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June 1, 2023

Electronic Filing

Sherri Golden, Board Secretary
New Jersey Board of Public Utilities
44 South Clinton Avenue
P. O. Box 350
Trenton, NJ 08625-0350

**Re: In the Matter of the Petition of South Jersey Gas Company to Revise Its Basic Gas Supply Service Rate and Its Conservation Incentive Program Rates
BPU Docket No. _____**

Dear Secretary Golden:

Enclosed herewith is South Jersey Gas Company's ("Company") Petition to Revise its Basic Gas Supply Service Rate and its Conservation Incentive Program Rates, which has been filed electronically today utilizing the Board's e-filing Program. In accordance with the New Jersey Board of Public Utilities ("BPU") March 19, 2020 and June 10, 2020 Orders issued in BPU Docket No. EO20030254, hard copies are not being submitted at this time, but can be provided at a later time, if needed.

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

Respectfully submitted,

A handwritten signature in cursive script that reads "Sheree L. Kelly".

Sheree L. Kelly

SLK:caj
Enclosures

cc: Service List (electronically)

**IN THE MATTER OF THE PETITION OF SOUTH JERSEY GAS COMPANY
TO REVISE THE LEVEL OF ITS BASIC GAS SUPPLY SERVICE ("BGSS") CHARGE AND
CONSERVATION INCENTIVE PROGRAM ("CIP") CHARGE FOR THE YEAR
ENDING SEPTEMBER 30, 2024
BPU DOCKET NO. _____**

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

IN THE MATTER OF THE PETITION OF	: BPU DOCKET NO. _____
SOUTH JERSEY GAS COMPANY	:
TO REVISE THE LEVEL OF ITS	:
BASIC GAS SUPPLY SERVICE (“BGSS”)	:
CHARGE AND CONSERVATION INCENTIVE	:
PROGRAM (“CIP”) CHARGE FOR THE	:
YEAR ENDING SEPTEMBER 30, 2024:	:

CASE SUMMARY, PETITION, TESTIMONY AND SCHEDULES

June 1, 2023

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

IN THE MATTER OF THE PETITION OF : CASE SUMMARY
SOUTH JERSEY GAS COMPANY TO :
REVISE THE LEVEL OF ITS BASIC GAS : DOCKET NO.
SUPPLY SERVICE (“BGSS”) CHARGE :
AND CONSERVATION INCENTIVE :
PROGRAM (“CIP”) CHARGE FOR THE :
YEAR ENDING SEPTEMBER 30, 2024 :

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

The BGSS permits South Jersey to pass through to its customers increases or decreases in the cost of purchased gas. The BGSS clause provides no profit to South Jersey. By this Petition, South Jersey proposes to decrease its current Periodic BGSS charge of \$0.627739 per therm, including taxes, to \$0.415037 per therm, including taxes, for the 2023-2024 BGSS/CIP Year ending September 30, 2024.

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

RSG Non-Heating: \$0.045266 per therm

RSG Heating: \$0.113871 per therm

GSG: \$0.090600 per therm

GSG-LV: \$0.051227 per therm

The combined impact of the proposed Periodic BGSS, BSC and CIP rate changes, if approved, to the monthly bill for an average residential heating customer utilizing 100 therms of gas during a winter heating month, would be a decrease of \$13.28 or 6.9%, as compared to the Company's rates in effect on June 1, 2023.

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

IN THE MATTER OF THE PETITION OF : BPU DOCKET NO. _____
SOUTH JERSEY GAS COMPANY TO :
REVISE THE LEVEL OF ITS BASIC GAS : PETITION
SUPPLY SERVICE (“BGSS”) CHARGE :
AND CONSERVATION INCENTIVE :
PROGRAM (“CIP”) CHARGE FOR THE :
YEAR ENDING SEPTEMBER 30, 2024 :

To the Honorable Board of Public Utilities:

Petitioner, South Jersey Gas Company ("South Jersey," "Petitioner" or "Company"), a public utility corporation of the State of New Jersey, with its principal office at One South Jersey Place, Atlantic City, New Jersey, hereby petitions the Board of Public Utilities (“BPU” or “Board”) to: 1) decrease the level of its Periodic Basic Gas Supply Service (“BGSS”) charge; 2) decrease the level of its Balancing Service Clause (“BSC”) charge associated with its Rider J – General Service (BSC-GS); 3) decrease the level of its BSC charge associated with its Rider I – Large Volume (BSC-LV); and 4) increase the level of its Conservation Incentive Program (“CIP”) charge for the period from October 1, 2023 through September 30, 2024 (“2023-24 BGSS/CIP Year”).

I. BACKGROUND

1. South Jersey is engaged in the transmission, distribution, transportation, and sale of natural gas within its defined service territory within the State of New Jersey. Said service territory includes all or portions of the following Counties: Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, and Salem. Within its service territory, South Jersey serves approximately 417,500 customers.

II. BGSS BACKGROUND

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

3. The LGAC mechanism was replaced by the BGSS price structure in the Board's Order Approving BGSS Price Structure, Docket No. GX01050304, dated January 6, 2003.¹

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

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

¹ In re the Provision of Basic Gas Supply Service Pursuant to the Electric Discount and Energy Act N.J.S.A. 48:3-49 et seq. – BGSS Pricing, Docket No. GX01050304, Order dated January 6, 2003 ("2003 BGSS Order").

6. The 2003 BGSS Order also provided that South Jersey may file two self-implementing Periodic BGSS Rate increases, to be effective on December 1 of the same calendar year following implementation of a new Periodic BGSS Rate and on February 1 of the following year. Each such self-implementing increase may not exceed five percent (5%) of a 100 therm residential bill.

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

8. On June 1, 2022, South Jersey filed its 2022-2023 BGSS/CIP Filing², wherein it proposed to increase the Periodic BGSS Rate from the then current rate of \$0.502550 per therm to \$0.786191 per therm.³

9. By Board Order dated September 7, 2022 in this same docket, the Board approved a Stipulation authorizing South Jersey to increase its Periodic BGSS Rate to \$0.786191 per therm on a provisional basis (“September 2022 Provisional Order”) effective October 1, 2022.

10. The September 2022 Provisional Order also approved the following rates on a provisional basis:

- i. a charge of \$16.496647 per Mcf for the gas cost portion of the Company’s D-2 charge for Rate Schedule LVS;
- ii. a charge of \$16.579139 per Mcf for the gas cost portion of the Firm D-2 charge for Rate Schedule EGS-LV Firm;
- iii. a charge of \$8.248323 per Mcf for the Limited Firm D-2 charge for Rate Schedule EGS-LV and the D-2 charge for Rate Schedule FES;

² In the Matter of the Petition of South Jersey Gas Company to Revise the level of Its Basic Gas Supply Service (“BGSS”) Charge and Conservation Incentive Program (“CIP”) Charge for the Year Ending September 30, 2023. Docket No. GR22060364 (“2022-2023 BGSS/CIP Filing”).

³ All rates quoted herein are inclusive of applicable taxes.

- iv. a charge of \$0.155863 per therm for the monthly BGSS non-commodity rate applicable to Rate Schedules GSG, GSG-LV, EGS, LVS, EGS-LV and NGV;
- v. a charge for the Rider “I” BSC-LV for Opt-Out of \$0.002718 per therm, and charge for the Non-Opt-Out of \$0.086180 per therm; and
- vi. a charge for the Rider “J” BSC-GS of \$0.086180 per therm

11. On February 14, 2023, in accordance with the authority provided in the 2003 BGSS Order, the Company provided notice of its intent to self-implement a reduction in its Periodic BGSS Rate from the provisional rate of \$0.786191 per therm to a provisional rate of \$0.627739 per therm effective March 1, 2023. This reduction occurred due to a significant decrease in the New York Mercantile Exchange (“NYMEX”) natural gas futures settlement prices compared to the forecasted NYMEX prices utilized in the Company’s June 1, 2022 filing (NYMEX strip pricing as of May 10, 2022).

12. On April 26, 2023, the Board issued an order related to the Company’s 2022-2023 BGSS/CIP Filing in which all provisional rates were made final⁴.

13. This Petition complies with the Minimum Filing Requirements (“MFRs”) set forth in the 2003 Settlement as well as additional filing requirements agreed to by the parties in the April 2023 Order.

14. Consistent with the Board’s November 2021 Order⁵, the Company will continue to recover the costs incurred related to the resolution of a contract dispute with Antero Resources

⁴ In the Matter of the Petition of South Jersey Gas Company to Revise the level of Its Basic Gas Supply Service (“BGSS”) Charge and Conservation Incentive Program (“CIP”) Charge for the Year Ending September 30, 2023, Docket No. GR22060364, Order dated April 26, 2023 (“April 2023 Order”).

⁵ In the Matter of the Petition of South Jersey Gas Company to Revise the Level of Its Basic Gas Supply Service (“BGSS”) Charge and Conservation Incentive Program (“CIP”) Charge for the Year Ending September 30, 2022, Docket No. GR21060881, Order dated November 17, 2021 (“November 2021 Order”).

Corporation through the Periodic BGSS Rate through September 30, 2024.

III. REQUESTED PERIODIC BGSS RATE

15. The Company is proposing to decrease its current Periodic BGSS Rate of \$0.627739 per therm to \$0.415037 per therm for the period beginning October 1, 2023 and ending September 30, 2024. This rate is based on seven (7) months of actual data through April 30, 2023, and seventeen (17) months of estimated data through September 30, 2024. Petitioner will update this information with actuals as this matter proceeds.

16. The Company has taken all reasonable steps to reduce its gas costs and manage volatility experienced in the natural gas commodities market. South Jersey's efforts to reduce costs and manage volatility have included (1) continuing to execute its Gas Procurement Strategy and Plan, which include financial hedging strategies, on file with the Board, (2) maximizing credits to firm customers through the optimization of its gas supply and upstream capacity management, which has resulted in the inclusion of a credit to BGSS gas costs of \$37.4 million in the 2023-2024 BGSS/CIP Year, which represents eighty five percent (85%) of the gross margin generated by off-system sales, interruptible sales and transportation and capacity releases, and (3) employing its gas storage resources to reduce exposure to some of the volatility associated with wintertime price swings. Petitioner's purchases of gas supply have been effectuated at prices consistent with market conditions required by N.J.S.A. 48:3-58(t). The Company will continue to monitor market conditions and look for opportunities to lower costs and benefit our customers. Further details regarding the Company's efforts to manage its gas supply costs are discussed in further detail in the Direct Testimony of Maria C. Mendoza.

17. The projected pipeline demand type costs reflected in this filing pertaining to the

purchase, storage and transportation of gas on the Transcontinental Gas Pipeline Company, LLC (“Transco”), Columbia Gas Transmission, LLC (“Columbia”), and Eastern Gas Transmission and Storage (“EGTS”), previously known as Dominion Transmission, Inc., pipeline systems reflect the most recent FERC approved jurisdictional rates for each pipeline.

18. Commodity charges forecasted to be incurred by South Jersey during the 2023-2024 BGSS/CIP Year have been projected utilizing: (1) the NYMEX strip pricing as of May 10, 2023; and (2) estimated indices at the various locations where South Jersey expects to purchase gas during the forthcoming BGSS year. The liquefied natural gas (“LNG”) costs reflected in the Company’s proposed Periodic BGSS Rate are based upon the delivered cost of LNG using the NYMEX as of May 10, 2023, along with costs related to processing natural gas into LNG. As discussed in the Direct Testimony of Maria C. Mendoza, in response to the changes in the LNG marketplace in 2012, the Company decided to construct, own and operate its own liquefaction facility at South Jersey’s McKee City location to ensure that LNG is available at a reasonable cost. The LNG liquefaction facility has been in service since November of 2016.

19. In summary, by this Petition, South Jersey seeks authority to implement a BGSS rate decrease, which, as calculated in this filing, will permit the Company to recover the Company’s projected BGSS under-recovered balance of \$13.9 million through September 30, 2023. Pursuant to the April 2023 Order, this under-recovery includes an additional credit to BGSS gas costs of \$193,449 which represents fifteen percent (15%) of the gross margin (the Company’s usual share) generated by capacity releases related to a contract with Adelphia Gateway, LLC during the period September 1, 2022 through September 30, 2023.

20. The Company proposes a Periodic BGSS Rate of \$0.415037 per therm for the 2023-2024 BGSS/CIP Year, resulting in a decrease of \$0.212702 per therm from the current rate of

\$0.627739 per therm. South Jersey also seeks authority to decrease the Monthly BGSS non-commodity rate component to \$0.145598 per therm, resulting in a decrease of \$0.010265 per therm from the current rate of \$0.155863 per therm.

IV. BALANCING SERVICE CHARGE (“BSC”)

21. The Company’s BSC charges under its current Tariff Riders “I” and “J” have been updated as part of this filing. The proposed BSC rate changes, including the proposed calculations for both Riders, are discussed in the Direct Testimony and Schedules of Maria C. Mendoza.

V. BEST VALUE PURCHASING POLICY

22. The Company's proposal in this Petition reflects implementation of its best value purchasing policy. Pursuant to this policy, it is the Company's goal to purchase the minimum priced gas supplies feasible while maintaining security of supply and capacity and system integrity. By following this policy, South Jersey is able to provide secure service to its customers, at reasonable prices, for this BGSS year and into the future.

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

VI. SUPPORTING TESTIMONY

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

- a) James G. Fredericks, Rates Analyst Lead, Rates and Regulatory Affairs;
and
- b) Maria C. Mendoza, Manager, Gas Supply

VII. MINIMUM FILING REQUIREMENTS

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

VIII. CIP BACKGROUND AND PROPOSAL

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

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

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

29. The CIP Continuation Stipulation established a Modified BGSS Savings Test with three categories of BGSS savings: (1) permanent savings achieved through permanent capacity releases or contract terminations; (2) gas cost savings from reductions of capacity on a long-term

basis (*i.e.* for periods of at least one (1) year); and (3) savings associated with avoided capacity costs to meet residential customer growth.

30. The attached Direct Testimony of Daniel P. Yardley demonstrates that sufficient BGSS savings exist to support recovery of \$9.7 million of non-weather CIP impacts through the proposed CIP charge. The additional non-weather CIP impacts of \$7.8 million will be deferred and recovered subject to the Modified BGSS Savings Test in a future year.

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

32. In the CIP Continuation Stipulation, South Jersey agreed to provide five hundred thousand dollars (\$500,000) annually of shareholder money to fund CIP programs. The CIP Continuation Stipulation further provided that in any year in which the \$500,000 was not expended, the difference between \$500,000 and the actual amount spent will be carried over and added to the amount to be spent in the following year.

33. Pursuant to the May 2014 CIP Order and per the April 2023 Order, the Company must provide five hundred thousand dollars (\$500,000) annually, of shareholder money, to fund CIP programs that: 1) aid customers in reducing their natural gas costs, 2) reduce the Company's peak winter and design day system demand, and 3) do not replicate existing programs offered through the BPU Office of Clean Energy ("Three Objectives"). The Company agrees to annually review the CIP programs it funds, compare them to other available programs, and make changes to the programs it chooses to fund if it determines other programs are more effective in achieving the Three Objectives.

34. Pursuant to the May 2014 CIP Order, South Jersey also agreed that it would provide quarterly reports to Board Staff and Rate Counsel documenting expenditures for these programs, as it has for the past 15 years.

35. The attached Direct Testimony of W. Peter Druckenmiller, Manager, Residential Energy Efficiency for South Jersey, explains the Company's incurred and projected CIP expenditures for the 2022-2023 BGSS/CIP Year. South Jersey projects that it will invest \$500,000 in conservation programs by the end of the 2022-2023 BGSS/CIP Year, or September 30, 2023.

