debt rate, effective October 1, 2018<sup>4</sup>. The matter would remain open until the Company submitted a filing to begin amortizing the Protected EDIT balance over the amortization period determined by the Average Rate Assumption Method ("ARAM"), no later than March 31, 2019 (the "Compliance Filing").

7. On March 29, 2019, the Company submitted the Compliance Filing identifying the revised estimated EDIT balances and the proposed amortization and refund mechanism for the Protected EDIT balance. The Protected EDIT balance reflected a regulatory liability of approximately \$149.5 million (pre-gross up), consisting of a \$181.0 million regulatory liability offset by a \$31.6 million regulatory asset related to the Company's net operating loss ("NOL")

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<sup>3</sup> In re the New Jersey Board of Public Utilities' Consideration of the Tax Cuts and Jobs Act of 2017, BPU Docket No. AX18010001 and In re the Petition of South Jersey Gas Company for Approval of a Change in Rates, Customer refund and Rider Associated with the Tax Cuts and Jobs Act of 2017, BPU Docket No. GR18030230, Order dated March 26, 2018 ("March 2018 Order").

<sup>4</sup> All rates quoted herein include Sales and Use Tax.

carryforward. The Company's Unprotected EDIT balance reflected a regulatory liability of approximately \$43.4 million. The Company proposed to refund all EDIT balances through Rider "H", with the Unprotected EDIT regulatory liability and Protected-NOL EDIT regulatory asset to be amortized over a five (5) period, and the Protected EDIT regulatory liability to be amortized over the remaining lives of the related assets utilizing ARAM. The resolution of the Compliance Filing is discussed below.

8. Pursuant to the September 2018 Order, the Parties also agreed that the Company shall submit an annual Rider "H" true-up filing on June 1<sup>st</sup> to establish future Rider "H" rates, effective October 1<sup>st</sup> of each year.

9. On June 3, 2019, the Company submitted its first annual true-up of Rider "H" in BPU Docket No. GR19060701 ("2019 True Up Petition"), seeking to modify the then current credit rate of \$0.013043 per therm to a credit rate of \$0.012207 per therm. The proposed rate included the refund of the net Protected EDIT and Unprotected EDIT.

10. In its May 2020 Order, the Board approved the first Rider "H" rate adjustment, with an effective date of June 1, 2020<sup>5</sup>. The approved Rider "H" credit rate of \$0.020239 per therm reflected an increase of \$0.007196 per therm from the then current credit rate of \$0.013043 per therm and consisted of the Unprotected EDIT refund only. The May 2020 Order also resolved all issues related to the 2019 True Up Petition.

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<sup>5</sup> In re the New Jersey Board of Public Utilities' Consideration of the Tax Cuts and Jobs Act of 2017, BPU Docket No. AX18010001, and In re the Petition of South Jersey Gas Company for Approval of a Change in Rates, Customer Refund and Rider Associated with the Tax Cuts and Jobs Act of 2017, BPU Docket No. GR18030230, and In re the Petition of South Jersey Gas Company for Approval to Revise Rider "H" Rate Associated with the Tax Cuts and Jobs Act of 2017, BPU Docket No. GR19060701, Order dated May 5, 2020 ("May 2020 Order").

11. In addition, in its May 2020 Order, the Board approved an Unprotected EDIT balance reflecting a regulatory liability of approximately \$44.7 million (pre-gross up). The balance reflected the proposed amount of \$43.4 million from the Compliance Filing, adjusted for the removal of the following accounts: (1) Charitable Contributions; (2) Restricted Stock; (3) Unrealized Gains/Loss; (4) FIN 48; and (5) CIAC.

12. The net Protected EDIT balance approved by the May 2020 Order reflected a regulatory liability of approximately \$149.5 million (pre-gross up), consisting of a \$181.0 million regulatory liability offset by a \$31.6 million regulatory asset related to the Company's NOL.

13. The May 2020 Order further provided that the Protected EDIT regulatory liability be amortized over the remaining lives of the related assets utilizing ARAM and the Protected-NOL EDIT regulatory asset be amortized over the average life of the related assets, utilizing the Reverse South Georgia Method ("RSGM"). The net "Protected" EDIT would be refunded to customers through a proposed base rate adjustment in the Company's next base rate case.

14. On June 1, 2020, the Company submitted its second annual true-up of Rider "H" in BPU Docket No. GR20060382 ("2020 True Up Petition") to effectuate the return of \$14.9M to its customers. The Company sought approval to implement a proposed Rider "H" credit rate of \$0.029906 per therm for the period October 1, 2020 through September 30, 2021. The 2020 True Up Petition was based upon actual information through April 30, 2020 and projected



information through September 30, 2021. In its September 2020 Provisional Order, the Board approved on an interim basis a credit rate of \$0.029906 per therm, effective October 1, 2020<sup>6</sup>.

15. On September 23, 2020, the Board issued its Order in the Company's 2020 Base Rate Case<sup>7</sup>. Pursuant to the 2020 Base Rate Case Order, SJG was required to return \$1,923,552 to customers through Rider "H" over its remaining three (3) year term ("Protected EDIT Catch Up"). For the period January 1, 2018 to June 30, 2019, SJG recorded a regulatory liability of \$1,923,552 composed of both the amortizations of (a) the Excess Accumulated Deferred Income Tax ("ADIT") Liability Depreciation-Related under the ARAM and (b) the Excess ADIT Asset NOL under the RSGM. This net regulatory liability balance represented the accumulated balance of the amortization of the Protected Excess ADIT calculated using the ARAM and the amortization of the NOL ADIT calculated using the RSGM during the period January 1, 2018 through June 30, 2019 which had not yet been refunded to the customers.

16. Accordingly, to effectuate the return of the Protected EDIT Catch Up of \$1,923,552 through Rider "H", the Company implemented a credit rate of \$0.001286 per therm on a provisional basis, subject to refund and a full review. The approved credit rate became effective October 1, 2020 simultaneously with the provisional rate approved in the 2020 True Up Petition.

17. The resulting combined Rider "H" provisional rate effective October 1, 2020 was a credit rate of \$0.031192 per therm. That credit rate represented the sum of \$0.029906 per

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<sup>6</sup> In re the Petition of South Jersey Gas Company for Approval to Revise the Rider "H" Rate Associated with the Tax Cuts and Jobs Act of 2017, BPU Docket No. GR20060382, Order dated September 23, 2020 ("September 2020 Provisional Order").

<sup>7</sup> In re 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 Order").

therm from the Company's 2020 True Up Petition and \$0.001286 per therm from the Company's 2020 Base Rate Case proceeding. The resulting impact on the bill of a residential customer using 100 therms during a winter month was a decrease of \$1.09 or 0.8%.

18. In its March 2021 Order, the Board approved as final the Company's previously approved Rider "H" credit rate of \$0.031192 per therm<sup>8</sup>.

### **III. REQUESTED RIDER "H" RATE**

19. This filing is being made pursuant to the September 2018 Order. As approved in the May 2020 Order and the 2020 Base Rate Case Order, Rider "H" includes the refund of the Company's Unprotected EDIT, with interest at the Company's short-term debt rate, as well as the refund of the Protected EDIT Catch Up.

20. Based on the information provided in the Schedules attached to the Direct Testimony of Cindy Capozzoli, Director, Rates, the proposed Rider "H" credit rate is \$0.022930 per therm in order to refund approximately \$11.6 million for the period beginning October 1, 2021 and ending September 30, 2022. This proposed credit rate reflects a decrease of \$0.008262 per therm from the current Rider "H" credit rate of \$0.031192 per therm. This rate is based on actual information through April 30, 2021 and projected data through September 30, 2022. Petitioner will update this information with actuals as this matter proceeds.

21. The impact of the proposed change in credit rate on the bill of a residential heating customer using 100 therms of natural gas in a winter month is an increase of \$0.83, or 0.6%.

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<sup>8</sup> In re the Petition of South Jersey Gas Company for Approval to Revise the Rider "H" Rate Associated with the Tax Cuts and Jobs Act of 2017, BPU Docket No. GR20060382, Order dated March 24, 2021 (the "March 2021 Order").

#### **IV. PUBLIC NOTICE**

22. South Jersey will provide notice of the filing of this Petition for the Rider “H” rate adjustment and modification of its Tariff to all of its customers through the publication of a notice in newspapers of general circulation within the Company’s service territory. A copy of the proposed Public Notice is attached hereto as Schedule CC-4.

#### **V. MISCELLANEOUS**

23. The Company is serving notice of this filing on the Director, Division of Rate Counsel (“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.

24. Similarly, South Jersey has also served notice of this filing on the Department of Law and Public Safety (“Department of Law”) via electronic mail in lieu of providing hard copies, but hard copies can be provided at a later time, as needed.

25. 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.