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

37. Rider "M" of the Company's tariff contains a Board Approved Return-on-Equity ("ROE") limitation on recoveries from customers pursuant to the CIP, consistent with South Jersey's former Temperature Adjustment Clause ("ROE Test"). Under this provision, the CIP may not contribute toward earnings in excess of a 10.10% ROE, calculated at fifty (0.50) basis points plus 9.60%, the ROE approved by the Board's December 2022 Order⁶. After recovery of the CIP margin revenues, South Jersey's ROE for the October 1, 2022 through September 30, 2023 period is projected to be 6.59%. As a result, the ROE Test will not act as a limitation on South Jersey's recovery through the CIP for the 2023-2024 BGSS/CIP Year. The projected ROE calculation is provided in Exhibit A, attached to this Petition, and is discussed in the Direct Testimony of Daniel

⁶ In the Matter of the Petition of South Jersey Gas Company for Approval of Increased Base Tariff Rates and Charges for Gas Service, Changes to Depreciation Rates and Other Tariff Revisions, Docket No. GR22040253, Order dated December 21, 2022 ("December 2022 Order").

P. Yardley.

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

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

40. On June 1, 2022, South Jersey filed its 2022-2023 BGSS/CIP Filing. In that filing, it sought to establish CIP rates for the 2022-2023 BGSS/CIP Year. By the September 2022 Provisional Order⁷, the following CIP rates per therm were implemented on a provisional basis:

- RSG Non-Heating \$0.051829
- RSG Heating \$0.029575
- GSG \$0.028140
- GSG-LV \$0.012805

In its April 2023 Order, these provisional rates were made final by the Board.

41. In this Petition, South Jersey proposes to establish the CIP rates for the 2023-2024 BGSS/CIP Year. The proposed CIP rates per therm are as follows and shown in Daniel Yardley's Testimony, Schedule DPY-7:

- RSG Non-Heating \$0.045266
- RSG Heating \$0.113871
- GSG \$0.090600
- GSG-LV \$0.051227

⁷ In the Matter of the Petition of South Jersey Gas Company to Revise the level of Its Basic Gas Supply Service ("BGSS") Charge and Conservation Incentive Program ("CIP") Charge for the Year Ending September 30, 2023, Docket No. GR22060364, Order dated September 7, 2022 ("September 2022 Order").

42. The impact of the proposed CIP change, if approved, on the monthly bill of an average residential heating customer utilizing 100 therms of gas in a winter month would be an increase of \$8.43, or 4.4%, as compared to the Company's rates in effect on June 1, 2023.

43. Reflective in Daniel Yardley's Testimony and Schedule DPY-5, in computing the non-weather CIP value, the margin impact of weather is first to be deducted from the total CIP charge or credit. The weather-related component of the CIP is recovered through the CIP and is not subject to the Modified BGSS Savings Test. By this Petition, South Jersey seeks to recover \$30.4 million of weather-related margin revenues. The non-weather related CIP component is subject to a dual eligibility test comprised of the Modified BGSS Savings Test and a Margin Revenue Test established in the CIP Continuation Stipulation. In order to be eligible for recovery, non-weather related CIP impacts must pass both cost recovery tests. Amounts that do not pass one or both tests may still be recoverable in future years.

44. South Jersey's non-weather-related excess margin, related to the 2022-2023 BGSS/CIP Year, is \$17.5 million. This amount was determined by subtracting the weather-related deficiency component of \$30.4 million, from the total CIP deficiency of \$47.9 million.

45. South Jersey is providing BGSS savings information in the Direct Testimonies of Maria C. Mendoza and Daniel P. Yardley. As shown on Schedule DPY-5, page 1 of 2, South Jersey's permanent BGSS savings realized from the permanent capacity releases or contract terminations (Category One of the Modified BGSS Savings Test) total \$2.2 million per year. BGSS savings realized from gas cost savings from reductions of capacity on a long-term basis (Category Two of the Modified BGSS Savings Test) total \$4.8 million. BGSS savings realized from avoided capacity costs to meet residential customer growth (Category Three of the Modified BGSS Savings Test) total \$0.2 million. Therefore, the total BGSS savings for the 2023-2024

BGSS/CIP Year is \$7.3 million. Since the non-weather CIP amount is a debit to customers, the BGSS Savings test and the variable margin revenue test shown on Schedule DPY-5 are applicable. As a result of the BGSS Savings test and the variable margin revenue test shown on Schedule DPY-5, the Company will seek to recover \$9.7 million of non-weather-related margin revenue through the CIP. The \$7.8 million that did not pass the BGSS Savings test will be carried forward to the following CIP year for possible recovery.

46. In this proceeding, South Jersey is comparing customer usage for the period October 1, 2022 through September 30, 2023 against the benchmark. The difference is to be recovered in the 2023-2024 BGSS/CIP Year.

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

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

IX. PUBLIC NOTICE

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

X. MISCELLANEOUS

49. The combined impact of the proposed Periodic BGSS, BSC and CIP changes, if approved, on the monthly bill of an average residential heating customer utilizing 100 therms of

gas in a winter month would be a decrease of \$13.28 or 6.9%, as compared to the Company's rates in effect on June 1, 2023.

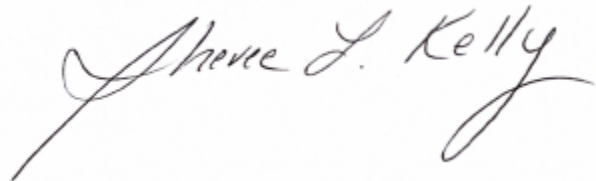
50. Petitioner is serving notice and a copy of this Petition, together with a copy of the exhibits and schedules annexed hereto on the Director, Division of Rate Counsel via electronic mail in lieu of providing hard copies. In accordance with the Board's March 19, 2020 and June 10, 2020 Orders issued in BPU Docket No. EO20030254, hard copies are not being submitted at this time, but can be provided at a later time, if needed.

51. Similarly, Petitioner is also serving this notice and a copy of this Petition 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.

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

Respectfully submitted,

SOUTH JERSEY GAS COMPANY

A handwritten signature in cursive script that reads "Sheree L. Kelly". The signature is written in dark ink and is positioned above a horizontal line.

By: Sheree L. Kelly, Esq.
Regulatory Affairs Counsel
SJI Utilities, Inc.

Dated: June 1, 2023

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

Sheree L. Kelly, Esq.
Regulatory Affairs Counsel
SJI Utilities, Inc.
520 Green Lane
Union, New Jersey 07083
908-536-0877
skelly@sjindustries.com

Dominick DiRocco, Esq.
Vice President, Rates & Regulatory Affairs
SJI Utilities, Inc.
One South Jersey Plaza
Folsom, New Jersey 08037
732-239-4462
ddirocco@sjindustries.com

Cindy Capozzoli
Director, Rates
SJI Utilities, Inc.
1 South Jersey Place
Atlantic City, New Jersey 08401
856-625-6618
ccapozzoli@sjindustries.com

VERIFICATION

I, Dominick DiRocco, Esq., of full age, being duly sworn according to law,
upon my oath, depose and say:

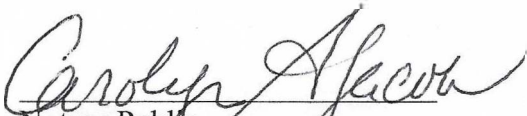
1. I am Vice President, Rates and Regulatory Affairs of SJI Utilities, Inc., the
parent company to South Jersey Gas Company ("Company"), and I am authorized to make this
verification on behalf of the Company.

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



Dominick DiRocco, Esq.
VP/Rates & Regulatory Affairs

Sworn to and subscribed
to before me this 1st day
of June, 2023.


Notary Public
CAROLYN A. JACOBS

NOTARY PUBLIC OF NEW JERSEY

My Commission Expires October 28, 2023



**South Jersey Gas Company
CIP Earnings Test**

September 2022 Rate Base	\$ 2,481,696,281
September 2023 Projected Rate Base	<u>\$ 2,770,776,069</u>
Average	\$ 2,626,236,175
Approved Equity Ratio (2022 Rate Case)	<u>54%</u>
Common Equity Balance	\$ 1,418,167,534
 Period Net Income Less Incentives	 \$ 93,477,507
 Return On Equity	 6.59%
 Approved Return on Equity (2022 Rate Case)	 9.60%
Return on Equity Test: Plus 50 basis Points	<u>0.50%</u>
	10.10%

South Jersey Gas Company

Notice of Public Hearing

In the Matter of the Petition of South Jersey Gas Company to Revise Its Basic Gas Supply Service Rate and Its Conservation Incentive Program Rates for the year ending September 30, 2024

BPU Docket No. _____

On June 1, 2023, South Jersey Gas Company (“South Jersey” or “Company”) filed a Petition with the New Jersey Board of Public Utilities (“Board”) in Docket No. _____ for approval of a request of its combined 2023-2024 Basic Gas Supply Service (“BGSS”) and Conservation Incentive Program (“CIP”) charges. The BGSS component of the Petition was filed pursuant to the “Order Approving BGSS Price Structure” issued by the Board on January 6, 2003 in Docket No. GX01050304 (“2003 BGSS Order”). BGSS rates are designed to recover South Jersey’s cost of gas applicable to customers who purchase gas from South Jersey. The Company earns no profit from the BGSS. The CIP component of the Petition sought a price adjustment for all applicable service customers. The CIP is an incentive-based program that requires South Jersey to reduce gas supply related costs, and limits recovery of non-weather-related revenue loss to the level of gas supply costs savings achieved. As part of the Petition, the Company also proposed to change the Balancing Service Clause (“BSC”) charges under its current Tariff Riders “I” and “J.”

The impact of the Company's combined proposals on the monthly bill for a residential heating customer using 100 therms in a winter month is a decrease of \$13.28, or 6.9%, as compared to the Company’s rates in effect on June 1, 2023, resulting from South Jersey’s proposed: 1) Periodic BGSS decrease of \$21.27, or 11.1%; 2) Rider “J” Balancing Service Clause - General Service (“BSC-GS”) decrease of \$0.44, or 0.2%; and 3) CIP increase of \$8.43, or 4.4%.

Related to the Company’s Rider “I” Balancing Service Clause - Large Volume (“BSC-LV”), the Company proposes to decrease its current Opt-Out BSC-LV rate of \$0.002718 per therm to \$0.002103 per therm, including taxes, and to decrease its current Non Opt-Out BSC-LV rate of \$0.086180 per therm to \$0.081846 per therm, including taxes. The proposed Non Opt-Out BSC-LV rate is equal to the Company’s proposed Rider “J” BSC-GS rate. All Balancing charge revenues from sales and transportation customers are credited to BGSS recoveries.

The Impact of the Proposed BGSS, CIP and BSC changes on the Monthly Bills of Typical Residential and General Service Customers:

<u>Customer Type</u>	<u>Consumption in Therms</u>	<u>Bill as of June 1, 2023</u>	<u>Proposed Bill as of October 1, 2023</u>	<u>Proposed Change</u>	<u>Percent Change</u>
Residential Heat Sales	100	191.58	178.30	(\$13.28)	(6.9%)
Residential Non-Heat Sales	15	38.00	34.64	(\$3.36)	(8.8%)
General Service	500	\$852.40	775.12	(\$77.28)	(9.1%)
General Service - LV	15,646	\$16,858.99	\$17,392.33	533.34	3.2%

The Board has the statutory authority to establish South Jersey's rates at levels it finds just and reasonable as well as to establish the effective date of such rates. Therefore, the Board may establish the rates at levels

and/or an effective date other than those proposed by South Jersey. South Jersey's natural gas costs addressed in the Petition will remain subject to audit by the Board, and Board approval shall not preclude or prohibit the Board from taking any such actions deemed appropriate as a result of any such audit.

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

PLEASE TAKE NOTICE that other changes in South Jersey's price for BGSS service may also occur if South Jersey elects to adjust its BGSS rates upward upon thirty days' notice to Board Staff and the New Jersey Division of Rate Counsel ("Rate Counsel"), pursuant to the 2003 BGSS Order. Any such self-implementing increases will be limited to a maximum of five percent (5%) of the total residential bill, effective December 1, 2023, and to a maximum of five percent (5%) of the total residential bill, effective February 1, 2024, as demonstrated below.

<u>Customer Type</u>	<u>Consumption in Therms</u>	<u>Proposed Bill as of October 1, 2023</u>	<u>Proposed Bill Including December and February 5 Percent Increases</u>	<u>Proposed Change</u>	<u>Percent Change</u>
Residential Heat Sales	100	178.30	\$196.57	\$18.27	10.2%
Residential Non-Heat Sales	15	34.64	\$37.38	\$2.74	7.9%
General Service	500	775.12	\$866.46	\$91.34	11.8%
General Service - LV	15,646	\$17,392.33	\$17,392.33	\$0.00	0.0%

Further, these self-implementing increases will be provisional and subject to true-up in connection with the subsequent annual BGSS filing. Pursuant to the 2003 BGSS Order, South Jersey is permitted to decrease its BGSS rate at any time upon five days' notice and supporting documentation to the Board and Rate Counsel.

A copy of South Jersey's Petition can be reviewed on the Company's website at www.southjerseygas.com under regulatory information. The Petition is also available to review online through the Board's website, <https://publicaccess.bpu.state.nj.us> where you can search by the above-captioned docket number. The Petition and Board file may also be reviewed at the Board located at 44 South Clinton Avenue, 1st Floor, Trenton, NJ, with an appointment. To make an appointment, please call (609) 913-6298.

PLEASE TAKE FURTHER NOTICE that due to the COVID-19 Pandemic, a virtual public hearing will be conducted on the following date and times so that members of the public may present their views on the Company's Petition:

Date: _____

Hearing Times: ____ p.m. and ____ p.m.

Members of the public may present their views on the Petition during the public hearing by joining the virtual Microsoft Teams meeting listed below or by dialing the toll-free telephone number listed below:

Microsoft Teams Meeting ID: _____
Passcode: _____

(Access the Microsoft Teams App or Microsoft Teams on the web. On the left side of the screen, click the “Teams” icon. Select “Join or ‘create a team”. Press “Join” and enter the Meeting ID and Passcode when prompted.)

or

Dial In: _____
Conference ID: _____ followed by #

A copy of this Notice of Filing and Public Hearing in this matter is being served upon the clerk, executive or administrator of each municipality and county within the Company’s service territory.

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

The Board will also accept written and/or electronic comments. While all comments will be given equal consideration and will be made part of the final record of this proceeding, the preferred method of transmittal is via the Board’s Public Document Search tool, <https://publicaccess.bpu.state.nj.us/>. Search for the docket number listed above, and post by utilizing the “Post Comments” button. Emailed comments may also be filed with the Secretary of the Board, in pdf or Word format, to board.secretary@bpu.nj.gov.

Written comments may be submitted to the Secretary, Sherri Golden, at the Board of Public Utilities, 44 South Clinton Avenue, 1st Floor, P.O. Box 350, Trenton, New Jersey 08625-0350. All emailed or mailed comments should include the name of the Petition and the docket number.

All comments are considered “public documents” for purposes of the State’s Open Public Records Act. Commenters may identify information that they seek to keep confidential by submitting them in accordance with the confidentiality procedures set forth in N.J.A.C. 14:1-12.3.

South Jersey Gas Company
Brent Schomber
President and Chief Operating Officer

South Jersey Gas Company
2023/24 BGSS Filing
MINIMUM FILING REQUIREMENT (MFR)

Minimum Filing Requirement	Schedule(s)
<p>1. Motion, Supporting Testimony & Tariff Modifications</p> <p>In support of its filing, a GDC should provide supporting testimony which addresses any material events or major factors affecting either the prior period's deferred gas balance or its forecasted BGSS rate. In addition to the associated motion, redlined tariff sheets should be provided for all proposed tariff changes.</p>	<p>Exhibit D -Testimony of James G. Fredericks</p> <p>Exhibit E - Testimony of Maria C. Mendoza</p> <p>Schedule JGF-17</p>
<p>2. Computation of Proposed BGSS Rates</p> <p>A summary schedule should show all of the forecasted BGSS cost components and applicable credits which comprise the basis for the proposed BGSS rates that are to become effective October 1st. The cost components and applicable credits should be provided with all material amounts broken out separately. A plain English explanation in narrative form regarding this summary schedule should be provided.</p>	<p>Schedule JGF-1,JGF-3, JGF-6</p> <p>Exhibit D -Testimony of James G. Fredericks</p> <p>Schedule MCM-12</p> <p>Exhibit E - Testimony of Maria C. Mendoza</p>
<p>3. Public Notice with Proposed Impact on Bills</p> <p>A copy of the Company's Public Notice should be provided with details concerning the impact of the proposed BGSS rates on typical gas bills at various winter therm utilization levels.</p>	<p>Attached as Exhibit B to the Petition</p>
<p>4. Actual and Forecasted Refund Amounts</p> <p>Schedules should be provided which show actual and estimated supplier refund amounts for the reconciliation period as well as the estimated supplier refunds for the projected period beginning October 1st. The schedule should identify the supplier refunds by month and should provide associated information on the applicable FERC docket involved. A plain English explanation in narrative form should be provided.</p>	<p>Schedule MCM-8</p> <p>Exhibit E -Testimony of Maria C. Mendoza</p>
<p>5. Cost of Gas Sendout by Component</p> <p>Monthly data showing the derivation of all cost components shown on the BGSS Computation Schedule should be provided for the reconciliation and projected periods. The monthly data should also provide detail on applicable volumes by customer classification.</p>	<p>Schedule JGF-1, JGF-2, JGF-4, JGF-5, JGF-7, JGF-8, JGF-11, JGF-13, JGF-15</p> <p>Schedule MCM-2, MCM-3</p>
<p>6. BGSS Contribution and Credit Offsets</p> <p>Monthly data showing the derivation of all BGSS cost offsets, including interruptible margins, capacity transactions, pipeline refunds and other credits should be provided for the reconciliation and projected periods. Any applicable FERC Orders will be included. All calculations showing how such offsets were determined should be included. A plain English explanation in narrative form should be provided regarding the BGSS contribution and Credit Offsets. In addition, the Company shall document through testimony for any non-bid releases and/or affiliate contracts, the decision-making process that the Company went through in each case to arrive at its determination to release capacity on a non-biddable basis or enter into any affiliate contract. Such testimony shall include documentation showing the impact that the non-biddable capacity release or affiliate contract was projected to have on total BGSS costs at the time the Company committed to the transaction. In addition, for each non-biddable capacity release, the Company shall determine whether the transaction could have been structured as an off-system sale, and, if so demonstrate that prior to releasing the capacity, the Company compared the benefit to Periodic BGSS customers of making the capacity release compared to the benefit that could have been achieved by structuring the transaction as an off-system sale and the Company shall provide documentation supporting this comparison in its filing.</p>	<p>Schedule JGF-9, JGF-12</p> <p>Schedule MCM-8</p> <p>Exhibit E - Testimony of Maria C. Mendoza</p>
<p>7. Over/Under Recovery Comparisons</p> <p>Schedules should be provided which show the derivation of the monthly over or under recoveries plus cumulative balances for the reconciliation and projected period. For the reconciliation period, a schedule should also show the calculation of the monthly actual or estimated accrued interest. These schedules should include prospective data shown for the projected period based on the prevailing BGSS rate and, alternatively, based on the requested BGSS rate.</p>	<p>Schedule JGF-3, JGF-10, JGF-14</p>
<p>8. Wholesales Gas Pricing Assumptions</p> <p>The GDC should provide schedules which detail the monthly gas prices for the reconciliation and projected periods. The schedules should show the prices utilized in developing the existing BGSS rate and those utilized for projecting the proposed BGSS rate. To the degree third party price indexes or forecasts are the basis for such gas prices, associated documentation should also be provided. A plain English explanation in narrative form regarding these schedules should be provided.</p>	<p>Schedule MCM-2, MCM-5 (Confidential), MCM-14</p> <p>Exhibit E - Testimony of Maria C. Mendoza</p>
<p>9. Gas Cost Under recovery Adjustment ("GCUA") Recoveries and Balances</p> <p>Schedules should be provided that show monthly data for the GCUA since its inception. The data should provide the unamortized balances, recoveries, and accrued interest by month with any associated workpapers.</p>	<p>N/A</p>
<p>10. Historical Service Interruptions</p> <p>A schedule should be provided which details any service interruptions during the past 12 months. The schedule should show the dates of the interruptions, the service categories affected, the number of customers affected and whether each interruption was operational or economic in nature.</p>	<p>Schedule JGF-16</p>

South Jersey Gas Company
2023/24 BGSS Filing
MINIMUM FILING REQUIREMENT (MFR)

Minimum Filing Requirement	Schedule(s)
<p>11. Gas Price Hedging Activities</p> <p>The GDC should provide copies of its last four quarterly hedging reports as filed with the Board. It should also provide a schedule covering both the reconciliation and projected period which shows monthly gas purchases volume requirements and price hedged volumes broken down into discretionary and non-discretionary components which allow evaluation of compliance with the GDC's established hedging objectives. A plain English explanation in narrative form regarding these hedging activities should be provided. The Company shall include in all future its next annual BGSS filings testimony that reflects these goals/targets and how the Company managed to such goals/targets.</p>	<p>Schedule MCM-5 (Confidential), MCM-9</p> <p>Exhibit E - Testimony of Maria C. Mendoza</p>
<p>12. Storage Gas Volumes, Prices and Utilization</p> <p>Schedules should be provided which show the GDC's monthly data for LNG, LPG, and pipeline storage volumes. The schedules should show volumes and dollars for balances, injections, and withdrawals with all data shown on a Dekatherm basis.</p>	<p>Schedule JGF-7, JGF-15</p> <p>Schedule MCM-3</p>
<p>13. Affiliate Gas Supply Transactions</p> <p>The GDC's filing should have disclosure of all gas supply and capacity transactions with any affiliates during the reconciliation or forecasted periods. The disclosure should provide the nature, terms, and conditions of any such transactions, the dates of the transactions, and evidence that the gas supply or capacity resources transactions were at market rates. It should also provide delivery points for all purchase and sale transactions and comparable daily or monthly price index information for purchase and sale transactions done at a fixed price.</p>	<p>Schedule MCM-10 (Confidential)</p>
<p>14. Projected Supply and Demand Data with Design Peak Day</p> <p>Schedules should be provided that show the GDC's firm requirements and gas supplies by component on an annual, heating season and non-heating season basis. The data should be provided for the reconciliation period and the two prior and two prospective annual periods.</p>	<p>Schedule MCM-1, MCM-4, MCM-6</p>
<p>15. Actual Peak Day Supply and Demand</p> <p>The GDC should provide data for the five highest demand days for each of the last three years, showing date, temperature or heating degree day, firm and interruptible volumes and the sources of supply used to meet the associated volume requirement.</p>	<p>Schedule MCM-7</p>
<p>16. Capacity Contract Changes</p> <p>The GDC filing should provide details concerning any changes to its interstate pipeline contracts (entitlements, storage capacities, daily deliverability, transportation, or associated costs) which have been made or occurred during the past 24 months or are planned for the next 12 months. To the degree any significant changes have been made or are planned, a narrative should discuss operational and cost consequences as well as the rationale for the changes.</p>	<p>Schedule MCM-13</p> <p>Exhibit E - Testimony of Maria C. Mendoza</p>
<p>17. FERC Pipeline Activities</p> <p>The GDC's filing should provide details on any pending FERC dockets which should affect the cost of services received from the GDC's supplying pipelines. The GDC should also provide details concerning its participation in such dockets and a listing of any filings or testimony made by the GDC or on its behalf.</p>	<p>Schedule MCM-11</p>
<p>18. Changes to Firm Transportation and Storage Contracts.</p>	<p>Schedule MCM-13</p>
<p>19. Monthly S-CHART-1 and S-CHART-2</p> <p>After the annual BGSS proceeding is filed each year, the monthly reports filed with the Board thereafter shall be updated to reflect the current BGSS year and upcoming BGSS year. Monthly reports will continue to be filed with the Parties using the current BGSS year and upcoming BGSS year until the next annual BGSS filing occurs</p>	<p>Filed Monthly With the BPU</p>
<p>20. AMA Management Fee Analysis</p> <p>To the extent the Company enters into baseload Asset Management Agreements ("AMAs") (defined as a transaction with a fixed gas purchase obligation for any day of the term of the AMA), the Company will prepare an analysis produced at the time the AMA is executed that will set forth how much, if any, of the AMA management fee will be excluded from the formula used to determine AMA management fee sharing between the Company and its Periodic BGSS customers because the excluded portion of the fee is the product of an agreement by the Company to provide the Asset Manager with a benefit under the AMA that is forecasted to increase the commodity costs to Periodic BGSS customers. The analysis will calculate a) the lowest estimated delivered price on the contract capacity path up to and including the Company city gate compared to b) the estimated commodity cost per month under the contract price of the AMA. The result of this comparison or c) delta, represents an excess in commodity cost that will be subtracted from d) the AMA management fee arriving at e) the net amount that will be subject to the sharing formula over the term of the AMA.</p>	<p>Schedule MCM-15</p>

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

SOUTH JERSEY GAS COMPANY

**Direct Testimony
of
James G. Fredericks,
Rates Analyst Lead, Rates and Regulatory Affairs**

**On Behalf of
South Jersey Gas Company**

1 **I. INTRODUCTION**

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

3 **A.** My name is James G. Fredericks, and I am the Rate Analyst Lead, Rates and
4 Regulatory Affairs, for South Jersey Gas Company (“South Jersey” or “Company”).
5 My business address is One South Jersey Place, Atlantic City, NJ 08401.

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

8 **A.** I am responsible for designing and developing rates and rate schedules for regulatory
9 filings with the New Jersey Board of Public Utilities (“Board” or “BPU”) and internal
10 management purposes. I also oversee daily rate department functions, including tariff
11 administration, monthly pricing, competitive analyses, and preparation of
12 management reports. In 1986, I graduated from Ithaca College, Ithaca N.Y. with a
13 Bachelor of Science degree in Economics and Business Administration.

14 My professional responsibilities have encompassed financial analysis,
15 planning, and pricing in financial services, manufacturing, and energy services
16 companies. In 1986, I was employed by The Prudential as a Rate Analyst and then
17 promoted to Associate Manager prior to leaving in 1996. I was then employed by
18 Alcatel-Lucent as a Senior Analyst in 1996. In 2001, I was employed by PECO
19 Energy as a Principal Operations Analyst. In 2002, I joined South Jersey as a Senior
20 Rate Analyst in the Rates and Regulatory Affairs Department. In 2014, I transferred
21 to the Company’s Energy Efficiency Department. In 2021, I returned to the Rates and
22 Regulatory Affairs Department in my current position of Rate Analyst Lead.

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

2 **A.** The purpose of my testimony in this proceeding is to: (1) review the actual and
3 forecasted results of the Basic Gas Supply Service (“BGSS”) Clause for the 2022-
4 2023 BGSS/CIP Year ending September 30, 2023; (2) present the projected gas
5 costs and recoveries in the 2023-2024 BGSS/CIP Year ending September 30, 2024;
6 (3) support the BGSS charges proposed to become effective October 1, 2023; and
7 (4) support proposed revisions to South Jersey’s tariff.

8 **Q. DO YOU SPONSOR ANY SCHEDULES AS PART OF YOUR**
9 **TESTIMONY?**

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

12 (i) Schedule JGF-1 contains the derived calculations of the proposed
13 Periodic BGSS Rate and the gas cost portion of the Company’s D-2 charge for Rate
14 Schedule FES, EGS-LV Firm, EGS-LV Limited Firm and LVS;

15 (ii) Schedule JGF-2 contains the statement of gas sendout for the twelve-
16 month period ending September 30, 2024;

17 (iii) Schedule JGF-3 contains a statement of (over)/under recoveries of
18 gas costs for the twelve-month period ending September 30, 2024 based on the
19 proposed Periodic BGSS Rate effective October 1, 2023, and a statement of (over)/
20 under recoveries of gas costs for the twelve-month period ending September 30,
21 2024 assuming the current Periodic BGSS Rate;

1 (iv) Schedule JGF-4 contains projected normalized sales and
2 transportation services throughput volumes for the twelve-month period ending
3 September 30, 2024;

4 (v) Schedule JGF-5 contains the gas costs recoveries for the twelve-
5 month period ending September 30, 2024;

6 (vi) Schedule JGF-6 contains details of the derivation of the monthly
7 BGSS non-commodity charge used in setting the Monthly BGSS rates charged to
8 our large commercial and industrial sales customers for the twelve-month period
9 ending September 30, 2024.

10 (vii) Schedule JGF-7 contains a summary of projected natural gas
11 injections and withdrawals for the twelve-month period ending September 30, 2024;

12 (viii) Schedule JGF-8 contains the calculations of non-firm gas cost
13 recovery rates for the twelve-month period ending September 30, 2024;

14 (ix) Schedule JGF-9 contains details of the derivation of the credit to gas
15 costs from interruptible sales, interruptible transportation, off-system sales, and off-
16 system and on-system capacity releases for the twelve-month period ending
17 September 30, 2024;

18 (x) Schedule JGF-10 contains a reconciliation of actual and projected
19 recoverable gas costs and gas costs recoveries for the twelve-month period ending
20 September 30, 2023;

1 (xi) Schedule JGF-11 contains the statement of gas sendout for the
2 twelve-month period ending September 30, 2023;

3 (xii) Schedule JGF-12 contains details of the derivation of the credit to gas
4 costs from interruptible sales, interruptible transportation, off-system sales, and off-
5 system and on-system capacity releases for the twelve-month period ending
6 September 30, 2023;

7 (xiii) Schedule JGF-13 contains details of gas costs recovered through sales
8 for the twelve-month period ending September 30, 2023;

9 (xiv) Schedule JGF-14 contains the computation of interest on the
10 cumulative over or under-recovered balance for the twelve-month period ending
11 September 30, 2023;

12 (xv) Schedule JGF-15 contains a summary of projected natural gas
13 injections and withdrawals for the twelve-month period ending September 30, 2023;

14 (xvi) Schedule JGF-16 contains statement of historical service
15 interruptions for the twelve-month period ending September 30, 2023; and

16 (xvii) Schedule JGF-17 contains the proposed tariff pages reflecting South
17 Jersey's proposed changes to its Periodic BGSS Rate, BSC charges, and D-2 gas
18 cost component for Rate Schedules FES, EGS-LV Firm, EGS-LV Limited Firm and
19 LVS.
20
21

1 **II. REGULATORY HISTORY**

2 **Q. PLEASE DESCRIBE THE REGULATORY HISTORY OF THE BASIC GAS**
3 **SUPPLY SERVICE (“BGSS”) CLAUSE.**

4 **A.** On January 6, 2003, the Board issued its “Order Approving BGSS Price Structure” in
5 Docket No. GX01050304¹. The 2003 BGSS Order provided for the creation of a
6 BGSS pricing mechanism, consisting of a Monthly BGSS Rate and a Periodic BGSS
7 Rate. The applicability of Monthly and Periodic BGSS pricing was subsequently
8 modified in South Jersey’s base rate case and Global Settlement (Docket No.
9 GR03080683, *et al*) approved by the Board on March 27, 2006.

10 The Monthly BGSS Rate is currently applicable to all Rate Schedule GSG sales
11 customers having an annualized usage of 5,000 therms or more and to all sales
12 customers served under Rate Schedules GSG-LV, LVS, FES, EGS and EGS-LV.
13 South Jersey’s Monthly BGSS Rate was first implemented March 1, 2003 and is filed
14 with the Board each month utilizing the BGSS pricing formula approved by the 2003
15 BGSS Order.

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

19 The 2003 BGSS Order required that South Jersey file its annual BGSS filing
20 with the Board each year by June 1, with a request to implement its Periodic BGSS
21 Rate on or before October 1 of that year. The 2003 BGSS Order also provided that

¹ In re the Provision of Basic Gas Supply Service Pursuant to the Electric Discount and Energy Competition Act, N.J.S.A. 48:3-49 et seq., BPU Docket No. GX01050304, Order dated January 6, 2003 (“2003 BGSS Order”).

1 South Jersey may file notice for two self-implementing rate increases to the Periodic
2 BGSS Rate, to be effective on or about December 1 and/or February 1, following the
3 October 1 effective date. Each such self-implementing increase may not exceed five
4 percent (5%) of a 100-therm residential bill.

5 On May 7, 2003, in Docket No. GR02090645, the parties to the proceeding
6 entered a Settlement regarding the Minimum Filing Requirements (“MFRs”) for the
7 annual BGSS proceedings (“2003 Settlement”). The 2003 Settlement was approved
8 by Board Order dated June 29, 2003. In its April 2023 Order², the Board approved an
9 update of the BGSS MFRs. Attached to this Petition as Exhibit C is a listing of the
10 MFRs and references to the schedules in this filing satisfying those MFRs.