**WHEREFORE**, South Jersey Gas Company respectfully requests an Order of the Board:

1. Approving the Company's continued refund of Unprotected EDIT and the Protected EDIT Catch Up to customers through Rider "H";
2. Approving South Jersey's request for the Rider "H" credit rate of \$0.022930 per therm until the Company submits its next annual Rider "H" true-up filing or the Board issues an Order changing such rates; and
3. Granting such other relief, as the Board deems just, reasonable and necessary.

Respectfully submitted,

SOUTH JERSEY GAS COMPANY



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By: Deborah M. Franco, Esq.  
Vice President, Rates, Regulatory  
Affairs & Sustainability  
SJI Utilities, Inc.

Date: June 1, 2021

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

Deborah M. Franco, Esq.  
Vice President, Rates, Regulatory Affairs &  
Sustainability

SJI Utilities, Inc.  
520 Green Lane  
Union, New Jersey 07083  
[dfranco@sjindustries.com](mailto:dfranco@sjindustries.com)

Cindy Capozzoli  
Director, Rates  
SJI Utilities, Inc.  
1 South Jersey Place  
Atlantic City, NJ 08401  
[ccapozzoli@sjindustries.com](mailto:ccapozzoli@sjindustries.com)

## VERIFICATION

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

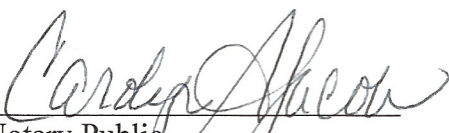
1. I am Director, Rates of SJI Utilities Inc., the parent company to South Jersey Gas Company ("Company"), and I am authorized to make this verification on behalf of the Company.

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 1<sup>st</sup> day  
of June, 2021.

  
\_\_\_\_\_  
Notary Public CAROLYN A. JACOBS

NOTARY PUBLIC OF NEW JERSEY

My Commission Expires October 28, 2023



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

**DIRECT TESTIMONY**

**OF**

**CINDY CAPOZZOLI**

**Director, Rates  
SJI Utilities, Inc.**

**On Behalf of  
South Jersey Gas Company**

**June 1, 2021**

1     **I.     INTRODUCTION**

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

3     **A.**     My name is Cindy Capozzoli and I am Director, Rates for SJI Utilities, Inc. (“SJIU”).

4             My business address is One South Jersey Place, Atlantic City, NJ 08401.

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

6     **A.**     I received a Bachelor of Science Degree in Accounting and Finance from Drexel University  
7             in 1991 and obtained a Masters in Business Administration Degree with a concentration in  
8             Financial Management from Drexel University in 2000. In February 2021, I joined SJIU  
9             as Director, Rates providing financial and analytical support in rates and regulatory affairs  
10            matters for South Jersey Gas Company (“SJG” or the “Company”) and its sister New  
11            Jersey public utility, Elizabethtown Gas Company.

12            In my current role, I manage the Company’s Rate Department activities, including  
13            the preparation and coordination of all rate case, revenue-related and other filings before  
14            the New Jersey Board of Public Utilities (“BPU” or the “Board”). Prior to my employment  
15            at SJIU, I worked for Debt Compliance Services. I also have two decades of experience in  
16            corporate finance and held treasury, financial planning and related positions at Innovairre  
17            and Campbell Soup Company as well as roles in rates and financial reporting for SJG from  
18            1994 to 1999. I am a Certified Public Accountant licensed in New Jersey since 1991 (status  
19            is currently “Inactive”) and am a Certified Treasury Professional certificated by the  
20            Association for Financial Professionals (“AFP”) since July 2012. Also, I am a member of  
21            the New Jersey Utilities Association (“NJUA”), where I serve on the Finance and  
22            Regulations Committee.

23  
24     **Q.     What is the purpose of your testimony?**

1 A. The purpose of my testimony is to: (1) identify the Company's excess deferred income tax  
2 ("EDIT") balances and related amortization periods; (2) discuss the rate calculation for  
3 SJG's Rider "H", including a review of actual and forecasted results for the period October  
4 1, 2020 through September 30, 2021 ("Year 3") and projected results for the period October  
5 1, 2021 through September 30, 2022 ("Year 4"); and (3) support the proposed Rider "H"  
6 rate and revisions to SJG's tariff, to become effective October 1, 2021.

7 **II. EXCESS DEFERRED INCOME TAX ("EDIT")**

8 **Q. Please provide the EDIT balances to be refunded to customers.**

9  
10 A. The Company's excess deferred income taxes fall into two categories, those restricted to  
11 normalization provisions (i.e., "Protected") and those that are not (i.e., "Unprotected").  
12 Pursuant to the May 2020 Order, the net Protected EDIT balance as of December 31, 2017  
13 reflected a regulatory liability of approximately \$149.5 million (pre-gross up), consisting  
14 of a \$181.0 million regulatory liability offset by a \$31.6 million regulatory asset related to  
15 the Company's net operating loss ("NOL") carryforward<sup>1</sup>. The Company's Unprotected  
16 EDIT balance as of December 31, 2017 reflected a regulatory liability of approximately  
17 \$44.7 million.

18 **Q. Please describe the amortization period and methodology by which the Company**  
19 **will refund the Protected EDIT balance.**

20 A. Pursuant to the May 2020 Order, the Protected EDIT regulatory liability is being amortized  
21 over the remaining lives of the related assets utilizing the Average Rate Assumption

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<sup>1</sup> In re the New Jersey Board of Public Utilities' Consideration of the Tax Cuts and Jobs Act of 2017, BPU Docket No. AX18010001, and In re the Petition of South Jersey Gas Company for Approval of a Change in Rates, Customer Refund and Rider Associated with the Tax Cuts and Jobs Act of 2017, BPU Docket No. GR18030230, and In re the Petition of South Jersey Gas Company for Approval to Revise Rider "H" Rate Associated with the Tax Cuts and Jobs Act of 2017, BPU Docket No. GR19060701, Order dated May 5, 2020 ("May 2020 Order").



1 Method (“ARAM”). The Protected-NOL EDIT regulatory asset is being amortized over  
2 the average life of the related assets, utilizing the Reverse South Georgia Method  
3 (“RSGM”). The May 2020 Order further provided that the net Protected EDIT would be  
4 refunded to customers through a proposed base rate adjustment in the Company’s next base  
5 rate case.

6 On September 23, 2020, the Board issued its Order in the Company’s 2020 Base  
7 Rate Case<sup>2</sup>. Pursuant to this Order, SJG was required to return \$1,923,552 to customers  
8 through Rider “H” over its remaining three (3) year term (“Protected EDIT Catch Up”).  
9 For the period January 1, 2018 to June 30, 2019, SJG recorded a regulatory liability of  
10 \$1,923,552 which represented the accumulated balance of the amortization of the Protected  
11 Excess ADIT calculated using the ARAM and the amortization of the NOL ADIT  
12 calculated using the RSGM. This balance had not yet been refunded to the customers.

13 **Q. Please describe the amortization period and methodology by which the Company**  
14 **will refund the Unprotected EDIT balance.**

15 **A.** Pursuant to the May 2020 Order, the Company is refunding the Unprotected EDIT through  
16 the existing Rider “H” over the remaining five (5) year amortization period. Additionally,  
17 pursuant to the Company’s 2020 Base Rate Case Order, the Protected EDIT Catch Up is  
18 being refunded to customers through Rider “H” to customers over a three (3) year  
19 amortization period.

20  
21 **III. RIDER “H” RATE CALCULATION**

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<sup>2</sup> In re 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 Order”).

1 **Q. Please describe the rate mechanism used to refund the Company's EDIT.**

2 **A.** The Company refunds its Unprotected EDIT and the Protected EDIT Catch Up through  
3 Rider "H". Total amortization amounts, including carrying costs, are calculated and  
4 recovered through a volumetric charge applicable to all firm throughput. Rider "H" also  
5 includes provisions for the treatment of any over or under refunded balances, to be captured  
6 through annual true-up filings.

7 **Q. Please summarize the amortization and refund through Rider "H" to date.**

8 **A.** Pursuant to the Board's September 2018 Order, the Company established the initial credit  
9 rate of \$0.013043 per therm and began amortizing the Unprotected EDIT on October 1,  
10 2018<sup>3</sup>. The Company also submitted its first annual true-up filing for Rider "H" in June  
11 2019 in BPU Docket No. GR19060701 in accordance with the September 2018 Order.  
12 Pursuant to its May 2020 Order, the Board approved a Rider "H" credit rate of \$0.020239  
13 per therm.

14 On June 1, 2020, the Company submitted its second annual true-up of Rider "H"  
15 in BPU Docket No. GR20060382 ("2020 True Up Petition") to effectuate the return of  
16 \$14.9M to its customers. The Company sought approval to implement a proposed per  
17 therm Rider "H" credit rate of \$0.029906 per therm for the period October 1, 2020  
18 through September 30, 2021. In its September 2020 Provisional Order, the Board  
19 approved on an interim basis the Company's proposed credit rate of \$0.029906 per  
20 therm, effective October 1, 2020<sup>4</sup>.