11 On June 1, 2022, South Jersey filed its 2022-2023 BGSS/CIP Filing³, wherein it
12 proposed to increase the Periodic BGSS Rate from the then current rate of \$0.502550
13 per therm to \$0.786191 per therm.⁴

14 By Board Order dated September 7, 2022 in this same docket, the Board
15 approved a Stipulation authorizing South Jersey to increase the Periodic BGSS Rate
16 to \$0.786191 per therm on a provisional basis effective October 1, 2022.

17 On February 14, 2023, in accordance with the authority provided in the 2003
18 BGSS Order, the Company provided notice of its intent to self-implement a reduction
19 in its Periodic BGSS Rate from the provisional rate of \$0.786191 per therm to a

² In the Matter of the Petition of South Jersey Gas Company to Revise the Level of Its Basic Gas Supply Service (“BGSS”) Charge and Conservation Incentive Program (“CIP”) Charge for the Year Ending September 30, 2023, BPU Docket No. GR22060364, Order dated April, 26, 2023 (“April 2023 Order”).

³ In the Matter of the Petition of South Jersey Gas Company to Revise the level of Its Basic Gas Supply Service (“BGSS”) Charge and Conservation Incentive Program (“CIP”) Charge for the Year Ending September 30, 2023, Docket No. GR22060364 (“2022-2023 BGSS/CIP Filing”).

⁴ All rates quoted herein are inclusive of all applicable taxes, unless otherwise noted

1 provisional rate of \$0.627739 per therm effective March 1, 2023. This reduction
2 occurred due to a significant reduction in New York Mercantile Exchange
3 (“NYMEX”) natural gas futures settlement prices compared to the forecasted
4 NYMEX prices utilized in the Company’s June 1, 2022 filing (NYMEX strip pricing
5 as of May 10, 2022).

6 On April 26, 2023, the Board issued an order in the Company’s 2022-2023
7 BGSS/CIP filing in which all provisional rates were made final (“April 2023 Order”).
8

9 **III. BGSS RATES CALCULATION**

10 **Q. PLEASE DESCRIBE HOW THE PROPOSED BGSS RATES FOR THE 2023-**
11 **2024 BGSS/CIP YEAR ARE CALCULATED.**

12 **A.** Schedule JGF-1 sets forth the derivation of the proposed Periodic BGSS Rate of
13 \$0.415037 per therm, which consists of commodity and non-commodity gas costs,
14 and deferred balance. The rate derivation begins with a projected beginning inventory
15 of \$25,300,383 as of October 1, 2023 (Line 1), plus projected purchases of
16 \$253,073,810 for the twelve-month period ending September 30, 2024 (Line 2), plus
17 the estimated under-recovery of \$13,865,022 as of September 30, 2023 (Line 3), less
18 estimated interest on monthly over recoveries during the twelve-month period ending
19 September 30, 2023 of \$0 (Line 4), less the projected ending inventory of \$28,297,770
20 for the twelve-month period ending September 30, 2024 (Line 5), less projected
21 credits, refunds, etc. of \$84,522,058 for the twelve-month period ending September
22 30, 2024 (Line 6), less projected gas cost recoveries of \$56,149,624 not subject to the
23 recoverable unit gas cost of the Periodic BGSS for the twelve-month period ending

1 September 30, 2024 (Line 7) to equal total net recoverable gas costs of \$123,269,764
2 (Line 8).

3 Assuming projected applicable sales volumes of 316,686,149 therms (Line
4 9) and the total net recoverable gas costs of \$123,269,764 (Line 8) derives a pre-tax
5 Periodic BGSS Rate of \$0.389249 per therm (Line 10). The calculation of New Jersey
6 sales and use tax at a rate of 6.625% derives the sales tax component of \$0.025788 per
7 therm (Line 11). The result is the total levelized after-tax Periodic BGSS Rate of
8 \$0.415037 per therm (Line 12).

9 The total monthly non-commodity costs of \$5,161,439 for the twelve-month
10 period ending September 30, 2024, shown on Schedule JGF-6 (Line 3), are applied to
11 the Monthly BGSS customers. The applicable sales volumes of 37,798,715 therms
12 (Line 4) were utilized to derive a monthly non-commodity cost pre-tax rate of
13 \$0.136551 per therm (Line 5) and an after-tax rate of \$0.145598 per therm (Line 6).

14 **Q. DOES THE FILING INCLUDE THE RECOVERY OF THE REMAINING**
15 **AMORTIZATION OF COST RELATED TO ANTERO RESOURCES**
16 **CORPORATION (“ANTERO”).**

17 **A.** Yes, pursuant to the Board’s November 2021 Order⁵, the amortization of the Antero
18 costs was extended to September 30, 2024. The remaining amortization amount of
19 \$7,554,035 is included in the forecasted under recovered balance as of September 30,
20 2023 shown on Line 3 of JGF-1 and will be recovered in the 2023-2024 BGSS/CIP
21 Year.

⁵ In the Matter of the Petition of South Jersey Gas Company to Revise the Level of Its Basic Gas Supply Service (“BGSS”) Charge and Conservation Incentive Program (“CIP”) Charge for the Year Ending September 30, 2022, Docket No. GR21060881, Order dated November 17, 2021 (“November 2021 Order”)

1 **Q. PLEASE PROVIDE A SUMMARY OF PROJECTED PROOF OF**
2 **RECOVERY FOR THE 2023-24 BGSS/CIP YEAR.**

3 **A.** Schedule JGF-3, Page 1, provides a proof of recovery of the 2023-2024 BGSS/CIP
4 Year based on South Jersey's proposed rate of \$0.415037 per therm. Schedule JGF-
5 3, Page 1, also provides a summary by month of the 2023-2024 BGSS/CIP Year based
6 on the calculated gas cost levels, credits thereto and gas cost recoveries. In summary,
7 Schedule JGF-3, Page 1, Column 8 shows the 2023-2024 BGSS/CIP Year will end
8 with a \$0 or near zero balance as of September 30, 2024. This balance reflects an
9 immaterial rounding difference of \$10 due to the rounding of rates to the sixth decimal
10 place. Schedule JGF-3, Page 2, Column 9 reflects the projected (over)/under
11 recovered balance as of September 30, 2024 based on the Company's current Periodic
12 BGSS Rate of \$0.627739 per therm.

13 **Q. PLEASE EXPLAIN SOUTH JERSEY'S PROPOSED CHANGE IN ITS**
14 **PERIODIC BGSS RATE FOR THE 2023-2024 BGSS/CIP YEAR.**

15 **A.** South Jersey is proposing an overall decrease of \$0.212702 per therm to its Periodic
16 BGSS Rate for the 2023-2024 BGSS/CIP Year. As reflected in Schedule JGF-1, for
17 the 2023-2024 BGSS/CIP Year, South Jersey has calculated the Periodic BGSS Rate
18 at \$0.389249 per therm, excluding taxes, or \$0.415037 per therm, including taxes, for
19 Rate Schedule RSG sales and for those Rate Schedule GSG sales customers where
20 annual customer usage is less than 5,000 therms.

21 **Q. PLEASE EXPLAIN SOUTH JERSEY'S PROPOSED CHANGE IN ITS**
22 **MONTHLY BGSS NON-COMMODITY RATE AND FIRM D-2 CHARGES**
23 **FOR THE 2023-2024 BGSS/CIP YEAR.**

1 A. Customers served under Rate Schedules GSG-LV, FES, EGS, LVS and EGS-LV, and
2 customers served under Rate Schedule GSG, whose annual consumption is 5,000
3 therms or greater, recover some or all of their fixed gas costs through their Monthly
4 BGSS Rate, as prescribed in Rider "A" of South Jersey's tariff. These costs are
5 recovered through the Monthly BGSS non-commodity rate component as shown in
6 Schedule JGF-6. The proposed non-commodity rate of \$0.145598 per therm is a
7 decrease of \$0.010265 per therm from the current rate of \$0.155863 per therm.

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

19 Therefore, in accordance with South Jersey's tariff, South Jersey proposes, on
20 Schedule JGF-1, line 18 that the gas cost portion of the D-2 charge for Rate Schedule
21 LVS be set at \$16.502043 per Mcf. South Jersey also proposes that the gas cost
22 portion of the Firm D-2 charge for Rate Schedule EGS-LV be set at \$16.587216 per
23 Mcf. Lastly, South Jersey proposes that the gas cost portion of the Limited Firm D-2

and Firm D-2 charges for Rate Schedules EGS-LV Limited Firm and FES be set at \$8.251022 per Mcf.

Q. IS THE COMPANY PROPOSING A CHANGE TO ITS CURRENT BALANCING SERVICE CLAUSE (“BSC”) RATES?

A. Yes. The Company proposes to decrease its Rider “J” BSC rate, for all applicable Rate Schedules per its current tariff, from \$0.086180 per therm to \$0.081846 per therm, effective October 1, 2023.

The Company also proposes to decrease its current Rider “I” Opt-Out BSC rate of \$0.002718 per therm to \$0.002103 per therm. Additionally, the Company proposes to decrease its current Non Opt-Out BSC rate of \$0.086180 per therm to \$0.081846 per therm. The Non Opt-Out BSC rate is equal to the Company’s proposed Rider “J” BSC rate of \$0.081846 per therm. These changes are proposed to be effective October 1, 2023.

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

IV. REVIEW OF 2022-2023 BGSS/CIP YEAR

Q. PLEASE PROVIDE A SUMMARY OF ACTUAL AND PROJECTED RESULTS RELATED TO THE 2022-2023 BGSS/CIP YEAR.

A. A summary of actual and projected results for the twelve-month period ending September 30, 2023 is attached hereto as Schedule JGF-10. The projected under-recovery as of September 30, 2023 is \$13,865,022, based on actual data as of April

1 2023 and projected data through September 2023, which is comprised of gas costs,
2 credits thereto, and gas cost recoveries.

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

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

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

15 Recoverable Costs

16 This section presents the components of the actual and forecasted net
17 recoverable costs that the Company has incurred or is expected to incur. Column 1 of
18 Schedule JGF-10 presents the gas sendout, in dollars, for each month. These amounts
19 represent the dollar value of gas that flowed into the Company's distribution system
20 during the months indicated and are also detailed on Schedule JGF-11.

21 Column 2 of Schedule JGF-10 presents refunds received from suppliers, shared
22 margin credits, and other credits and charges. Refunds from suppliers are generally
23 made as a result of actions taken by the Federal Energy Regulatory Commission

1 ("FERC"). The detail of these amounts, including related FERC docket numbers, are
2 listed in Maria C. Mendoza's Testimony, Schedule MCM-8, page 1.

3 Column 3 of Schedule JGF-10 presents the monthly totals of net recoverable
4 costs, which are equal to gas sendout (Column 1) less supplier refunds, credits, and
5 other adjustments of recoverable costs (Column 2). Monthly Interruptible, Off-
6 System Sales, and Capacity release credits to the Periodic BGSS are detailed on
7 Schedule JGF-12.

8 Per the April 2023 Order, for the period September 1, 2022 to September
9 30, 2023, the Company agreed to credit BGSS customers with all capacity release
10 credits or off-system sales margins (including the Company's 15% share) derived
11 from the use of pipeline capacity under the contract between the Company and
12 Adelphia Gateway, LLC for 75,000 Dt of firm transportation capacity that became
13 effective September 1, 2022, and under a contract between the Company and
14 Columbia for 75,000 Dt of firm transportation capacity projected to be placed in
15 service during calendar year 2023. As a result, the additional 15% margin sharing
16 credit of \$193,449 is included in this filing for the period September 1, 2022 through
17 September 30, 2023 and is reflected on Schedule JGF-12.

18 Gas Cost Recoveries

19 Columns 4 through 8 on Schedule JGF-10 present the actual and forecasted
20 recoveries from customers of the Company's recoverable gas costs during the 2022-
21 2023 BGSS/CIP Year and are shown in more detail on Schedule JGF-13.

22 Column 4 presents recoveries of gas costs from sales to residential and small
23 commercial customers that are subject to the Periodic BGSS Rate. Column 5 presents

1 recoveries of gas costs from sales to the Company's larger commercial customers who
2 are subject to the Monthly BGSS Rate. Column 6 presents the monthly totals of the
3 gas cost recoveries from firm sales. Column 7 presents recoveries of gas costs from
4 sales to non-firm customers. Column 8 presents the monthly totals of the gas cost
5 recoveries from firm and non-firm sales.

6 (Over)/Under Recovery

7 Schedule JGF-10 (Column 9) presents the monthly (over) or under-recovery of
8 gas costs, which is the difference between Net Recoverable costs (Column 3) and Total
9 Gas Cost Recoveries (Column 8). Column 10 is the accumulation of the monthly
10 amounts from Column 9 added to the preceding month's cumulative balance. The
11 October 1, 2022 beginning balance of \$39,915,206 is the carry-forward balance of the
12 actual under-recovery of gas costs during the 2021-2022 BGSS/CIP Year. The carry-
13 forward balance also includes interest due to customers for the period, if any, from
14 over-recovered balances. No interest was due to customers for the 2021-2022
15 BGSS/CIP Year. During the 2022-2023 BGSS/CIP Year, the Company is projecting
16 that interest will not be due to customers as shown on Schedule JGF-14, which is
17 discussed further below.

18 **Q. PLEASE EXPLAIN SCHEDULE JGF-11.**

19 **A.** Schedule JGF-11 is a statement of combined gas sendout for the 2022-2023 BGSS/CIP
20 Year. This schedule supports the amounts shown in Column 1 of Schedule JGF-10.

21 Columns 1 and 2 of Schedule JGF-11, Page 1, reflect the monthly quantity and
22 cost of natural gas and liquefied natural gas ("LNG") purchased in the periods
23 indicated. Column 3 shows the average monthly purchase rate.

Columns 4 and 5 of Schedule JGF-11, Page 1, show the total gas inventory at the beginning and end of each month, respectively. Column 8 reflects the quantities of gas sendout in dekatherms and is calculated by adding the purchases for the month (Column 1) to beginning inventory balance (Column 4) and subtracting the ending inventory balance (Column 5). The result represents the gas sendout quantity for the month.

Q. HOW IS THE DOLLAR AMOUNT OF SENDOUT CALCULATED?

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

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

Q. WHAT IS THE PROJECTED CARRYING COST ASSOCIATED WITH THE 2022-2023 BGSS/CIP YEAR?

A. Schedule JGF-14 provides the calculation of interest on the cumulative over or under-recovery for the 2022-2023 BGSS/CIP Year. Interest on the cumulative over or under-recovery was computed on the average of the beginning and ending balances for each month, using a rate equivalent to one-twelfth of the Company's authorized annual rate of return of 6.90% through December 2022, as established in

the Company's 2020 base rate case in Docket No. GR20030243, and at 6.93% effective January 1, 2023 through September 30, 2023, as established in the Company's most recent base rate case in Docket No. GR22040253. The cumulative over or under-recovery amounts used in these calculations are from Column 10 of Schedule JGF-10. While Schedule JGF-14 shows a projected interest amount of \$1,487,272 due to the Company, the Company is not entitled to collect interest on BGSS balances, therefore no interest will be charged or credited for this period. South Jersey calculated BGSS interest in accordance with Board policy, as determined in Docket Nos. GR87091101 and GR89080731.

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

A. Yes, see Schedule JGF-16 for the statement of historical service interruptions for the 2022-2023 BGSS/CIP Year.

V. TARIFF CHANGES

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

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

In addition to the proposed rate changes, the Company is proposing the elimination of clause (5) of the Special Provisions section of its Rider "A" Basic Gas Supply Service Clause. This clause dates back to the 2003 transition from the Company's Levelized Gas Adjustment Clause to the current BGSS pricing

1 mechanism. In particular, clause (5) addresses the transition to the Monthly BGSS
2 and the treatment of any deferred balance associated with Monthly BGSS customers
3 existing as of March 1, 2003. At this time, the transition to the Monthly BGSS is
4 completed and this clause (5) is no longer applicable.

5 Also, to align the Company's tariff with N.J.A.C 14:1-5.12A with regards to
6 self-implementing rate reductions,, the Company is updating Rider "A" to reflect
7 that the Company has the discretion to file a self-implementing rate reduction
8 without a cap at any time during the BGSS Year with five (5) days notice, rather
9 than two (2) weeks notice, to BPU Staff and the Division of Rate Counsel

10 All tariff pages in Schedule JGF-17 have been black lined for review
11 purposes.

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

13 **A.** Yes, it does.

South Jersey Gas Company
Calculation of Charge for Periodic Basic Gas Supply Service
October 1, 2023 through September 30, 2024

Schedule JGF-1

1. Beginning Inventory, October 1, 2023	(Schedule JGF-2)	\$25,300,383	
2. Plus Projected Purchases October 1, 2023 through September 30, 2024	(Schedule JGF-2)	\$253,073,810	
3. Plus: Estimated Under/(Over) Recovery from September 30, 2023	(Schedule JGF-10)	\$13,865,022	
4. Less: Estimated Interest on monthly over recoveries during the period ending September 30, 2023	(Schedule JGF-14)	\$0	
5. Less: Projected Ending Inventory for September 30, 2024	(Schedule JGF-2)	\$28,297,770	
6. Less: Projected Credits, Refunds, etc. October 1, 2023 through September 30, 2024	(Schedule JGF-3)	\$84,522,058	
7. Less: Projected Gas Cost Recoveries from System Sales not subject to the recoverable unit Gas Cost of the BGSS Periodic	(Schedule JGF-5)	\$56,149,624	
8. Net Recoverable Gas Costs		<u>\$123,269,764</u>	
9. Applicable Therm Sales, October 1, 2023 - September 30, 2024	(Schedule JGF-4, pg 2)	316,686,149	Therms
10. Recoverable Unit Gas Cost Through BGSS-Periodic excluding taxes		\$0.389249	per thm
11. Plus: 6.625% Sales Tax		\$0.025788	
12. Total Levelized BGSS-Periodic including taxes		<u>\$0.415037</u>	per thm

<u>D-2 FES/EGS-LV/LVS RATE DERIVATION</u>	<u>Capacity</u>	<u>FES</u>	<u>EGS-LV-FIRM</u>	<u>EGS-LV-LF</u>	<u>LVS</u>
13. Transco Demand (MCFs)	116,826	\$15.556592	\$15.556592		
14. Columbia Demand (MCFs)	<u>67,633</u>	<u>\$13.864860</u>	<u>\$13.864860</u>		
15. D-2 Rate (Greater of Transco or Columbia or FTF)			<u>\$15.556592</u>		
16. Weighted Average Demand Rate (Transco, Columbia, FTF)		<u>\$15.476711</u>		<u>\$15.476711</u>	<u>\$15.476711</u>
17. D-2 Gas Cost Component per MCF (Excluding Taxes)		<u>\$7.738356</u>	<u>\$15.556592</u>	<u>\$7.738356</u>	<u>\$15.476711</u>
18. D-2 Gas Cost Component per MCF (Including Taxes)		<u>\$8.251022</u>	<u>\$16.587216</u>	<u>\$8.251022</u>	<u>\$16.502043</u>

South Jersey Gas Company
Statement of Gas Sendout
For the Projected Period October 1, 2023 through September 30, 2024

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	PURCHASES			INVENTORY VOLUMES		SENDOUT		
PERIOD	Amount	Dth	Average Rate (col 1/2)	Beginning Dth	Ending Dth	Dth (col 2+4-5)	\$	Average Rate (col 7/6)
Oct 2023	\$16,900,348	3,363,684	\$5.02436	8,956,952	9,782,028	2,538,608	\$14,811,075	\$5.83433
Nov 2023	\$21,822,370	4,964,141	\$4.39600	9,782,028	9,393,835	5,352,333	\$22,777,229	\$4.25557
Dec 2023	\$27,265,741	6,116,656	\$4.45762	9,393,835	7,981,965	7,528,527	\$30,629,362	\$4.06844
Jan 2024	\$32,403,207	7,111,916	\$4.55619	7,981,965	5,882,772	9,211,109	\$37,728,177	\$4.09594
Feb 2024	\$27,759,755	5,992,026	\$4.63278	5,882,772	3,868,763	8,006,035	\$33,138,551	\$4.13920
Mar 2024	\$24,330,459	5,587,544	\$4.35441	3,868,763	2,778,764	6,677,543	\$27,106,278	\$4.05932
Apr 2024	\$19,682,760	4,308,441	\$4.56842	2,778,764	3,653,882	3,433,323	\$16,986,414	\$4.94751
May 2024	\$16,864,061	3,332,817	\$5.06000	3,653,882	4,707,308	2,279,391	\$13,926,712	\$6.10984
Jun 2024	\$15,764,197	2,932,983	\$5.37480	4,707,308	5,769,383	1,870,908	\$12,717,187	\$6.79733
Jul 2024	\$16,773,225	3,003,031	\$5.58543	5,769,383	6,828,508	1,943,906	\$13,480,572	\$6.93479
Aug 2024	\$17,009,743	3,070,289	\$5.54011	6,828,508	7,884,833	2,013,964	\$13,649,126	\$6.77724
Sep 2024	\$16,497,942	2,998,898	\$5.50133	7,884,833	8,956,952	1,926,779	\$13,125,741	\$6.81227
TOTAL	\$253,073,810	52,782,426	\$4.79466			52,782,426	\$250,076,424	\$4.73787
BEGINNING INVENTORY	\$25,300,383	8,956,952	\$2.82466					
	\$278,374,193	61,739,378	\$4.50886					
ENDING INVENTORY	\$28,297,770	8,956,952	\$3.15931					

South Jersey Gas Company
Statement of Gas Sendout
For the Projected Period October 1, 2023 through September 30, 2024

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	PURCHASES				SENDOUT			
				Average Commodity Rate				Average Commodity Rate
PERIOD	Dth	Demand and Storage	Commodity	(col 3/1)	Dth	Demand and Storage	Commodity	(col 7/5)
Oct 2023	3,363,684	\$7,069,696	\$9,830,652	\$2.92259	2,538,608	\$7,069,696	\$7,741,379	\$3.04946
Nov 2023	4,964,141	\$7,301,210	\$14,521,160	\$2.92521	5,352,333	\$7,301,210	\$15,476,019	\$2.89145
Dec 2023	6,116,656	\$7,533,548	\$19,732,193	\$3.22598	7,528,527	\$7,533,548	\$23,095,814	\$3.06777
Jan 2024	7,111,916	\$7,552,333	\$24,850,874	\$3.49426	9,211,109	\$7,552,333	\$30,175,844	\$3.27603
Feb 2024	5,992,026	\$7,299,405	\$20,460,350	\$3.41460	8,006,035	\$7,299,405	\$25,839,146	\$3.22746
Mar 2024	5,587,544	\$7,427,758	\$16,902,701	\$3.02507	6,677,543	\$7,427,758	\$19,678,520	\$2.94697
Apr 2024	4,308,441	\$6,973,194	\$12,709,566	\$2.94992	3,433,323	\$6,973,194	\$10,013,220	\$2.91648
May 2024	3,332,817	\$7,132,199	\$9,731,862	\$2.92001	2,279,391	\$7,132,199	\$6,794,513	\$2.98085
Jun 2024	2,932,983	\$6,958,833	\$8,805,364	\$3.00219	1,870,908	\$6,958,833	\$5,758,353	\$3.07784
Jul 2024	3,003,031	\$7,207,097	\$9,566,129	\$3.18549	1,943,906	\$7,207,097	\$6,273,476	\$3.22725
Aug 2024	3,070,289	\$7,082,583	\$9,927,160	\$3.23330	2,013,964	\$7,082,583	\$6,566,542	\$3.26051
Sep 2024	2,998,898	\$6,957,748	\$9,540,194	\$3.18123	1,926,779	\$6,957,748	\$6,167,993	\$3.20119
TOTAL	52,782,426	\$86,495,606	\$166,578,204	\$3.15594	52,782,426	\$86,495,606	\$163,580,818	\$3.09915

South Jersey Gas Company
Statement of (Over) Under Recoveries of Gas Costs
For the Projected Period October 1, 2023 through September 30, 2024
Based on BGSS-Periodic Rate Effective Oct 1, 2023

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
PERIOD	RECOVERABLE COSTS			GAS COST RECOVERIES			(OVER) UNDER RECOVERY	
	GAS SENDOUT	LESS SUPPLIER REFUNDS CREDITS & Other (a)	NET RECOVERABLE COSTS (COL 1-2)	BGSS-P FIRM SALES	BGSS-MONTHLY FIRM SALES and OTHER COST RECOVERIES	TOTAL RECOVERIES (COL 4+5)	MONTHLY (OVER) UNDER RECOVERY (COL 3 &6)	CUMULATIVE (OVER) UNDER RECOVERY
BALANCE BEGINNING OCTOBER 1, 2023								\$13,865,022 ¹
Oct 2023	\$14,811,075	\$3,432,958	\$11,378,117	\$2,851,411	\$1,765,980	\$4,617,391	\$6,760,727	\$20,625,749
Nov 2023	\$22,777,229	\$9,451,773	\$13,325,456	\$5,914,525	\$3,196,163	\$9,110,689	\$4,214,767	\$24,840,516
Dec 2023	\$30,629,362	\$10,701,180	\$19,928,181	\$15,248,698	\$6,467,173	\$21,715,871	(\$1,787,689)	\$23,052,827
Jan 2024	\$37,728,177	\$12,872,359	\$24,855,818	\$24,150,040	\$10,076,565	\$34,226,605	(\$9,370,787)	\$13,682,040
Feb 2024	\$33,138,551	\$11,599,942	\$21,538,609	\$24,212,954	\$9,772,295	\$33,985,249	(\$12,446,641)	\$1,235,399
Mar 2024	\$27,106,278	\$12,148,434	\$14,957,844	\$20,223,495	\$8,372,207	\$28,595,703	(\$13,637,858)	(\$12,402,459)
Apr 2024	\$16,986,414	\$3,929,484	\$13,056,930	\$12,828,390	\$5,313,305	\$18,141,695	(\$5,084,765)	(\$17,487,224)
May 2024	\$13,926,712	\$3,868,069	\$10,058,644	\$6,070,289	\$2,978,061	\$9,048,350	\$1,010,294	(\$16,476,930)
Jun 2024	\$12,717,187	\$4,037,121	\$8,680,066	\$3,607,582	\$2,046,639	\$5,654,221	\$3,025,845	(\$13,451,086)
Jul 2024	\$13,480,572	\$4,132,665	\$9,347,907	\$3,015,337	\$2,144,107	\$5,159,444	\$4,188,464	(\$9,262,622)
Aug 2024	\$13,649,126	\$4,180,313	\$9,468,813	\$2,295,960	\$2,047,971	\$4,343,930	\$5,124,882	(\$4,137,740)
Sep 2024	\$13,125,741	\$4,167,760	\$8,957,981	\$2,851,087	\$1,969,164	\$4,820,252	\$4,137,729	(\$10)
TOTALS	\$250,076,424	\$84,522,058	\$165,554,366	\$123,269,767	\$56,149,631	\$179,419,398	(\$13,865,032)	(\$10)

¹ Represents projected (over)/under-recovery position as of Sept. 30, 2023 as shown on Schedule JGF-1

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

South Jersey Gas Company
Statement of (Over) Under Recoveries of Gas Costs
For the Projected Period October 1, 2023 through September 30, 2024
Assuming Current BGSS-Periodic Rate

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
PERIOD	RECOVERABLE COSTS			GAS COST RECOVERIES				(OVER) UNDER RECOVERY	
	GAS SENDOUT	LESS SUPPLIER REFUNDS CREDITS & OTHER (a)	NET RECOVERABLE COSTS (COL 1-2)	BGSS-P FIRM SALES	BGSS-M FIRM SALES	OTHER COST RECOVERIES	TOTAL RECOVERIES (COL 4+5+6)	MONTHLY (OVER) UNDER RECOVERY (COL 3-7)	CUMULATIVE (OVER) UNDER RECOVERY
BALANCE BEGINNING OCTOBER 1, 2023									\$13,865,022 ¹
Oct 2023	\$14,811,075	\$3,432,958	\$11,378,117	\$4,312,728	\$471,421	\$1,366,859	\$6,151,008	\$5,227,109	\$19,092,131
Nov 2023	\$22,777,229	\$9,451,773	\$13,325,456	\$8,945,657	\$928,516	\$2,393,263	\$12,267,436	\$1,058,020	\$20,150,151
Dec 2023	\$30,629,362	\$10,701,180	\$19,928,181	\$23,063,494	\$1,642,074	\$5,091,429	\$29,796,998	(\$9,868,816)	\$10,281,335
Jan 2024	\$37,728,177	\$12,872,359	\$24,855,818	\$36,526,680	\$2,737,662	\$7,743,386	\$47,007,728	(\$22,151,910)	(\$11,870,575)
Feb 2024	\$33,138,551	\$11,599,942	\$21,538,609	\$36,621,838	\$2,502,354	\$7,670,375	\$46,794,568	(\$25,255,959)	(\$37,126,534)
Mar 2024	\$27,106,278	\$12,148,434	\$14,957,844	\$30,587,823	\$2,125,017	\$6,592,273	\$39,305,113	(\$24,347,268)	(\$61,473,802)
Apr 2024	\$16,986,414	\$3,929,484	\$13,056,930	\$19,402,804	\$1,249,636	\$4,288,041	\$24,940,481	(\$11,883,551)	(\$73,357,354)
May 2024	\$13,926,712	\$3,868,069	\$10,058,644	\$9,181,248	\$798,422	\$2,300,607	\$12,280,277	(\$2,221,633)	(\$75,578,987)
Jun 2024	\$12,717,187	\$4,037,121	\$8,680,066	\$5,456,430	\$572,889	\$1,555,345	\$7,584,663	\$1,095,403	(\$74,483,584)
Jul 2024	\$13,480,572	\$4,132,665	\$9,347,907	\$4,560,665	\$857,429	\$1,359,015	\$6,777,110	\$2,570,798	(\$71,912,786)
Aug 2024	\$13,649,126	\$4,180,313	\$9,468,813	\$3,472,615	\$996,880	\$1,109,776	\$5,579,271	\$3,889,542	(\$68,023,244)
Sep 2024	\$13,125,741	\$4,167,760	\$8,957,981	\$4,312,239	\$720,075	\$1,318,486	\$6,350,800	\$2,607,181	(\$65,416,064)
TOTALS	\$250,076,424	\$84,522,058	\$165,554,366	\$186,444,221	\$15,602,375	\$42,788,856	\$244,835,452	(\$79,281,086)	

¹ Represents projected (over)/under-recovery position as of Sept. 30, 2023 as shown on Schedule JGF-1.