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<sup>3</sup> In re the New Jersey Board of Public Utilities' Consideration of the Tax Cuts and Jobs Act of 2017, BPU Docket No. AX18010001 and In re the Petition of South Jersey Gas Company for Approval of a Change in Rates, Customer refund and Rider Associated with the Tax Cuts and Jobs Act of 2017, BPU Docket No. GR18030230, Order dated September 17, 2018 ("September 2018 Order").

<sup>4</sup> In re the Petition of South Jersey Gas Company for Approval to Revise the Rider "H" Rate Associated with the Tax Cuts and Jobs Act of 2017, BPU Docket No. GR20060382, Order dated September 23, 2020 ("September 2020 Provisional Order").

1 Pursuant to the 2020 Base Rate Case Order, the Company implemented a credit  
2 rate of \$0.001286 on a provisional basis, subject to refund and a full review, to effectuate  
3 the return of the \$1,923,552 Protected EDIT Catch Up balance through Rider “H”. The  
4 approved credit rate became effective October 1, 2020 simultaneously with the  
5 provisional rate approved in the Company’s 2020 True Up Petition.

6 The resulting combined Rider “H” provisional rate effective October 1, 2020 was  
7 a credit of \$0.031192 per therm. That credit rate represented the sum of \$0.029906 per  
8 therm from the Company’s 2020 True Up Petition and \$0.001286 per therm from the  
9 Company’s 2020 Base Rate Case. In its March 2021 Order, the Board approved as final  
10 the Company’s previously approved Rider “H” credit rate of \$0.031192 per therm<sup>5</sup>.

11 Based on the Unprotected EDIT balance of approximately \$44.7 million approved  
12 in the May 2020 order, the Company has amortized approximately \$19.6 million at the end  
13 of April 2021, with approximately \$25.1 million to be refunded over the remaining 2.5  
14 years. In addition, based on the approximately \$1.9 million net regulatory liability  
15 representing the Protected EDIT Catch Up, the Company has amortized approximately  
16 \$0.4 million at the end of April 2021, with approximately \$1.5 million to be refunded over  
17 the remaining 2.5 years. The Unprotected EDIT and Protected EDIT Catch Up  
18 amortization calculation is provided herein as Schedule CC-2.

19 As of April 30, 2021, the Company has refunded approximately \$23.2 million,  
20 including interest, to customers through Rider “H”. The monthly amount credited to  
21 customers is shown on Schedule CC-3.

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<sup>5</sup> In re the Petition of South Jersey Gas Company for Approval to Revise the Rider “H” Rate Associated with the Tax Cuts and Jobs Act of 2017, BPU Docket No. GR20060382, Order dated March 24, 2021 (the “March 2021 Order”).

1 **Q. Please describe how the proposed rate is calculated.**

2 **A.** Schedule CC-1 provides the calculation of the proposed Rider “H” credit rate of \$0.022930  
3 per therm. The rate derivation begins with the annual amortization amounts for the  
4 Unprotected EDIT and the Protected EDIT Catch Up and projected carrying costs based  
5 on the balance and amortization periods discussed above. The projected total under  
6 refunded balance from Year 3 is then combined with the total projected amortization and  
7 carrying costs for Year 4 to calculate the total customer refund for Year 4. The total  
8 customer refund is then divided by the projected annual therms to calculate a credit rate  
9 per therm, applicable to all customer classes identified in Rider “H” to the Company’s  
10 Tariff.

11 **Q. How has the Company calculated the over/under refunded balance?**

12 **A.** The Company has calculated the monthly over/under refunded balance by comparing the  
13 monthly amortization amount, including applicable carrying costs, to the actual amount  
14 credited to customers in the corresponding month. Based on actual information through  
15 April 30, 2021, the Company projects an under refunded balance of approximately \$0.5  
16 million as of September 30, 2021. A monthly calculation of the over/under refunded  
17 balance is reflected on Schedule CC-2.

18 **Q. How has the Company calculated carrying costs on the Unprotected EDIT?**

19 **A.** Pursuant to the September 2018 Order, the Company calculated carrying costs monthly on  
20 the unamortized Unprotected EDIT balance utilizing the Company’s monthly average  
21 Short-Term Debt rate. The calculation of monthly interest expense is attached hereto as  
22 Schedule CC-3.

23 **Q. What is the basis for the therms used to calculate the rate?**  
24

1    **A.**     The forecasted volumes of 538,878,694 reflected on Schedule CC-1 represents projected  
2           therms used for Year 4. These volumes reflect firm consumption for all rate classes that  
3           receive the Rider “H” credit rate. In forecasting its customer consumption, the Company  
4           utilizes ten years of historical usage and 20 years of normalized weather data.

5  
6    **III.   RATE AND CUSTOMER BILL IMPACTS**

7    **Q.**     **Please provide the proposed Rider “H” rate, as well as the associated customer bill**  
8           **impacts.**

9    **A.**     The proposed Rider “H” credit rate is \$0.022930 per therm. This represents a decrease of  
10          \$0.008262 per therm from the current Rider “H” credit rate of \$0.031192 per therm. The  
11          bill impact for a residential heating customer using 100 therms during a winter month will  
12          be an increase of \$0.83, or 0.6%, as shown on Schedule CC-4.

13   **Q.**     **Please provide proposed tariff sheets associated with the proposed Rider “H”.**

14   **A.**     Please see the attached Schedule CC-5 for proposed tariff sheets and Rider “H”, in redlined  
15          form for review purposes.

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

17  
18   **A.**     Yes, it does.

**South Jersey Gas Company**  
**Tax Act Rider "H"**  
**Unprotected Excess DFIT and Protected Excess EDIT Catch Up Amortization**  
**Projected Rate Calculation (Year 4)**

Line No.		Year 4	
		<u>Oct 21 - Sept 22</u>	
1			
2			
3			
4	Unprotected Excess DFIT Amortization	(\$10,402,047)	(Schedule CC-2)
5			
6	Protected Excess EDIT Catch Up Amortization	(\$641,184)	(Schedule CC-2)
7			
8	Projected Carrying Costs	(\$29,079)	(Schedule CC-3)
9			
10	Beginning Over/(Under) Refunded Balance	(\$487,192)	(Schedule CC-2)
11			
12	Total Refund	<u>(\$11,559,502)</u>	
13			
14	Therm Sales Projection	538,878,694	
15			
16	Rate Per Therm, Excluding SUT & PUA	<u>\$ (0.021451)</u>	
17			
18	Rate Per Therm, Including SUT & PUA	<u><u>\$ (0.022930)</u></u>	

**South Jersey Gas Company**  
**Tax Act Rider**  
**Unprotected Excess DFTT and Protected Excess EDIT Catch Up Amortization**  
**Monthly Activity**