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

South Jersey Gas Company
Projected Normalized Sales & Services
October 1, 2023 through September 30, 2024

Summary (in Therms)

	(1)	(2)	(3)
	TOTAL SALES	TOTAL TRANSPORTATION	TOTAL THROUGHPUT
Oct 2023	9,296,608	15,245,937	24,542,544
Nov 2023	18,304,735	18,195,129	36,499,864
Dec 2023	43,764,703	23,132,119	66,896,822
Jan 2024	69,077,680	26,234,250	95,311,930
Feb 2024	68,756,753	24,939,943	93,696,696
Mar 2024	58,046,154	25,024,416	83,070,570
Apr 2024	37,014,739	19,302,143	56,316,882
May 2024	18,287,048	15,712,135	33,999,183
Jun 2024	11,232,863	16,169,807	27,402,671
Jul 2024	10,401,407	15,392,676	25,794,083
Aug 2024	8,946,362	16,419,971	25,366,334
Sep 2024	9,602,581	13,923,477	23,526,058
TOTAL	362,731,633	229,692,003	592,423,636

South Jersey Gas Company
Projected Normalized Sales
October 1, 2023 through September 30, 2024

Sales (in Therms)

	(1)	(2)	(3)	(4)
	Firm Sales		Non-Firm Sales	
	BGSS- PERIODIC	BGSS-MONTHLY		
	RSG and GSG	GSG, GSG-LV, EGS, EGS-LV, LVS, NGV	IGS	TOTAL SALES
Oct 2023	7,325,415	1,971,192	0	9,296,608
Nov 2023	15,194,709	3,110,026	0	18,304,735
Dec 2023	39,174,662	4,590,042	0	43,764,703
Jan 2024	62,042,650	7,035,030	0	69,077,680
Feb 2024	62,204,281	6,552,472	0	68,756,753
Mar 2024	51,955,163	6,090,991	0	58,046,154
Apr 2024	32,956,769	4,057,969	0	37,014,739
May 2024	15,594,874	2,692,174	0	18,287,048
Jun 2024	9,268,057	1,964,806	0	11,232,863
Jul 2024	7,746,549	2,654,858	0	10,401,407
Aug 2024	5,898,434	3,047,928	0	8,946,362
Sep 2024	7,324,585	2,277,996	0	9,602,581
TOTAL	316,686,149	46,045,484	0	362,731,633

South Jersey Gas Company
Projected Normalized Services
October 1, 2023 through September 30, 2024

Services (in Therms)

	(1)	(2)	(3)	(4)
	Firm Transportation Services			Interruptible Transportation Service (ITS)
	FTS & CTS	Customer Owned Gas	TOTAL SERVICES	ITS
Oct 2023	11,544,973	2,750,334	14,295,308	950,629
Nov 2023	14,819,904	2,230,163	17,050,068	1,145,062
Dec 2023	19,337,242	2,407,343	21,744,585	1,387,533
Jan 2024	23,052,007	2,138,408	25,190,415	1,043,835
Feb 2024	21,757,258	1,917,846	23,675,103	1,264,839
Mar 2024	20,769,058	2,783,869	23,552,927	1,471,489
Apr 2024	15,657,869	2,222,922	17,880,792	1,421,352
May 2024	11,981,033	2,630,009	14,611,043	1,101,092
Jun 2024	10,887,335	4,257,188	15,144,523	1,025,285
Jul 2024	10,493,317	3,969,145	14,462,462	930,214
Aug 2024	10,162,832	5,179,092	15,341,924	1,078,048
Sep 2024	10,787,306	2,190,840	12,978,146	945,331
TOTAL	181,250,135	34,677,161	215,927,295	13,764,708

South Jersey Gas Company
Gas Cost Recoveries Summary

	FIRM GAS COST RECOVERIES	OTHER GAS COST RECOVERIES
Oct 2023	\$3,407,038	\$1,210,353
Nov 2023	\$6,935,956	\$2,174,732
Dec 2023	\$16,977,877	\$4,737,994
Jan 2024	\$26,980,616	\$7,245,988
Feb 2024	\$26,796,612	\$7,188,638
Mar 2024	\$22,435,621	\$6,160,082
Apr 2024	\$14,162,232	\$3,979,463
May 2024	\$6,952,917	\$2,095,432
Jun 2024	\$4,276,289	\$1,377,932
Jul 2024	\$3,956,972	\$1,202,472
Aug 2024	\$3,388,657	\$955,273
Sep 2024	\$3,658,272	\$1,161,980
Total	\$139,929,059	\$39,490,339

South Jersey Gas Company
Gas Cost Recoveries

	BGSS-Periodic				BGSS-Monthly				Yard and Street Lighting			Other	Total Firm Sales	
	RSG and GSG				LVS, EGS-LV Firm, EGS-LV Limited Firm, EGS, GSG-LV, NGV									
	Applicable Recoverable Unit Gas				Gas Cost Recovery				Gas Cost Recovery			Other Cost Recoveries	Firm Sales	Gas Cost
	Sales (in Therms)	Cost	(1)	Recovery	Sales (in Therms)	Rate	(2)	Recovery	Sales (in Therms)	Rate	(2)	Recovery	(in Therms)	Recovery
Oct 2023	7,325,415	\$0.389249		\$2,851,411	1,708,048	\$0.276000		\$471,421	263,144	\$0.320000		\$84,206	9,296,608	\$4,617,391
Nov 2023	15,194,709	\$0.389249		\$5,914,525	2,819,666	\$0.329300		\$928,516	290,360	\$0.320000		\$92,915	18,304,735	\$9,110,689
Dec 2023	39,174,662	\$0.389249		\$15,248,698	4,317,840	\$0.380300		\$1,642,074	272,202	\$0.320000		\$87,105	43,764,703	\$21,715,871
Jan 2024	62,042,650	\$0.389249		\$24,150,040	6,744,670	\$0.405900		\$2,737,662	290,360	\$0.320000		\$92,915	69,077,680	\$34,226,605
Feb 2024	62,204,281	\$0.389249		\$24,212,954	6,298,400	\$0.397300		\$2,502,354	254,072	\$0.320000		\$81,303	68,756,753	\$33,985,249
Mar 2024	51,955,163	\$0.389249		\$20,223,495	5,818,775	\$0.365200		\$2,125,017	272,216	\$0.320000		\$87,109	58,046,154	\$28,595,703
Apr 2024	32,956,769	\$0.389249		\$12,828,390	3,794,825	\$0.329300		\$1,249,636	263,144	\$0.320000		\$84,206	37,014,739	\$18,141,695
May 2024	15,594,874	\$0.389249		\$6,070,289	2,429,030	\$0.328700		\$798,422	263,144	\$0.320000		\$84,206	18,287,048	\$9,048,350
Jun 2024	9,268,057	\$0.389249		\$3,607,582	1,665,374	\$0.344000		\$572,889	299,432	\$0.320000		\$95,818	11,232,863	\$5,654,221
Jul 2024	7,746,549	\$0.389249		\$3,015,337	2,391,714	\$0.358500		\$857,429	263,144	\$0.320000		\$84,206	10,401,407	\$5,159,444
Aug 2024	5,898,434	\$0.389249		\$2,295,960	2,748,496	\$0.362700		\$996,880	299,432	\$0.320000		\$95,818	8,946,362	\$4,343,930
Sep 2024	7,324,585	\$0.389249		\$2,851,087	2,005,780	\$0.359000		\$720,075	272,216	\$0.320000		\$87,109	9,602,581	\$4,820,252
Total	316,686,149			\$123,269,767	42,742,618			\$15,602,375	3,302,866			\$1,056,917	\$39,490,339	\$179,419,398

Notes:

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

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

**South Jersey Gas Company
Other Gas Cost Recoveries**

	Rider "I" Opt In BSC - Balancing Service Charges			Rider "I" Opt Out BSC - Balancing Service Charges			Rider "J" BSC - Balancing Service Charges			Non-Commodity			D-2			Total Other Gas Cost Recoveries *	
	Applicable Recoverable			Applicable Recoverable			Applicable Recoverable			Applicable Recoverable			Applicable Recoverable				
	Sales (Therms)	Unit Gas Cost	Gas Cost Recovery	Sales (Therms)	Unit Gas Cost	Gas Cost Recovery	Sales (Therms)	Unit Gas Cost	Gas Cost Recovery	Sales (Therms)	Unit Gas Cost	Gas Cost Recovery	Sales (Therms)	Unit Gas Cost	Gas Cost Recovery	Sales (Therms)	Gas Cost Recovery
Oct 2023	950,629	\$0.076761	\$72,971	10,885,467	\$0.001972	\$21,466	11,867,157	\$0.076761	\$910,935	1,446,781	\$0.136551	\$197,559	959	7.738356	7,421.08	25,150,994	1,210,352
Nov 2023	1,145,062	\$0.076761	\$87,896	11,596,477	\$0.001972	\$22,868	22,792,280	\$0.076761	\$1,749,558	2,248,160	\$0.136551	\$306,989	959	7.738356	7,421.08	37,782,938	2,174,732
Dec 2023	1,387,533	\$0.076761	\$106,508	12,482,114	\$0.001972	\$24,615	52,516,660	\$0.076761	\$4,031,231	4,161,216	\$0.136551	\$568,218	959	7.738356	7,421.08	70,548,482	4,737,993
Jan 2024	1,043,835	\$0.076761	\$80,126	12,211,278	\$0.001972	\$24,081	81,462,151	\$0.076761	\$6,253,116	6,453,594	\$0.136551	\$881,245	959	7.738356	7,421.08	101,171,817	7,245,989
Feb 2024	1,264,839	\$0.076761	\$97,090	11,174,737	\$0.001972	\$22,037	80,907,713	\$0.076761	\$6,210,557	6,236,005	\$0.136551	\$851,533	959	7.738356	7,421.08	99,584,254	7,188,638
Mar 2024	1,471,489	\$0.076761	\$112,953	12,521,235	\$0.001972	\$24,692	68,404,205	\$0.076761	\$5,250,775	5,596,741	\$0.136551	\$764,241	959	7.738356	7,421.08	87,994,630	6,160,082
Apr 2024	1,421,352	\$0.076761	\$109,104	10,912,481	\$0.001972	\$21,519	43,425,761	\$0.076761	\$3,333,405	3,720,321	\$0.136551	\$508,014	959	7.738356	7,421.08	59,480,874	3,979,463
May 2024	1,101,092	\$0.076761	\$84,521	10,432,856	\$0.001972	\$20,574	21,758,161	\$0.076761	\$1,670,178	2,290,270	\$0.136551	\$312,739	959	7.738356	7,421.08	35,583,338	2,095,433
Jun 2024	1,025,285	\$0.076761	\$78,702	10,975,384	\$0.001972	\$21,643	13,691,400	\$0.076761	\$1,050,966	1,605,263	\$0.136551	\$219,200	959	7.738356	7,421.08	27,298,290	1,377,932
Jul 2024	930,214	\$0.076761	\$71,404	11,646,819	\$0.001972	\$22,968	11,694,319	\$0.076761	\$897,668	1,486,707	\$0.136551	\$203,011	959	7.738356	7,421.08	25,759,018	1,202,472
Aug 2024	1,078,048	\$0.076761	\$82,752	12,236,604	\$0.001972	\$24,131	8,936,795	\$0.076761	\$685,997	1,134,901	\$0.136551	\$154,972	959	7.738356	7,421.08	23,387,307	955,273
Sep 2024	945,331	\$0.076761	\$72,565	10,303,974	\$0.001972	\$20,319	11,307,081	\$0.076761	\$867,943	1,418,754	\$0.136551	\$193,732	959	7.738356	7,421.08	23,976,099	1,161,980
Total	13,764,708		\$1,056,592	137,379,426		\$270,913	428,763,683		\$32,912,329	37,798,715		\$5,161,453	11,508		89,053.00	617,718,040	\$39,490,340

* All other recoveries besides Periodic and Monthly recoveries

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

1. Projected Annual Demand Costs	\$9,150,535
2. Less: Interruptible, OSS and Capacity Release Credit	(\$3,989,097)
3. Total Costs	<u>\$5,161,439</u>
4. Projected Annual Firm Sales Quantities subject to the BGSS (LVS, EGS-LV Firm, EGS-LV Limited Firm, EGS, GSG-LV, NGV)	<u>37,798,715</u> Therms
5. Monthly Non-Commodity Rate excluding Sales Tax	\$0.136551 /Therm
6. Monthly Non-Commodity Rate including Sales Tax	\$0.145598 /Therm

South Jersey Gas Company
Statement of Injections and Withdrawals - Natural Gas Inventory
For the Projected Period October 1, 2023 through September 30, 2024

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Injections		Inventory (Dth)		Withdrawals			Ending Inventory	
Period	Amount	Dth	Beginning	Ending	Sendout (Dth)	Average Relief Rate	Cost of Sendout from Storage	Ending Inventory (Dth)	Ending Inventory (\$)
Beginning Inventory								8,603,460	\$22,320,938
Oct 2023	\$1,855,474	798,435	8,603,460	9,353,536	48,359	\$2.8420	\$137,434	9,353,536	\$24,038,978
Nov 2023	\$540,745	199,530	9,353,536	8,973,343	579,722	\$2.5397	\$1,472,299	8,973,343	\$23,107,424
Dec 2023	\$474,952	156,993	8,973,343	7,591,473	1,538,863	\$2.3703	\$3,647,614	7,591,473	\$19,934,762
Jan 2024	\$526,776	156,623	7,591,473	5,562,280	2,185,816	\$2.4500	\$5,355,168	5,562,280	\$15,106,370
Feb 2024	\$533,102	164,645	5,562,280	3,573,271	2,153,654	\$2.6614	\$5,731,793	3,573,271	\$9,907,679
Mar 2024	\$457,801	164,804	3,573,271	2,500,272	1,237,803	\$2.5217	\$3,121,325	2,500,272	\$7,244,154
Apr 2024	\$3,052,297	1,090,143	2,500,272	3,260,490	329,925	\$3.0182	\$995,784	3,260,490	\$9,300,668
May 2024	\$3,048,641	1,090,226	3,260,490	4,321,816	28,900	\$2.8602	\$82,660	4,321,816	\$12,266,649
Jun 2024	\$3,134,706	1,090,225	4,321,816	5,391,791	20,250	\$2.8843	\$58,407	5,391,791	\$15,342,947
Jul 2024	\$3,390,913	1,090,225	5,391,791	6,459,016	23,000	\$2.9015	\$66,734	6,459,016	\$18,667,126
Aug 2024	\$3,467,775	1,090,225	6,459,016	7,523,241	26,000	\$2.9429	\$76,515	7,523,241	\$22,058,386
Sep 2024	\$3,434,834	1,090,225	7,523,241	8,603,460	10,006	\$2.9671	\$29,689	8,603,460	\$25,463,531

South Jersey Gas Company
2023-2024 BGSS Forecast
Calculation of Non-Firm Gas Cost Recovery Rates

	(1)	(2)	(3)	(4)	(5) (2) + (3) + (4)
	Tariff ITS \$/Thm	BGSS-Monthly w/line loss \$/Thm	NIBT \$/Thm	Taxes	Total IGS \$/Thm
Oct 2023	\$0.083600	\$0.231058	\$0.689700	\$0.061000	\$0.981758
Nov 2023	\$0.083600	\$0.271630	\$0.689700	\$0.063688	\$1.025018
Dec 2023	\$0.083600	\$0.323055	\$0.689700	\$0.067095	\$1.079850
Jan 2024	\$0.083600	\$0.348919	\$0.689700	\$0.068809	\$1.107428
Feb 2024	\$0.083600	\$0.340196	\$0.689700	\$0.068231	\$1.098127
Mar 2024	\$0.083600	\$0.307840	\$0.689700	\$0.066087	\$1.063627
Apr 2024	\$0.083600	\$0.277107	\$0.689700	\$0.064051	\$1.030858
May 2024	\$0.083600	\$0.276397	\$0.689700	\$0.064004	\$1.030101
Jun 2024	\$0.083600	\$0.291916	\$0.689700	\$0.065032	\$1.046648
Jul 2024	\$0.083600	\$0.306521	\$0.689700	\$0.066000	\$1.062221
Aug 2024	\$0.083600	\$0.310782	\$0.689700	\$0.066282	\$1.066763
Sep 2024	\$0.083600	\$0.307029	\$0.689700	\$0.066033	\$1.062762

South Jersey Gas Company
Monthly Interruptible/Off-System/Capacity Release Credits
For the Projected Period October 1, 2023 through September 30, 2024