Line No.	Year 3	Actual Oct-20	Actual Nov-20	Actual Dec-20	Actual Jan-21	Actual Feb-21	Actual Mar-21	Actual Apr-21	Forecast May-21	Forecast Jun-21	Forecast Jul-21	Forecast Aug-21	Forecast Sep-21	Total
1														
2														
3	Beginning Balance	\$3,657,716	\$4,089,458	\$4,169,489	\$3,494,148	\$2,142,981	\$784,074	(\$458,214)	(\$930,330)	(\$847,808)	(\$553,992)	(\$212,730)	\$133,169	\$3,657,716
4														
5	Unprotected Amortization (5 Years)	\$866,837	\$866,837	\$866,837	\$866,837	\$866,837	\$866,837	\$866,837	\$866,837	\$866,837	\$866,837	\$866,837	\$866,837	\$10,402,047
6	Protected Excess EDIT Catch Up Amortization (3 years)	\$53,432	\$53,432	\$53,432	\$53,432	\$53,432	\$53,432	\$53,432	\$53,432	\$53,432	\$53,432	\$53,432	\$53,432	\$641,184
7	Interest Expense	\$5,728	\$5,560	\$5,408	\$4,758	\$4,108	\$3,891	\$1,482	\$3,400	\$3,284	\$3,175	\$3,246	\$3,300	\$47,339
8	Net Credit to Customers	(\$494,256)	(\$845,799)	(\$1,601,017)	(\$2,276,194)	(\$2,283,284)	(\$2,166,448)	(\$1,393,867)	(\$841,148)	(\$629,737)	(\$582,182)	(\$577,616)	(\$569,546)	(\$14,261,094)
9	Net Activity	\$431,741	\$80,031	(\$675,341)	(\$1,351,167)	(\$1,358,907)	(\$1,242,288)	(\$472,116)	\$82,522	\$293,816	\$341,262	\$345,899	\$354,023	(\$3,170,524)
10														
11	Monthly (Over)/Under Refunded Ending Balance	\$4,089,458	\$4,169,489	\$3,494,148	\$2,142,981	\$784,074	(\$458,214)	(\$930,330)	(\$847,808)	(\$553,992)	(\$212,730)	\$133,169	\$487,192	\$487,192
12														
13														
14														
15	Year 4	Forecast Oct-21	Forecast Nov-21	Forecast Dec-21	Forecast Jan-22	Forecast Feb-22	Forecast Mar-22	Forecast Apr-22	Forecast May-22	Forecast Jun-22	Forecast Jul-22	Forecast Aug-22	Forecast Sep-22	Total
16														
17														
18	Beginning Balance	\$487,192	\$1,014,498	\$1,110,218	\$755,368	(\$336,905)	(\$1,253,540)	(\$2,012,151)	(\$2,265,924)	(\$1,965,114)	(\$1,509,469)	(\$1,022,470)	(\$496,111)	\$487,192
19														
20	Unprotected Amortization (5 Years)	\$866,837	\$866,837	\$866,837	\$866,837	\$866,837	\$866,837	\$866,837	\$866,837	\$866,837	\$866,837	\$866,837	\$866,837	\$10,402,047
21	Protected Excess EDIT Catch Up Amortization (3 years)	\$53,432	\$53,432	\$53,432	\$53,432	\$53,432	\$53,432	\$53,432	\$53,432	\$53,432	\$53,432	\$53,432	\$53,432	\$641,184
22	Interest Expense	\$3,375	\$3,342	\$3,216	\$2,951	\$2,545	\$2,186	\$1,923	\$1,891	\$1,894	\$1,895	\$1,923	\$1,937	\$29,079
23	Net Credit to Customers	(\$396,339)	(\$827,891)	(\$1,278,336)	(\$2,015,493)	(\$1,839,449)	(\$1,681,067)	(\$1,175,965)	(\$621,350)	(\$466,518)	(\$435,166)	(\$395,833)	(\$426,095)	(\$11,559,502)
24	Net Activity	\$527,306	\$95,720	(\$354,850)	(\$1,092,273)	(\$916,635)	(\$758,611)	(\$253,773)	\$300,810	\$455,645	\$486,999	\$526,359	\$496,111	(\$487,192)
25														
26	Monthly (Over)/Under Refunded Ending Balance	\$1,014,498	\$1,110,218	\$755,368	(\$336,905)	(\$1,253,540)	(\$2,012,151)	(\$2,265,924)	(\$1,965,114)	(\$1,509,469)	(\$1,022,470)	(\$496,111)	(\$0)	(\$0)

**South Jersey Gas Company**  
**Unprotected EDIT**  
**Interest Expense**

Schedule CC-3  
Page 1

<b>Year</b>	<b>Status</b>	<b>Month</b>	<b>Beginning Balance</b>	<b>Less Amount Credited to Customers</b>	<b>Net Ending Balance</b>	<b>Annual STD Rate</b>	<b>Monthly Interest Expense</b>
1	Actual	Jan-18	\$44,659,231	\$0	\$44,659,231	1.811%	\$67,386
1	Actual	Feb-18	\$44,726,617	\$0	\$44,726,617	1.794%	\$66,877
1	Actual	Mar-18	\$44,793,494	\$0	\$44,793,494	2.059%	\$76,853
1	Actual	Apr-18	\$44,870,347	\$0	\$44,870,347	2.301%	\$86,029
1	Actual	May-18	\$44,956,376	\$0	\$44,956,376	2.244%	\$84,053
1	Actual	Jun-18	\$45,040,429	\$0	\$45,040,429	2.279%	\$85,558
1	Actual	Jul-18	\$45,125,986	\$0	\$45,125,986	2.311%	\$86,914
1	Actual	Aug-18	\$45,212,900	\$0	\$45,212,900	2.270%	\$85,528
1	Actual	Sep-18	\$45,298,428	\$0	\$45,298,428	2.290%	\$86,444
1	Actual	Oct-18	\$45,384,872	(\$181,528)	\$45,203,344	2.460%	\$92,667
1	Actual	Nov-18	\$45,296,011	(\$454,865)	\$44,841,146	2.530%	\$94,540
1	Actual	Dec-18	\$44,935,686	(\$780,244)	\$44,155,442	2.788%	\$102,599
1	Actual	Jan-19	\$44,258,041	(\$959,263)	\$43,298,778	2.853%	\$102,954
1	Actual	Feb-19	\$43,401,731	(\$984,505)	\$42,417,226	2.753%	\$97,298
1	Actual	Mar-19	\$42,514,524	(\$889,315)	\$41,625,209	2.720%	\$94,347
1	Actual	Apr-19	\$41,719,556	(\$582,647)	\$41,136,910	2.725%	\$93,418
1	Actual	May-19	\$41,230,328	(\$316,602)	\$40,913,726	2.697%	\$91,943
1	Actual	Jun-19	\$41,005,669	(\$231,851)	\$40,773,818	2.619%	\$88,989
1	Actual	Jul-19	\$40,862,807	(\$210,104)	\$40,652,703	2.592%	\$87,800
1	Actual	Aug-19	\$40,740,503	(\$206,409)	\$40,534,094	2.417%	\$81,649
1	Actual	Sep-19	\$40,615,743	(\$208,008)	\$40,407,735	2.510%	\$84,503
2	Actual	Oct-19	\$40,492,237	(\$277,610)	\$40,214,627	2.256%	\$75,607
2	Actual	Nov-19	\$40,290,234	(\$389,717)	\$39,900,517	1.910%	\$63,518
2	Actual	Dec-19	\$39,964,035	(\$753,378)	\$39,210,657	1.946%	\$63,590
2	Actual	Jan-20	\$39,274,247	(\$940,241)	\$38,334,006	1.863%	\$59,517
2	Actual	Feb-20	\$38,393,523	(\$798,923)	\$37,594,600	1.773%	\$55,543
2	Actual	Mar-20	\$37,650,143	(\$722,505)	\$36,927,638	1.921%	\$59,100
2	Actual	Apr-20	\$36,986,737	(\$544,546)	\$36,442,191	1.395%	\$42,364
2	Actual	May-20	\$36,484,555	(\$411,804)	\$36,072,751	1.041%	\$31,299
2	Actual	Jun-20	\$36,104,050	(\$341,588)	\$35,762,463	0.816%	\$24,310
2	Actual	Jul-20	\$35,786,772	(\$343,437)	\$35,443,336	0.456%	\$13,454
2	Actual	Aug-20	\$35,456,790	(\$282,399)	\$35,174,392	0.365%	\$10,711
2	Actual	Sep-20	\$35,185,102	(\$329,394)	\$34,855,708	0.281%	\$8,150