Schedule JGF-9

	Interruptible				Capacity Release				Off-System Sales				
	Volumes (Dth)	Rate (\$/Dth)	Total Margins (\$)	85% Credit to BGSS	Volumes (Dth)	Rate (\$/Dth)	Total Margins (\$)	85% Credit to BGSS	Volumes (Dth)	Rate (\$/Dth)	Total Margins (\$)	85% Credit to BGSS	Total Credit To BGSS
				(\$)				(\$)				(\$)	
Oct 2023	95,063	\$0.83080	\$78,978	\$67,132	7,123,000	\$0.05821	\$414,611	\$352,419	935,000	\$1.10307	\$1,031,375	\$876,669	\$1,296,220
Nov 2023	114,506	\$0.83080	\$95,132	\$80,862	4,112,310	\$0.76533	\$3,147,282	\$2,675,190	1,800,000	\$1.22125	\$2,198,250	1,868,513	\$4,624,565
Dec 2023	138,753	\$0.83080	\$115,276	\$97,985	4,249,387	\$0.76533	\$3,252,172	\$2,764,346	1,860,000	\$1.20588	\$2,242,938	1,906,497	\$4,768,828
Jan 2024	104,383	\$0.83080	\$86,722	\$73,714	7,278,180	\$0.65625	\$4,776,334	\$4,059,884	1,860,000	\$1.46895	\$2,732,250	2,322,413	\$6,456,011
Feb 2024	126,484	\$0.83080	\$105,083	\$89,320	6,573,840	\$0.65627	\$4,314,182	\$3,667,054	1,680,000	\$1.53482	\$2,578,500	2,191,725	\$5,948,099
Mar 2024	147,149	\$0.83080	\$122,251	\$103,914	7,278,180	\$0.65625	\$4,776,334	\$4,059,884	1,860,000	\$1.46895	\$2,732,250	2,322,413	\$6,486,211
Apr 2024	142,135	\$0.83080	\$118,086	\$100,373	6,963,000	\$0.05919	\$412,165	\$350,340	950,000	\$1.08118	\$1,027,125	873,056	\$1,323,769
May 2024	110,109	\$0.83080	\$91,479	\$77,757	7,195,100	\$0.05863	\$421,820	\$358,547	935,000	\$1.10307	\$1,031,375	876,669	\$1,312,973
Jun 2024	102,528	\$0.83080	\$85,181	\$72,404	6,963,000	\$0.05919	\$412,165	\$350,340	950,000	\$1.08118	\$1,027,125	873,056	\$1,295,800
Jul 2024	93,021	\$0.83080	\$77,282	\$65,690	7,195,100	\$0.05863	\$421,820	\$358,547	935,000	\$1.10307	\$1,031,375	876,669	\$1,300,906
Aug 2024	107,805	\$0.83080	\$89,564	\$76,130	7,195,100	\$0.05863	\$421,821	\$358,548	935,000	\$1.10307	\$1,031,375	876,669	\$1,311,347
Sep 2024	94,533	\$0.83080	\$78,538	\$66,757	6,963,000	\$0.05848	\$407,186	\$346,108	950,000	\$1.08118	\$1,027,125	873,056	\$1,285,921
Total	1,376,471	\$0.83080	\$1,143,572	\$972,038	79,089,197	\$0.29306	\$23,177,891	\$19,701,207	15,650,000	\$1.25821	\$19,691,063	\$16,737,405	\$37,410,650

South Jersey Gas Company
Statement of Annual Reconciliation of Gas Costs and Recoveries
For the Period October 1, 2022 through September 30, 2023

Period	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	
	Recoverable Costs			Gas Cost Recoveries					(Over) Under Recovery		
	Gas Sendout	Less Supplier Refunds, Credits & Other (a)	Net Recoverable Costs (1-2)	From Firm Sales			Non Firm Sales	Total Recoveries (6+7)	Monthly (Over)Under Recovery (3-8)	Cumulative (Over) Under Recovery	
				Periodic	Monthly	Total					
Under-recovery at October 1, 2022											
Oct-22	\$17,229,633	\$5,016,123	\$12,213,510	\$5,919,756	\$2,332,012	\$8,251,768	\$148,573	\$8,400,341	\$3,813,168	\$39,915,206	(b)
Nov-22	\$36,046,886	\$16,416,415	\$19,630,471	\$12,063,063	\$3,849,258	\$15,912,321	\$82,681	\$15,995,001	\$3,635,469	\$43,728,375	
Dec-22	\$58,515,669	\$19,618,449	\$38,897,220	\$27,676,177	\$6,722,067	\$34,398,244	\$94,380	\$34,492,625	\$4,404,595	\$47,363,844	
Jan-23	\$41,917,125	\$12,697,474	\$29,219,652	\$37,782,069	\$9,121,387	\$46,903,456	\$146,102	\$47,049,558	(\$17,829,906)	\$51,768,439	
Feb-23	\$36,609,851	\$9,696,032	\$26,913,819	\$31,462,732	\$7,819,530	\$39,282,261	(\$199,438)	\$39,082,823	(\$12,169,004)	\$33,938,533	
Mar-23	\$29,142,466	\$8,979,869	\$20,162,597	\$25,180,985	\$6,054,592	\$31,235,577	\$22,438	\$31,258,016	(\$11,095,419)	\$21,769,529	
Apr-23	\$14,942,211	\$3,546,656	\$11,395,555	\$15,182,581	\$4,383,375	\$19,565,956	\$78,485	\$19,644,441	(\$8,248,886)	\$10,674,110	
May-23	\$13,342,274	\$3,072,904	\$10,269,369	\$9,059,037	\$2,731,248	\$11,790,285	\$92,051	\$11,882,336	(\$1,612,967)	\$2,425,224	
Jun-23	\$12,253,354	\$3,092,351	\$9,161,003	\$5,484,915	\$1,918,887	\$7,403,802	\$85,714	\$7,489,515	(\$1,612,967)	\$812,257	
Jul-23	\$12,871,522	\$3,207,086	\$9,664,436	\$4,273,798	\$1,858,573	\$6,132,371	\$77,766	\$6,210,137	\$1,671,488	\$2,483,745	
Aug-23	\$13,104,351	\$3,292,947	\$9,811,404	\$3,527,559	\$1,800,103	\$5,327,662	\$90,125	\$5,417,787	\$3,454,299	\$5,938,044	
Sep-23	\$12,958,305	\$3,298,463	\$9,659,842	\$4,260,969	\$1,786,483	\$6,047,452	\$79,030	\$6,126,482	\$4,393,617	\$10,331,661	
	\$298,933,647	\$91,934,770	\$206,998,877	\$181,873,641	\$50,377,514	\$232,251,155	\$797,907	\$233,049,062	\$3,533,361	\$13,865,021	
									(\$26,050,185)		

Interest Expense (Sch JGF-14) \$0
Opening Balance (Sch JGF-3) \$13,865,021

* Forecast

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

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

South Jersey Gas Company
Statement of Combined Gas Sendout
For the Period October 1, 2022 through September 30, 2023

	(1)	(2)	(3=2/1)	(4)	(5)	(6)	(7=6/5)	(8)	(9)	(10=9/8)
	Purchases			Inventory				Sendout		
Period	Dth's	Amount	Average Rate	Beginning	Ending	Ending Amount	Average Rate	Dth's	Amount	Average Rate
Beginning Inventory					7,764,012	\$54,476,662	\$7.0166			
Oct-22	3,128,212	\$22,323,667	\$7.1362	7,764,012	8,659,575	\$59,570,697	\$6.8792	2,232,649	\$17,229,633	\$7.71713
Nov-22	4,902,760	\$32,932,489	\$6.7171	8,659,575	8,268,698	\$56,456,300	\$6.8277	5,293,637	\$36,046,886	\$6.80947
Dec-22	5,861,019	\$49,162,602	\$8.3881	8,268,698	6,885,651	\$47,103,233	\$6.8408	7,244,066	\$58,515,669	\$8.07774
Jan-23	4,253,238	\$28,534,475	\$6.7089	6,885,651	4,970,102	\$33,720,583	\$6.7847	6,168,787	\$41,917,125	\$6.79504
Feb-23	3,577,398	\$23,722,123	\$6.6311	4,970,102	3,096,360	\$20,832,855	\$6.7282	5,451,140	\$36,609,851	\$6.71600
Mar-23	3,875,974	\$19,269,856	\$4.9716	3,096,360	1,655,700	\$10,960,245	\$6.6197	5,316,634	\$29,142,466	\$5.48138
Apr-23	3,212,113	\$16,794,540	\$5.2285	1,655,700	2,867,119	\$12,812,574	\$4.4688	2,000,694	\$14,942,211	\$7.46851
May-23 *	3,785,055	\$16,018,127	\$4.2319	2,867,119	4,309,339	\$15,488,427	\$3.5942	2,342,835	\$13,342,274	\$5.69493
Jun-23 *	3,047,129	\$14,344,095	\$4.7074	4,309,339	5,431,440	\$17,579,167	\$3.2366	1,925,028	\$12,253,354	\$6.36529
Jul-23 *	3,121,821	\$15,238,964	\$4.8814	5,431,440	6,561,236	\$19,946,609	\$3.0401	1,992,025	\$12,871,522	\$6.46153
Aug-23 *	3,303,880	\$15,770,506	\$4.7733	6,561,236	7,754,050	\$22,612,765	\$2.9163	2,111,066	\$13,104,351	\$6.20746
Sep-23 *	3,178,734	\$15,645,924	\$4.9221	7,754,050	8,956,952	\$25,300,383	\$2.8247	1,975,832	\$12,958,305	\$6.55840
	<u>45,247,333</u>	<u>\$269,757,368</u>						<u>44,054,393</u>	<u>\$298,933,647</u>	

*Forecast

South Jersey Gas Company
Statement of Combined Gas Sendout
For the Period October 1, 2022 through September 30, 2023

	(1)	(2)	(3)	(4=3/1)	(5)	(6)	(7)	(8)	(9=7+8/5)
	Purchases				Sendout				
				Average Commodity Rate					Average Commodity Rate
Period	Dth's	Demand & Storage	Commodity	\$/dth	Dth's	Demand & Storage	Commodity	Other Commodity Costs	\$/dth
Oct-22	3,128,212	\$7,698,436	\$14,625,231	\$4.6753	2,232,649	\$7,698,436	\$10,199,510	(\$668,313)	\$4.2690
Nov-22	4,902,760	\$6,990,100	\$25,922,068	\$5.2872	5,293,637	\$6,990,100	\$28,281,096	\$775,690	\$5.4890
Dec-22	5,861,019	\$7,182,879	\$41,849,147	\$7.1403	7,244,066	\$7,182,879	\$51,087,337	\$245,452	\$7.0862
Jan-23	4,253,238	\$7,187,829	\$21,307,624	\$5.0097	6,168,787	\$7,187,829	\$34,173,103	\$556,194	\$5.6298
Feb-23	3,577,398	\$6,854,171	\$16,813,958	\$4.7001	5,451,140	\$6,854,171	\$29,150,028	\$605,652	\$5.4586
Mar-23	3,875,974	\$7,063,571	\$12,159,776	\$3.1372	5,316,634	\$7,063,571	\$20,759,243	\$1,319,652	\$4.1528
Apr-23	3,212,113	\$6,698,968	\$10,083,308	\$3.1392	2,000,694	\$6,698,968	\$7,745,374	\$497,870	\$4.1202
May-23	* 3,785,055	\$6,856,273	\$9,161,855	\$2.4205	2,342,835	\$6,856,273	\$6,486,001	\$0	\$2.7684
Jun-23	* 3,047,129	\$6,659,676	\$7,684,419	\$2.5219	1,925,028	\$6,659,676	\$5,593,679	\$0	\$2.9058
Jul-23	* 3,121,821	\$6,908,706	\$8,330,257	\$2.6684	1,992,025	\$6,908,706	\$5,962,816	\$0	\$2.9933
Aug-23	* 3,303,880	\$6,787,723	\$8,982,784	\$2.7189	2,111,066	\$6,787,723	\$6,316,628	\$0	\$2.9922
Sep-23	* 3,178,734	\$6,963,220	\$8,682,704	\$2.7315	1,975,832	\$6,963,220	\$5,995,085	\$0	\$3.0342
	<u>45,247,333</u>	<u>\$83,851,550</u>	<u>\$185,603,130</u>	<u>\$4.1020</u>	<u>44,054,393</u>	<u>\$83,851,550</u>	<u>\$211,749,899</u>	<u>\$3,332,198</u>	<u>\$4.8822</u>

* Forecast

South Jersey Gas Company
Monthly Interruptible/Off-System/Capacity Release Credits
For the Period October 1, 2022 through September 30, 2023

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
									Adelphia Contract					
Period	Interruptible				Capacity Releases				**Additional 15% Credit To BGSS	Off System Sales				Total Credit To BGSS
	Volumes Dths	Average Rate	Total Amount	Credit 85% To BGSS	Volumes Dths	Average Rate	Total Amount	Credit 85% To BGSS		Volumes Dths	Average Rate	Total Amount	Credit 85% To BGSS	
Oct-22	185,685	\$0.8001	\$148,573	\$126,287	8,736,069	\$0.0445	\$388,948	\$330,606	\$ -	542,657	\$2.7429	\$1,488,454	\$1,265,186	\$1,722,079
Nov-22	132,487	\$0.6241	\$82,681	\$70,279	8,121,400	\$0.5312	\$4,314,396	\$3,667,236	\$ -	1,995,115	\$1.1718	\$2,337,786	\$1,987,118	\$5,724,633
Dec-22	136,106	\$0.6934	\$94,380	\$80,223	7,838,980	\$0.6069	\$4,757,767	\$4,044,102	\$ -	1,540,588	\$2.6973	\$4,155,489	\$3,532,165	\$7,656,491
Jan-23	164,830	\$0.8864	\$146,102	\$124,187	8,605,496	\$0.5481	\$4,716,655	\$4,009,157	\$ -	1,361,995	\$2.5761	\$3,508,642	\$2,982,346	\$7,115,689
Feb-23	140,095	(\$1.4236)	(199,438)	(169,522)	8,082,391	\$0.5484	\$4,432,084	\$3,767,271	\$ -	1,231,179	\$2.4537	\$3,020,946	\$2,567,804	\$6,165,553
Mar-23	(15,721)	(\$1.4272)	\$22,438	\$19,072	7,623,659	\$0.5556	\$4,235,963	\$3,600,569	\$ -	1,246,784	\$2.5788	\$3,215,229	\$2,732,944	\$6,352,585
Apr-23	90,754	\$0.8648	\$78,485	\$66,712	8,860,840	\$0.1040	\$921,868	\$783,588	\$ 171,549	324,540	\$5.6984	\$1,849,349	\$1,571,946	\$2,593,795
May-23	* 110,109	\$0.8308	\$91,479	\$77,757	7,195,100	\$0.0586	\$421,820	\$358,547	\$ 4,380	935,000	\$1.1031	\$1,031,375	\$876,669	\$1,317,353
Jun-23	* 102,528	\$0.8308	\$85,181	\$72,404	6,963,000	\$0.0592	\$412,165	\$350,340	\$ 4,380	950,000	\$1.0812	\$1,027,125	\$873,056	\$1,300,180
Jul-23	* 93,021	\$0.8308	\$77,282	\$65,690	7,195,100	\$0.0586	\$421,820	\$358,547	\$ 4,380	935,000	\$1.1031	\$1,031,375	\$876,669	\$1,305,286
Aug-23	* 107,805	\$0.8308	\$89,564	\$76,130	7,195,100	\$0.0586	\$421,821	\$358,548	\$ 4,380	935,000	\$1.1031	\$1,031,375	\$876,669	\$1,315,726
Sep-23	* 94,533	\$0.8308	\$78,538	\$66,757	6,963,000	\$0.0585	\$407,186	\$346,108	\$ 4,380	950,000	\$1.0812	\$1,027,125	\$873,056	\$1,290,302
	1,342,232	\$0.5925	\$795,266	\$675,976	93,380,135	\$0.2769	\$25,852,493	\$21,974,619	\$193,449	12,947,858	\$1.9095	\$24,724,269	\$21,015,628	\$43,859,672

* Forecast

** Per April 2023 Order, for the period September 1, 2022 to September 30, 2023, the Company agreed to credit BGSS customers with all capacity release credits or off-system sales margins (including the Company's 15% share) derived from the use of pipeline capacity under the contract between the Company and Adelphia Gateway, LLC.