**South Jersey Gas Company**  
**Unprotected EDIT**  
**Interest Expense**

Schedule CC-3  
Page 2

Year	Status	Month	Beginning Balance	Less Amount Credited to Customers	Net Ending Balance	Annual STD Rate	Monthly Interest Expense
3	Actual	Oct-20	\$34,863,858	(\$494,256)	\$34,369,602	0.200%	\$5,728
3	Actual	Nov-20	\$34,375,331	(\$845,799)	\$33,529,532	0.199%	\$5,560
3	Actual	Dec-20	\$33,535,092	(\$1,601,017)	\$31,934,075	0.203%	\$5,408
3	Actual	Jan-21	\$31,939,482	(\$2,276,194)	\$29,663,288	0.193%	\$4,758
3	Actual	Feb-21	\$29,668,047	(\$2,283,284)	\$27,384,762	0.180%	\$4,108
3	Actual	Mar-21	\$27,388,870	(\$2,166,448)	\$25,222,422	0.185%	\$3,891
3	Actual	Apr-21	\$25,226,313	(\$1,393,867)	\$23,832,446	0.075%	\$1,482
3	Projected	May-21	\$23,833,927	(\$841,148)	\$22,992,780	0.177%	\$3,400
3	Projected	Jun-21	\$22,996,180	(\$629,737)	\$22,366,443	0.176%	\$3,284
3	Projected	Jul-21	\$22,369,727	(\$582,182)	\$21,787,544	0.175%	\$3,175
3	Projected	Aug-21	\$21,790,719	(\$577,616)	\$21,213,103	0.184%	\$3,246
3	Projected	Sep-21	\$21,216,349	(\$569,546)	\$20,646,803	0.192%	\$3,300
4	Projected	Oct-21	\$20,650,103	(\$396,339)	\$20,253,765	0.200%	\$3,375
4	Projected	Nov-21	\$20,257,140	(\$827,891)	\$19,429,249	0.206%	\$3,342
4	Projected	Dec-21	\$19,432,590	(\$1,278,336)	\$18,154,255	0.213%	\$3,216
4	Projected	Jan-22	\$18,157,471	(\$2,015,493)	\$16,141,977	0.219%	\$2,951
4	Projected	Feb-22	\$16,144,929	(\$1,839,449)	\$14,305,480	0.214%	\$2,545
4	Projected	Mar-22	\$14,308,025	(\$1,681,067)	\$12,626,958	0.208%	\$2,186
4	Projected	Apr-22	\$12,629,144	(\$1,175,965)	\$11,453,179	0.201%	\$1,923
4	Projected	May-22	\$11,455,102	(\$621,350)	\$10,833,753	0.209%	\$1,891
4	Projected	Jun-22	\$10,835,643	(\$466,518)	\$10,369,125	0.219%	\$1,894
4	Projected	Jul-22	\$10,371,019	(\$435,166)	\$9,935,853	0.229%	\$1,895
4	Projected	Aug-22	\$9,937,748	(\$395,833)	\$9,541,915	0.242%	\$1,923
4	Projected	Sep-22	\$9,543,838	(\$426,095)	\$9,117,743	0.255%	\$1,937
5	Projected	Oct-22	\$9,119,680	(\$378,829)	\$8,740,850	0.268%	\$1,954
5	Projected	Nov-22	\$8,742,804	(\$791,317)	\$7,951,487	0.284%	\$1,883
5	Projected	Dec-22	\$7,953,370	(\$1,221,862)	\$6,731,508	0.301%	\$1,687
5	Projected	Jan-23	\$6,733,195	(\$1,926,454)	\$4,806,741	0.283%	\$1,135
5	Projected	Feb-23	\$4,807,876	(\$1,758,187)	\$3,049,689	0.310%	\$789
5	Projected	Mar-23	\$3,050,478	(\$1,606,802)	\$1,443,676	0.340%	\$409
5	Projected	Apr-23	\$1,444,085	(\$1,124,014)	\$320,071	0.369%	\$98
5	Projected	May-23	\$320,169	(\$593,900)	(\$273,731)	0.401%	(\$92)
5	Projected	Jun-23	(\$273,822)	(\$445,909)	(\$719,731)	0.437%	(\$262)
5	Projected	Jul-23	(\$719,994)	(\$415,941)	(\$1,135,935)	0.475%	(\$449)
5	Projected	Aug-23	(\$1,136,384)	(\$378,347)	(\$1,514,731)	0.516%	(\$651)
5	Projected	Sep-23	(\$1,515,382)	(\$407,271)	(\$1,922,653)	0.561%	(\$898)

**NOTICE OF FILING OF PETITION  
AND OF PUBLIC HEARING**

**IN THE MATTER OF THE PETITION OF SOUTH JERSEY GAS COMPANY FOR  
APPROVAL TO REVISE THE RIDER “H” RATE ASSOCIATED WITH THE TAX CUTS AND  
JOBS ACT OF 2017**

**DOCKET NO. \_\_\_\_\_**

**NOTICE IS HEREBY GIVEN** that, on June 1, 2021, South Jersey Gas Company (“South Jersey” or “Company”) filed a petition (“Petition”) with the New Jersey Board of Public Utilities (“Board”) seeking approval to increase its Rider “H” rate, which was initially established on October 1, 2018 by way of Board Order issued on September 17, 2018 in Docket Nos. AX18010001 and GR18030230 (the “September 2018 Order”). Rider “H” is designed to refund the Company’s excess deferred income taxes resulting from the Tax Cuts and Jobs Act of 2017.

The Company proposes to reduce its Rider “H” credit rate to \$0.022930 per therm, including taxes, in order to refund a total amount of approximately \$11.6 million for the period October 1, 2021 through September 30, 2022. The proposed Rider “H” credit rate would be applicable to all customer classes identified in Rider “H” to the Company’s Tariff. The impact of this reduction to the bill of a typical residential heating customer using 100 therms of natural gas in a winter month is an increase of \$0.83 or 0.6%.

If the proposed reduction in credit rate is approved by the Board, the bill impacts on typical Residential and General Service customers using a 1,000 therms or less than per year are estimated to be as follows:

**Residential Service (RSG)**

<b>Therm Level</b>	<b>Bill as of June 1, 2021<sup>(1)</sup></b>	<b>Bill as of October 1, 2021<sup>(2)</sup></b>	<b>Dollar Increase</b>	<b>Percent Increase</b>
25	\$45.11	\$45.32	\$0.21	0.5%
50	\$79.73	\$80.14	\$0.41	0.5%
100	\$148.95	\$149.78	\$0.83	0.6%

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

<b>Therm Level</b>	<b>Bill as of June 1, 2021<sup>(1)</sup></b>	<b>Bill as of October 1, 2021<sup>(2)</sup></b>	<b>Dollar Increase</b>	<b>Percent Increase</b>
250	\$334.45	\$336.52	\$2.07	0.6 %
500	\$631.86	\$635.99	\$4.13	0.7%
1,000	\$1,226.66	\$1,234.93	\$8.27	0.7%

(1) Based upon current Delivery Rates and Basic Gas Supply Service (BGSS) charges in effect June 1, 2021 and assumes that the customer receives BGSS service from South Jersey Gas.

(2) Same as (1) except includes change in Rider “H” rate.

Pursuant to N.J.S.A. 48:3-1, any relief determined by the Board to be just and reasonable may be allocated to customers in such manner, and in such amounts or percentages, as the Board may deem appropriate. The

Board may authorize an increase on any customer class or group or may exclude from increase any customer class or group, varying the percentage increase applicable. Therefore, the Board may approve a Rider “H” rate that is different than the rate proposed by South Jersey.

PLEASE TAKE ADDITIONAL NOTICE that due to the COVID-19 state of emergency, a telephonic public hearing will be conducted on the following dates and times so that members of the public may present their views on the Company’s filing. Information provided at the public hearings will become part of the record of this case and will be considered by the Board in making its decision.

Date: TBD

Public Hearing 1: TBD

Public Hearing 2: TBD

Dial In: 1-xxx-xxx-xxxx

Access Code: xxxxxx

The Company’s filing may be viewed on the South Jersey Gas website at [www.southjerseygas.com/About-South-Jersey-Gas/Regulatory-Compliance-Tariff-Information.aspx](http://www.southjerseygas.com/About-South-Jersey-Gas/Regulatory-Compliance-Tariff-Information.aspx).

Representatives of the Board’s Staff and the Division of Rate Counsel will participate in the telephonic public hearing. Members of the public are invited to participate by utilizing the Virtual Access Code information set forth above, and may express their views on this filing. Such comments will be made part of the final record of the proceeding to be considered by the Board. The Board is also accepting written and emailed comments. Although both will be given equal consideration, the preferred method of transmittal is via email to ensure timely receipt while the Board continues to work remotely due to the COVID-19 pandemic. Written comments may be submitted to the Board Secretary, Aida Camacho, at the Board of Public Utilities, 44 South Clinton Avenue, Post Office Box 350 Trenton, NJ 08625-0350. Email comments should be submitted to: [board.secretary@bpu.nj.gov](mailto:board.secretary@bpu.nj.gov). Please include the name of the petition and the docket number when submitting comments. Written and emailed comments will be provided the same weight as statements made at the hearings.

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

**SOUTH JERSEY GAS COMPANY**

**By: Melissa Orsen, President and Chief Operations Officer**

**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:** <sup>(1)</sup>

**Customer Charge:** \$10.502563 per month

**Delivery Charge:**

- |  |     |   |   |
|--|-----|---|---|
|  | (a) | Residential Non-Heating Customers<br>Firm Sales Service and Firm Transportation Service | \$. <del>923553</del> <u>931814</u> per therm     |
|  | (b) | Residential Heating Customers<br>Firm Sales Service and Firm Transportation Service     | \$ <del>1.1086301</del> <u>1.116891</u> 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.

<sup>(1)</sup> 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: <sup>(1)</sup>**

**Customer Charge:**

\$37.052188 per month

**Delivery Charges:**

Firm Sales Service and Firm Transportation Service      \$.~~913703~~921965 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.

<sup>(1)</sup> 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. 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: <sup>(1)</sup>**

**Customer Charge:**

\$239.906300 per month

**Delivery Charges:**

Firm Sales Service and Firm Transportation Service<sup>(2)</sup>

Demand Charge:

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

Volumetric Charge:

\$~~.545188~~ .553449 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).

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

<sup>(2)</sup> 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**

**Third Revised Sheet No. 18  
Superseding Second Revised Sheet No. 18**

**COMPREHENSIVE TRANSPORTATION SERVICE (CTS)**

**APPLICABLE TO USE OF SERVICE FOR:**

All customers having a Firm Contract Demand, and an average annual daily Firm usage of 100 Mcf per day or more. To be eligible for service under this Rate Schedule CTS, 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. Provided, however, that any customer receiving service under this Rate Schedule CTS prior to August 29, 2003 shall continue to be eligible to receive service under this Rate Schedule CTS, notwithstanding the foregoing, if said customers continues to have a Firm Contract Demand of 100 Mcf per day or more. Further provided, however, that if a customer ceases to receive service under this Rate Schedule CTS, and seeks to return to service under this Rate Schedule CTS, said customer must meet all requirements for eligibility as though applying for service in the first instance.

**CHARACTER OF SERVICE:**

Firm Transportation Service and Limited Firm Transportation Service

**MONTHLY RATE: <sup>(1)</sup>**

**Firm:**

**Customer Charge:** \$799.687500 per month

**Delivery Charges:**

**Demand Charge:** D-IFT: \$33.853438 per Mcf of Contract Demand

**Volumetric Charges:**

All consumption for customers who elected to  
transfer from Sales Service to Firm Transportation Service      \$.~~477408~~185670  
per therm

**Limited Firm:**

**Customer Charge:** \$106.625000 per month

**Delivery Charges:**

**Volumetric Charges:**

All consumption for customers who elected to  
transfer from Sales Service to Firm Transportation Service      \$.~~449609~~157871  
per therm

<sup>(1)</sup> 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. 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: <sup>(1)</sup>**

**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~~ 156212 per therm

**Basic Gas Supply Service ("BGSS") Charge:**

Demand Charge:

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

Volumetric Charge:

See Rider "A" of this Tariff.

<sup>(1)</sup> 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. 26  
Superseding Second Revised Sheet No. 26**

**LARGE VOLUME SERVICE (LVS)**  
(Continued)

**Limited Firm:**

**Customer Charge:**

\$106.625000 per month

**Delivery Charge:**

**Firm Sales Service and Firm Transportation**

Volumetric Charge:

\$~~.228566~~ .236828 per therm

**Basic Gas Supply Service ("BGSS") Charge:**

Applicable to customers who elect Firm Sales Service

Volumetric Charge:

See Rider "A" of this Tariff.

**PRICE TO COMPARE:**

The Company will provide the Price to Compare for an LVS customer, at said customer's request.

**LINE LOSS:**

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

**MINIMUM BILL:**

Sum of monthly Customer Charge and monthly Demand Charges, irrespective of use.

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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:** <sup>(1)(2)</sup>

**Residential Customer Charge:**

\$10.502600 per month

**Residential Delivery Charge**

**Residential Volumetric Charge:** \$.~~347487~~355748 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~~351156 per therm

<sup>(1)</sup> Please refer to Appendix A for components of Monthly Rates.

<sup>(2)</sup> 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

\$~~310908~~ 319169 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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Public Utilities, State of New Jersey, dated \_\_\_\_\_

**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:** <sup>(1)</sup>

**Customer Charge:**

\$799.6875 per month

**FIRM:**

**Demand Charges:** <sup>(2)</sup>

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

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

**Volumetric Charge:**

C-1: \$.~~087309~~095571 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 \$8.265500 per Mcf of Limited Firm Daily Contract Demand or \$0 for Limited Firm Transportation customers

**Volumetric Charge:** <sup>(2)</sup>

C-1: \$.~~087309~~095571 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.<sup>1</sup>

<sup>(1)</sup> Please refer to Appendix A for components of Monthly Rates.

<sup>(2)</sup> Please refer to Special Provision (j).

**Issued** \_\_\_\_\_  
**by South Jersey Gas Company,**  
**M. Orsen, President**

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**SOUTH JERSEY GAS COMPANY**

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

**Fourth Revised Sheet No. 60  
Superseding Third Revised Sheet No. 60**

**NATURAL GAS VEHICLE (NGV)**

**APPLICABLE TO:**

This service will be available to Commercial and Industrial customers who will utilize natural gas, for the purpose of providing vehicle fuel at Company-operated fueling stations or at separately metered customer-operated fueling stations.

**CHARACTER OF SERVICE:**

Firm Sales Service or Firm Transportation Service

**COMPRESSED NATURAL GAS VEHICLE SERVICE AT COMPANY OPERATED FUELING STATIONS**

This part of the service is available for refueling vehicles with compressed natural gas to customers who refuel at Company operated fueling stations. All service at Company operated fueling stations shall be Firm Sales Service. Provided, however, that in the Company's sole discretion, it may allow for Firm Transportation service for a Customer-specific dedicated dispenser or time fill system (separately metered) at a Company operated fueling station.

**Rate for Monthly Consumption**

**Volumetric Charge**

C-1: \$0.~~087309~~095571 per therm (\$0.~~409137~~119464 GGE\*)

Distribution Charge: \$0.235773 per therm (\$0.294716 GGE\*)

Compression Charge: \$0.655699 per therm (\$0.819624 GGE\*)

**Commodity Charges**

All consumption for customers who elected Firm Sales Service

**Basic Gas Supply Service ("BGSS") Charge:**

See Rider "A" of this Tariff.

BGSS rate \* GGE Factor 1.25 = GGE

GGE indicates Gasoline Gallon Equivalent. The gasoline gallon equivalent shall be determined in accordance with local standards. The point of sale price to the Customer shall be displayed in gasoline gallon equivalents at public access dispensers at Company operated fueling stations, and shall be calculated as C-1 + Distribution Charge + Compression Charge + New Jersey Motor Vehicle Fuel Tax + Federal Excise Tax + BGSS.

Commodity charges do not include State of New Jersey Motor vehicle fuel tax and Federal Excise Tax. As of January 1, 2020 these taxes were \$0.105 and \$0.1830 per gallon, respectively and shall be charged at the prevailing rate when applicable. The Company is under no obligation to determine if a customer is exempt from taxation.

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**SOUTH JERSEY GAS COMPANY**

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

**Third Revised Sheet No. 61  
Superseding Second Revised Sheet No. 61**

**NATURAL GAS VEHICLE (NGV)  
(Continued)**

**NATURAL GAS VEHICLE SERVICE AT CUSTOMER OPERATED FUELING STATIONS**

This part of the service is available for the sale of separately metered uncompressed gas for the use of the customer solely as a vehicle fuel as follows:

The customer agrees to obtain and maintain, at its expense, all necessary certificates, licenses and regulatory approvals and pay all taxes levied on the gas compressed for refueling the customer's vehicles;

If the customer provides natural gas for resale as a motor fuel, the customer will be responsible for collecting and paying all applicable taxes on the gas compressed for resale and on the sale thereof and for the metering of such sale in accordance with local standards and regulations; and

The customer must execute a Standard Gas Service Agreement (NGV) for not less than 12 months and must produce evidence of Land Rights.

**Rate for Monthly Consumption**

**Monthly Customer Charge**

The monthly customer charge shall be determined in accordance with the maximum delivery capability requested by the customer.

0-999 Cf/hour	\$39.984400
1,000-4,999 Cf/hour	\$79.968800
5,000-24,999 Cf/hour	\$234.575000
25,000 and greater Cf/hour	\$986.281250

**Volumetric Charges**

C-1: \$0.~~087309~~095571 per therm (\$0.~~409137~~119464 GGE)

Distribution Charge: \$0.235773 per therm (\$0.294716 GGE)

**Basic Gas Supply Service ("BGSS") Charge:**

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

**Facilities Charge**

All consumption for Customers that elect to have the Company construct Compressed Natural Gas ("CNG") fueling facilities located on Customer's property:

C-2: \$0.256556 (\$0.320695 GGE)

The customer shall pay all related motor vehicle taxes directly to the taxing entity. Such taxes shall be incremental to charges paid to the Company for the cost of receiving service under this rate schedule.

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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. 62  
Superseding Second Revised Sheet No. 62**

**NATURAL GAS VEHICLE (NGV)  
(Continued)**

**DELIVERY SERVICE FOR NATURAL GAS VEHICLES**

This part of service is available for delivery of customer owned natural gas for use in compression and dispensing equipment at the Customer's premises, as follows:

The customer must purchase under a contract with an initial term of not less than one year an adequate supply of natural gas of a quality acceptable to the Company, and must make arrangements by which such volumes of natural gas can be delivered into the Company's distribution system at the Customer's expense.

By taking service under this part, the Customer warrants that it has good and legal title to all gas supplied to the Company, and agrees to indemnify, defend and hold the Company harmless from any loss, claims or damages in regard to such title.

**Rate for Delivery Service**

**Monthly Customer Charge**

The monthly customer charge shall be determined in accordance with the maximum delivery capability requested by the customer.

0-999 Cf/hour	\$39.984400
1,000-4,999 Cf/hour	\$79.968800
5,000-24,999 Cf/hour	\$234.575000
25,000 and greater Cf/hour	\$986.281250

**Volumetric Charge**

C-1: \$0.~~087309~~095571 per therm (\$0.~~409137~~119464 GGE)

Distribution Charge: \$0.235773 per therm (\$0.294716 GGE)

**Facilities Charge**

All consumption for Customers that elect to have the Company construct CNG fueling facilities located on Customer's property:

C-2: \$0.256556 per therm (\$0.320695 GGE)

Sales taxes are not included in the above basic charges. The Company is under no obligation to determine if a customer is exempt from taxation. Customers seeking tax exemption must file verification with the Company.

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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. 85  
Superseding First Revised Sheet No. 85**

**RIDER "H"  
2017 TAX ACT**

**APPLICABLE TO:**

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

This Rider "H" shall be known as the 2017 Tax Act Clause. On December 22, 2017, the President signed into law the Tax Cuts and Jobs Act of 2017 (the "Tax Act"). In response thereto, on January 31, 2018, the Board directed utilities to defer with interest the effects of the Tax Act on the books and records of each company effective January 1, 2018. *In the Matter of the New Jersey Board of Public Utilities' Consideration of the Tax Cuts and Jobs Act of 2017*, BPU Docket No. AX18010001 (Order dated January 31, 2018) (the "Board Order").

**PURPOSE:**

The 2017 Tax Act Clause shall be utilized to refund to customers the "Unprotected" excess deferred income tax balance related to the change in the Federal corporate tax rate from 35% to 21%, resulting from the Tax Act effective January 1, 2018. The total "Unprotected" excess deferred income tax balance shall be refunded to customers over a 5-year period, with interest at the Company's monthly short-term debt rate. Effective October 1, 2020, the Rider shall also be utilized to refund customers for the "Protected" excess deferred income tax "catch-up" balance amortized during the period January 1, 2018 through June 30, 2019, over the remaining term. This additional excess deferred tax amount will not be subject to carrying charges.

This refund will be effectuated through a credit rate applied to customers' bills during the Adjustment Period. The credit rate will also be adjusted to reflect prior year under recoveries or over recoveries pursuant to this 2017 Tax Act Clause.

**ANNUAL FILING:**

The 2017 Tax Act rate will be effectuated through a volumetric rate applied to customers' bills. The Company shall make an annual true-up filing June 1 of each year, with the rate to be effective the succeeding October 1. The 2017 Tax Act credit will be:

(\$0.~~031492~~022930) per therm

The 2017 Tax Act Clause will remain in effect until the Company's next base rate case, or until such time as the Board, upon petition by any interested party, shall issue an order terminating the 2017 Tax Act Clause.

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by South Jersey Gas Company,  
M. Orsen, President

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Public Utilities, State of New Jersey, dated \_\_\_\_\_



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>
<b><u>CUSTOMER CHARGE</u></b>		9.850000		0.652563	<b>10.502563</b>
<b><u>DELIVERY CHARGE (per therm):</u></b>					
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	(0.021451)	(0.000054)	(0.001425)	(0.022930)
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
<b>TOTAL DELIVERY CHARGE</b>		0.873707	0.000131	0.057976	<b>0.931814</b>
<b><u>BGSS: (Applicable To Sales Customers Only)</u></b>	A	0.258120	0.000647	0.017143	<b>0.275910</b>

SOUTH JERSEY GAS COMPANY  
Schedule of Rate Components  
Appendix A - Effective \_\_\_\_\_

Page 2

<b>RESIDENTIAL GAS SERVICE (RSG) - HEAT CUSTOMER</b>					
	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<b><u>CUSTOMER CHARGE</u></b>		9.850000		0.652563	<b>10.502563</b>
<b><u>DELIVERY CHARGE (per therm):</u></b>					
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	(0.021451)	(0.000054)	(0.001425)	(0.022930)
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
<b>Total Delivery Charge</b>		1.046851	0.000565	0.069475	<b>1.116891</b>
<b><u>BGSS: (Applicable To Sales Customers Only)</u></b>	A	0.258120	0.000647	0.017143	<b>0.275910</b>

SOUTH JERSEY GAS COMPANY  
Schedule of Rate Components  
Appendix A - Effective \_\_\_\_\_

Page 3

<b>GENERAL SERVICE (GSG)</b>					
	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<b>CUSTOMER CHARGE</b>		34.750000		2.302188	<b>37.052188</b>
<b><u>DELIVERY CHARGE (per therm):</u></b>					
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	(0.021451)	(0.000054)	(0.001425)	(0.022930)
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
<b>Total Delivery Charge</b>		0.864128	0.000473	0.057364	<b>0.921965</b>
<b><u>BGSS: (Applicable To Sales Customers Only using less than 5,000 therms annually)</u></b>	A	0.258120	0.000647	0.017143	<b>0.275910</b>
<b><u>BGSS: (Applicable To Sales Customers Only using 5,000 therms annually or greater)</u></b>	A				<b>RATE SET MONTHLY</b>

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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>
<b><u>CUSTOMER CHARGE</u></b>		225.000000		14.906300	<b>239.906300</b>
<b><u>D-1 Demand Charge (Mcf)</u></b>		12.250000		0.811563	<b>13.061563</b>
<b><u>DELIVERY CHARGE (per therm):</u></b>					
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	(0.021451)	(0.000054)	(0.001425)	(0.022930)
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
<b>Total Delivery Charge</b>		0.518536	0.000446	0.034467	<b>0.553449</b>
<b><u>BGSS: (Applicable Sales Customers Only)</u></b>	A				<b>RATE SET MONTHLY</b>

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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>
<b><u>FIRM</u></b>					
<b><u>CUSTOMER CHARGE</u></b>		750.000000		49.687500	<b>799.687500</b>
<b><u>D-1 Demand Charge (Mcf)</u></b>		31.750000		2.103438	<b>33.853438</b>
<b><u>DELIVERY CHARGE (per therm):</u></b>					
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	(0.021451)	(0.000054)	(0.001425)	(0.022930)
<b>Total Delivery Charge</b>		0.173859	0.000197	0.011615	<b>0.185670</b>
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
<b><u>LIMITED FIRM</u></b>					
<b><u>CUSTOMER CHARGE</u></b>		100.000000		6.625000	<b>106.625000</b>
<b><u>DELIVERY CHARGE (per therm):</u></b>					
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	(0.021451)	(0.000054)	(0.001425)	(0.022930)
<b>Total Delivery Charge</b>		0.147758	0.000197	0.009917	<b>0.157871</b>
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

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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>
<b><u>FIRM</u></b>					
<b><u>CUSTOMER CHARGE</u></b>		1,050.000000		69.562500	<b>1,119.562500</b>
<b><u>D-1 Demand Charge (Mcf)</u></b>		18.750000		1.242188	<b>19.992188</b>
<b><u>D-2 DEMAND BGSS(Applicable to Sales Customers Only)</u></b>	A	15.465128	0.038740	1.027131	<b>16.530999</b>
<b><u>DELIVERY CHARGE (per therm):</u></b>					
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	(0.021451)	(0.000054)	(0.001425)	(0.022930)
<b>Total Delivery Charge</b>		0.146231	0.000197	0.009785	<b>0.156212</b>
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
<b><u>BGSS: (Applicable Sales Customers Only)</u></b>	A				<b>RATE SET MONTHLY</b>
<b><u>LIMITED FIRM</u></b>					
<b><u>CUSTOMER CHARGE</u></b>		100.000000		6.625000	<b>106.625000</b>
<b><u>DELIVERY CHARGE (per therm):</u></b>					
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	(0.021451)	(0.000054)	(0.001425)	(0.022930)
<b>Total Delivery Charge</b>		0.221838	0.000197	0.014794	<b>0.236828</b>
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

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<b>FIRM ELECTRIC SALES (FES)</b>					
	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<b>WINTER</b>					
<b><u>D-1 DEMAND (MCF) (Rate is negotiated. Shown here is the benchmark rate.)</u></b>		2.897200		0.191900	<b>3.089100</b>
<b><u>D-2 DEMAND BGSS(MCF) (Applicable to Sales Customers Only)</u></b>	A	7.732564	0.019370	0.513566	<b>8.265500</b>
<b><u>DELIVERY CHARGE (per therm):</u></b>					
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	<b>0.118501</b>
<b><u>C-3 All Therms (Rate is negotiated. Shown here is the benchmark rate.)</u></b>		0.162900		0.010800	<b>0.173700</b>
<b><u>C-4 Escalator Rate (To be determined as prescribed in the Company's Tariff)</u></b>					<b>RATE SET MONTHLY</b>
Balancing Service Charge CASH OUT CHARGE (CREDIT) (Applicable to Firm Transportatin Customers Only)	I				RATE SET MONTHLY
<b><u>BGSS: (Applicable To Sales Customers Only)</u></b>	A				<b>RATE SET MONTHLY</b>
<b>SUMMER</b>					
<b><u>D-1 DEMAND (MCF) (Rate is negotiated. Shown here is the benchmark rate.)</u></b>		2.897200		0.191900	<b>3.089100</b>
<b><u>D-2 DEMAND BGSS(MCF) (Applicable to Sales Customers Only)</u></b>	A	7.732564	0.019370	0.513566	<b>8.265500</b>
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	<b>0.118501</b>
<b><u>C-3 All Therms (Rate is negotiated. Shown here is the benchmark rate.)</u></b>		0.162900		0.010800	<b>0.173700</b>
<b><u>C-4 Escalator Rate (To be determined as prescribed in the Company's Tariff)</u></b>					<b>RATE SET MONTHLY</b>
Balancing Service Charge CASH OUT CHARGE (CREDIT) (Applicable to Firm Transportatin Customers Only)	I				RATE SET MONTHLY
<b><u>BGSS: (Applicable To Sales Customers Only)</u></b>	A				<b>RATE SET MONTHLY</b>

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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>
<b><u>CUSTOMER CHARGE</u></b>		9.850000		0.652600	<b>10.502600</b>
<b><u>DELIVERY CHARGE (per therm):</u></b>					
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	(0.021451)	(0.000054)	(0.001425)	(0.022930)
Balancing Service Charge BS-1	J	0.082967	0.000208	0.005510	0.088685
<b>Total Delivery Charge</b>		0.333162	0.000404	0.022182	<b>0.355748</b>
<b><u>BGSS: (Applicable To Sales Customers Only)</u></b>	A	0.258120	0.000647	0.017143	<b>0.275910</b>



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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>
<b><u>CUSTOMER CHARGE</u></b>		79.000000		5.233750	<b>84.233750</b>
<b><u>D-1 DEMAND (MCF)</u></b>		8.250000		0.546563	<b>8.796563</b>
<b><u>DELIVERY CHARGE (per therm):</u></b>					
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	(0.021451)	(0.000054)	(0.001425)	(0.022930)
Balancing Service Charge BS-1	J	0.082967	0.000208	0.005510	0.088685
<b>Total Delivery Charge - Winter Season</b>		0.328855	0.000404	0.021897	<b>0.351156</b>
<b>Total Delivery Charge - Summer Season</b>		0.298855	0.000404	0.019910	<b>0.319169</b>
<b><u>BGSS: (Applicable To Sales Customers Only)</u></b>	A				<b>RATE SET MONTHLY</b>

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<b><u>ELECTRIC GENERATION SERVICE-LV (EGS-LV)</u></b>					
	<b><u>RIDER</u></b>	<b><u>RATE</u></b>	<b><u>PUA</u></b>	<b><u>NJ SALES TAX</u></b>	<b><u>TARIFF RATE</u></b>
<b><u>FIRM</u></b>					
<b><u>CUSTOMER CHARGE</u></b>		750.000000		49.687500	<b>799.687500</b>
<b><u>D-1 DEMAND (MCF) (Rate is negotiated. Shown here is the benchmark rate.)</u></b>		25.370704		1.680809	<b>27.051513</b>
<b><u>D-2 DEMAND BGSS (MCF) (Applicable to Sales Customers Only)</u></b>	A	15.539254	0.038926	1.032054	<b>16.610234</b>
<b><u>DELIVERY CHARGE (per therm):</u></b>					
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	(0.021451)	(0.000054)	(0.001425)	(0.022930)
<b>Total Delivery Charge</b>		0.089358	0.000197	0.006017	<b>0.095571</b>
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
<b><u>BGSS: (Applicable To Sales Customers Only)</u></b>	A				<b>RATE SET MONTHLY</b>
<b><u>LIMITED FIRM</u></b>					
<b><u>D-2 DEMAND BGSS(MCF) (Applicable to Sales Customers Only)</u></b>	A	7.732564	0.019370	0.513566	<b>8.265500</b>
<b><u>DELIVERY CHARGE (per therm):</u></b>					
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	(0.021451)	(0.000054)	(0.001425)	(0.022930)
<b>Total Delivery Charge</b>		0.089358	0.000197	0.006017	<b>0.095571</b>
<b><u>C-3 (Rate is negotiated. Shown here is the benchmark rate.)</u></b>		0.162900		0.010800	<b>0.173700</b>
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
<b><u>BGSS: (Applicable To Sales Customers Only)</u></b>	A				<b>RATE SET MONTHLY</b>

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**YARD LIGHTING SERVICE (YLS)**

	<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	<b>15.762610</b>

**STREET LIGHTING SERVICE (SLS)**

MONTHLY CHARGE / INSTALL		17.893193		1.185424	<b>19.078617</b>
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**INTERRUPTIBLE GAS SALES (IGS)**

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>
<b><u>CUSTOMER CHARGE</u></b>		<b>100.000000</b>		<b>6.625000</b>	<b>106.625000</b>
<b><u>TRANSPORTATION CHARGE A</u></b>		<b>0.028400</b>		<b>0.001900</b>	<b>0.030300</b>
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
<b><u>TRANSPORTATION CHARGE B</u></b>		<b>0.093200</b>		<b>0.006200</b>	<b>0.099400</b>
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
<b><u>TRANSPORTATION CHARGE C</u></b>		<b>0.153200</b>		<b>0.010100</b>	<b>0.163300</b>
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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<b><u>NATURAL GAS VEHICLE (NGV)</u></b>					
		<b><u>RATE</u></b>	<b><u>PUA</u></b>	<b><u>NJ SALES TAX</u></b>	<b><u>TARIFF RATE</u></b>
<b><u>COMPANY OPERATED FUELING STATIONS</u></b>					
<b><u>DELIVERY CHARGE (per therm):</u></b>					
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	(0.021451)	(0.000054)	(0.001425)	(0.022930)
<b>Total Delivery Charge</b>		0.089358	0.000197	0.006017	<b>0.095571</b>
<b><u>DISTRIBUTION CHARGE</u></b>		0.220521	0.000603	0.0146490	<b>0.235773</b>
<b><u>COMPRESSION CHARGE</u></b>		0.613280	0.001678	0.040741	<b>0.655699</b>
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
<b><u>BGSS: (Applicable To Sales Customers Only)</u></b>	A				<b>RATE SET MONTHLY</b>
<b><u>CUSTOMER OPERATED FUELING STATIONS</u></b>					
<b><u>CUSTOMER CHARGE</u></b>					
	0 - 999 CF/hour	37.500000		2.484400	<b>39.984400</b>
	1,000 - 4,999 CF/hour	75.000000		4.968800	<b>79.968800</b>
	5,000 - 24,999 CF/hour	220.000000		14.575000	<b>234.575000</b>
	25,000 or Greater CF/hour	925.000000		61.281250	<b>986.281250</b>
<b><u>DELIVERY CHARGE (per therm):</u></b>					
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	(0.021451)	(0.000054)	(0.001425)	(0.022930)
<b>Total Delivery Charge</b>		0.089358	0.000197	0.006017	<b>0.095571</b>
<b><u>DISTRIBUTION CHARGE</u></b>		0.220521	0.000552	0.014646	<b>0.235719</b>
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
<b><u>BGSS: (Applicable To Sales Customers Only)</u></b>	A				<b>RATE SET MONTHLY</b>
<b><u>Facilities Charge (Applicable only to Customers that elect the Company construct Compressed Natural Gas ("CNG") fueling Facilities located on Customer's property)</u></b>		0.240615		0.015941	<b>0.256556</b>

**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	0.068327	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	(0.022930)	(0.022930)	0.000000
BSC "J" BS-1	0.088685	0.088685	0.000000
<b>Price to Compare</b>	<b>1.392801</b>	<b>1.116891</b>	<b>0.275910</b>

**NonHeat Residential Rate Schedule:**

	<i>RSG FSS</i>	<i>RSG-FTS</i>	<i>Difference</i>
BGSS	0.275910	0.000000	0.275910
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	(0.022930)	(0.022930)	0.000000
BSC "J" BS-1	0.088685	0.088685	0.000000
<b>Price to Compare</b>	<b>1.207724</b>	<b>0.931814</b>	<b>0.275910</b>

**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	0.028824	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	(0.022930)	(0.022930)	0.000000
BSC "J" BS-1	0.088685	0.088685	0.000000
<b>Price to Compare</b>	<b>1.197875</b>	<b>0.921965</b>	<b>0.275910</b>

**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	(0.022930)	(0.022930)	0.000000
BSC "J" BS-1	0.088685	0.088685	0.000000
<b>Price to Compare</b>	<b>1.341751</b>	<b>0.921965</b>	<b>0.419786</b>

**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	0.017343	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	(0.022930)	(0.022930)	0.000000
BSC "J" BS-1	0.088685	0.088685	0.000000
<b>Price to Compare</b>	<b>0.973235</b>	<b>0.553449</b>	<b>0.419786</b>