South Jersey Gas Company
Gas Costs Recovered Through Sales
For the Period October 1, 2022 through September 30, 2023

Period	Firm					Total Amount Credited To BGSS	
	Periodic		Monthly		Total		
	<u>Dth</u>	<u>\$</u>	<u>Dth</u>	<u>\$</u>	<u>Dth</u>		
Oct-22	945,124	\$5,919,756	149,248	\$2,480,585	1,094,373	\$8,400,341	
Nov-22	1,631,374	\$12,063,063	313,631	\$3,931,939	1,945,005	\$15,995,001	
Dec-22	3,753,852	\$27,676,177	374,787	\$6,816,448	4,128,639	\$34,492,625	
Jan-23	5,132,773	\$37,782,069	504,795	\$9,267,489	5,637,568	\$47,049,558	
Feb-23	4,273,785	\$31,462,732	475,571	\$7,620,092	4,749,355	\$39,082,823	
Mar-23	3,804,181	\$25,180,985	447,059	\$6,077,030	4,251,240	\$31,258,016	
Apr-23	2,581,939	\$15,182,581	445,341	\$4,461,860	3,027,280	\$19,644,441	
May-23	*	1,538,729	\$9,059,037	261,791	\$2,823,300	1,800,520	\$11,882,336
Jun-23	*	931,644	\$5,484,915	205,713	\$2,004,601	1,137,357	\$7,489,515
Jul-23	*	725,929	\$4,273,798	265,607	\$1,936,339	991,536	\$6,210,137
Aug-23	*	599,176	\$3,527,559	312,198	\$1,890,228	911,374	\$5,417,787
Sep-23	*	723,750	\$4,260,969	230,499	\$1,865,512	954,249	\$6,126,482
TOTAL	26,642,256	\$181,873,641	3,986,240	\$51,175,421	30,628,496	\$233,049,062	

* Forecast

South Jersey Gas Company
Gas Costs Recovered Through Sales
For the Period October 1, 2022 through September 30, 2023

Period	Non-Firm						Total Amount Credited To BGSS	
	IGS		ITS		Total			
	Dth	\$	Dth	\$	Dth	\$		
Oct-22	-	\$0	185,685	\$148,573	185,685	\$148,573	\$8,400,341	
Nov-22	-	\$0	132,487	\$82,681	132,487	\$82,681	\$15,995,001	
Dec-22	-	\$0	136,106	\$94,380	136,106	\$94,380	\$34,492,625	
Jan-23	-	\$0	164,830	\$146,102	164,830	\$146,102	\$47,049,558	
Feb-23	-	\$0	140,095	(\$199,438)	140,095	(\$199,438)	\$39,082,823	
Mar-23	-	\$0	(15,721)	\$22,438	(15,721)	\$22,438	\$31,258,016	
Apr-23	-	\$0	90,754	\$78,485	90,754	\$78,485	\$19,644,441	
May-23	*	-	\$0	110,109	\$92,051	110,109	\$92,051	\$11,882,336
Jun-23	*	-	\$0	102,528	\$85,714	102,528	\$85,714	\$7,489,515
Jul-23	*	-	\$0	93,021	\$77,766	93,021	\$77,766	\$6,210,137
Aug-23	*	-	\$0	107,805	\$90,125	107,805	\$90,125	\$5,417,787
Sep-23	*	-	\$0	94,533	\$79,030	94,533	\$79,030	\$6,126,482
TOTAL		-	\$0	1,342,232	\$797,907	1,342,232	\$797,907	\$233,049,062

* Forecast

South Jersey Gas Company
Computation of Interest on Cumulative (Over) Under Recovery
For the Period October 1, 2022 through September 30, 2023

Period	Under/(Over) Beginning	Under/(Over) Ending	Under/(Over) Average Balance	Monthly Interest Rate (a)	Computed Interest (Expense)	Cumulative Computed Interest (Expense)
Oct-22	\$39,915,206	\$43,728,375	\$41,821,790	0.5750%	\$240,484	\$240,484
Nov-22	\$43,728,375	\$47,363,844	\$45,546,109	0.5750%	\$261,900	\$502,384
Dec-22	\$47,363,844	\$51,768,439	\$49,566,141	0.5750%	\$285,016	\$787,400
Jan-23	\$51,768,439	\$33,938,533	\$42,853,486	0.5775%	\$247,479	\$1,034,879
Feb-23	\$33,938,533	\$21,769,529	\$27,854,031	0.5775%	\$160,857	\$1,195,736
Mar-23	\$21,769,529	\$10,674,110	\$16,221,819	0.5775%	\$93,681	\$1,289,417
Apr-23	\$10,674,110	\$2,425,224	\$6,549,667	0.5775%	\$37,824	\$1,327,242
May-23	* \$2,425,224	\$812,257	\$1,618,740	0.5775%	\$9,348	\$1,336,590
Jun-23	* \$812,257	\$2,483,745	\$1,648,001	0.5775%	\$9,517	\$1,346,107
Jul-23	* \$2,483,745	\$5,938,044	\$4,210,894	0.5775%	\$24,318	\$1,370,425
Aug-23	* \$5,938,044	\$10,331,661	\$8,134,852	0.5775%	\$46,979	\$1,417,404
Sep-23	* \$10,331,661	\$13,865,021	\$12,098,341	0.5775%	\$69,868	\$1,487,272

* Forecast

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

South Jersey Gas Company
Statement of Injections and Withdrawals - Natural Gas Inventory
For the Period October 1, 2022 through September 30, 2023

Period	Injections		Inventory (Dth's)		Withdrawals			Ending Inventory	
	Dth's	Amount	Beginning	Ending	Sendout	Average Rate	Cost of Sendout from Storage	Ending Inventory (Dth's)	Ending Inventory (\$)
Beginning Inventory								7,431,978	\$51,504,730
Oct-22	947,651	\$5,229,488	7,431,978	8,260,485	119,144	\$6.70985	\$799,439	8,260,485	\$55,934,779
Nov-22	312,195	\$1,581,664	8,260,485	7,876,320	696,360	\$6.73754	\$4,691,754	7,876,320	\$52,824,689
Dec-22	280,097	\$1,976,871	7,876,320	6,577,431	1,578,986	\$6.72524	\$10,619,058	6,577,431	\$44,182,502
Jan-23	231,390	\$1,008,617	6,577,431	4,670,914	2,137,907	\$6.70563	\$14,336,005	4,670,914	\$30,855,113
Feb-23	94,225	\$276,985	4,670,914	2,820,035	1,945,104	\$6.66815	\$12,970,253	2,820,035	\$18,161,845
Mar-23	78,723	\$173,938	2,820,035	1,386,617	1,512,141	\$6.61819	\$10,007,642	1,386,617	\$8,328,141
Apr-23	1,216,724	\$1,923,105	1,386,617	2,516,627	86,714	\$4.49576	\$389,845	2,516,627	\$9,861,401
May-23	* 1,582,800	\$3,034,702	2,516,627	3,923,847	146,499	\$3.59603	\$526,815	3,923,847	\$12,369,289
Jun-23	* 1,170,610	\$2,191,499	3,923,847	5,053,848	20,250	\$3.34184	\$67,672	5,053,848	\$14,493,116
Jul-23	* 1,181,600	\$2,474,152	5,053,848	6,191,744	23,000	\$3.10063	\$71,314	6,191,744	\$16,895,953
Aug-23	* 1,248,569	\$2,777,567	6,191,744	7,392,458	26,000	\$2.96125	\$76,992	7,392,458	\$19,596,528
Sep-23	* 1,242,925	\$2,753,327	7,392,458	8,603,460	10,006	\$2.88996	\$28,917	8,603,460	\$22,320,938

* Forecast

South Jersey Gas Company
Statement of Injections and Withdrawals - LNG Inventory
For the Period October 1, 2022 through September 30, 2023

Period	Injections		Liquefier Costs	Inventory (Dth's)		Withdrawals			Ending Inventory	
	Dth's	Amount	Amount	Beginning	Ending	Dth's	Average Relief Rate	Amount	Ending Inventory (Dth's)	Ending Inventory (\$)
Beginning Inventory									332,034	\$2,971,932
Oct-22	71,288	\$524,052	\$195,368	332,034	399,090	4,232	\$9.15237	\$38,733	399,090	\$3,652,619
Nov-22	-	\$0	\$41,114	399,090	392,378	6,712	\$9.25539	\$62,122	392,378	\$3,631,611
Dec-22	-	\$0	\$86,612	392,378	308,220	84,158	\$9.47612	\$797,492	308,220	\$2,920,731
Jan-23	-	\$0	\$31,242	308,220	299,188	9,032	\$9.57749	\$86,504	299,188	\$2,865,470
Feb-23	-	\$0	\$26,538	299,188	276,325	22,863	\$9.66619	\$220,998	276,325	\$2,671,010
Mar-23	-	\$0	\$31,933	276,325	269,083	7,242	\$9.78175	\$70,839	269,083	\$2,632,104
Apr-23	85,658	\$147,340	\$207,505	269,083	350,492	4,249	\$8.42008	\$35,777	350,492	\$2,951,172
May-23	* 42,000	\$92,605	\$132,000	350,492	385,492	7,000	\$8.09132	\$56,639	385,492	\$3,119,138
Jun-23	* -	\$0	\$31,480	385,492	377,592	7,900	\$8.17298	\$64,567	377,592	\$3,086,052
Jul-23	* -	\$0	\$31,480	377,592	369,492	8,100	\$8.25635	\$66,876	369,492	\$3,050,655
Aug-23	* -	\$0	\$31,480	369,492	361,592	7,900	\$8.34155	\$65,898	361,592	\$3,016,237
Sep-23	* -	\$0	\$31,480	361,592	353,492	8,100	\$8.42861	\$68,272	353,492	\$2,979,445

* Forecast

South Jersey Gas Company
Statement of Historical Service Interruptions
For the Period October 1, 2022 through September 30, 2023

Schedule JGF-16

IGS				
	# OF	# OF	Economic/	
	DAYS	CUSTOMERS	Operational	
OCT. 2022	0	0		
NOV. 2022	0	0		
DEC. 2022	0	0		
JAN. 2023	0	0		
FEB. 2023	0	0		
MAR. 2023	0	0		
APR. 2023	0	0		
MAY 2023	0	0		
JUNE 2023	0	0		
JULY 2023	0	0		
AUG 2023	0	0		
SEPT 2023	0	0		

IGS RETAIL # 6				
	# OF	# OF	Economic/	
	DAYS	CUSTOMERS	Operational	
OCT. 2022	0	0		
NOV. 2022	0	0		
DEC. 2022	0	0		
JAN. 2023	0	0		
FEB. 2023	0	0		
MAR. 2023	0	0		
APR. 2023	0	0		
MAY 2023	0	0		
JUNE 2023	0	0		
JULY 2023	0	0		
AUG 2023	0	0		
SEPT 2023	0	0		

IGS RETAIL # 4				
	# OF	# OF	Economic/	
	DAYS	CUSTOMERS	Operational	
OCT. 2022	0	0		
NOV. 2022	0	0		
DEC. 2022	0	0		
JAN. 2023	0	0		
FEB. 2023	0	0		
MAR. 2023	0	0		
APR. 2023	0	0		
MAY 2023	0	0		
JUNE 2023	0	0		
JULY 2023	0	0		
AUG 2023	0	0		
SEPT 2023	0	0		

IGS RETAIL # 2				
	# OF	# OF	Economic/	
	DAYS	CUSTOMERS	Operational	
OCT. 2022	0	0		
NOV. 2022	0	0		
DEC. 2022	0	0		
JAN. 2023	0	0		
FEB. 2023	0	0		
MAR. 2023	0	0		
APR. 2023	0	0		
MAY 2023	0	0		
JUNE 2023	0	0		
JULY 2023	0	0		
AUG 2023	0	0		
SEPT 2023	0	0		

CTS (ITS)				
	# OF	# OF	Economic/	
Date	DAYS	CUSTOMERS	Operational	
OCT. 2022	0	0		
NOV. 2022	0	0		
DEC. 2022	23 1	52	Economical	
	24 1	52	Economical	
	25 1	52	Economical	
	26 1	0	Economical	
JAN. 2023	0	0		
FEB. 2023	3 1	50	Economical	
	4 1	50	Economical	
MAR. 2023	0	0		
APR. 2023	0	0		
MAY 2023	0	0		
JUNE 2023	0	0		
JULY 2023	0	0		
AUG 2023	0	0		
SEPT 2023	0	0		

LVS-FT (ITS)				
	# OF	# OF	Economic/	
Date	DAYS	CUSTOMERS	Operational	
OCT. 2022	0	0		
NOV. 2022	0	0		
DEC. 2022	23 1	26	Economical	
	24 1	26	Economical	
	25 1	26	Economical	
	26 1	26	Economical	
JAN. 2023	0	0		
FEB. 2023	3 1	27	Economical	
	4 1	27	Economical	
MAR. 2023	0	0		
APR. 2023	0	0		
MAY 2023	0	0		
JUNE 2023	0	0		
JULY 2023	0	0		
AUG 2023	0	0		
SEPT 2023	0	0		

IGS INDUST. 6				
	# OF	# OF	Economic/	
Date	DAYS	CUSTOMERS	Operational	
OCT. 2022	0.0	0		
NOV. 2022	0.0	0		
DEC. 2022	0.0	0		
JAN. 2023	0.0	0		
FEB. 2023	0.0	0		
MAR. 2023	0.0	0		
APR. 2023	0.0	0		
MAY 2023	0.0	0		
JUNE 2023	0.0	0		
JULY 2023	0.0	0		
AUG 2023	0.0	0		
SEPT 2023	0.0	0		

IGS INDUST. 2				
	# OF	# OF	Economic/	
Date	DAYS	CUSTOMERS	Operational	
OCT. 2022	0.0	0		
NOV. 2022	0.0	0		
DEC. 2022	0.0	0		
JAN. 2023	0.0	0		
FEB. 2023	0.0	0		
MAR. 2023	0.0	0		
APR. 2023	0.0	0		
MAY 2023	0.0	0		
JUNE 2023	0.0	0		
JULY 2023	0.0	0		
AUG 2023	0.0	0		
SEPT 2023	0.0	0		

EGS-LV				
	# OF	# OF	Economic/	
Date	DAYS	CUSTOMERS	Operational	
JUNE 2020	0	0		
JULY 2020	0	0		
AUG. 2020	0	0		
SEP. 2020	0	0		
OCT. 2022	0	0		
NOV. 2022	0	0		
DEC. 2022	23 1	6	Economical	
	24 1	6	Economical	
	25 1	6	Economical	
	26 1	6	Economical	
JAN. 2023	0	0		
FEB. 2023	3 1	6	Economical	
	4 1	6	Economical	
MAR. 2023	0	0		
APR. 2023	0	0		
MAY 2023	0	0		
JUNE 2023	0	0		
JULY 2023	0	0		
AUG 2023	0	0		
SEPT 2023	0	0		

FES				
	# OF	# OF	Economic/	
Date	DAYS	CUSTOMERS	Operational	
JUNE 2020	0	0		
JULY 2020	0	0		
AUG. 2020	0	0		
SEP. 2020	0	0		
OCT. 2022	0	0		
NOV. 2022	0	0		
DEC. 2022	23 1	1	Economical	
	24 1	1	Economical	
	25 1	1	Economical	
	26 1	1	Economical	
JAN. 2023	0	0		
FEB. 2023	3 1	1	Economical	
	4 1	1	Economical	
MAR. 2023	0	0		
APR. 2023	0	0		
MAY 2023	0	0		
JUNE 2023	0	0		
JULY 2023	0	0		
AUG 2023	0	0		
SEPT 2023	0	0		

ITS				
	# OF	# OF	Economic/	
Date	DAYS	CUSTOMERS	Operational	
JUNE 2020	0	0		
JULY 2020	0	0		
AUG. 2020	0	0		
SEP. 2020	0	0		
OCT. 2022	0	0		
NOV. 2022	0	0		
DEC. 2022	23 1	5	Economical	
	24 1	5	Economical	
	25 1	5	Economical	
	26 1	5	Economical	
JAN. 2023	0	0		
FEB. 2023	3 1	4	Economical	
	4 1	4	Economical	
MAR. 2023	0	0		
APR. 2023	0	0		
MAY 2023	0	0		
JUNE 2023	0	0		
JULY 2023	0	0		
AUG 2023	0	0		
SEPT 2023	0	0		

LVCS				
	# OF	# OF	Economic/	
Date	DAYS	CUSTOMERS	Operational	
JUNE 2020	0.0	0		
JULY 2020	0.0	0		
AUG. 2020	0.0	0		
SEP. 2020	0.0	0		
OCT. 2022	0.0	0		
NOV. 2022	0.0	0		
DEC. 2022	23 1.0	2	Economical	
	24 1.0	2	Economical	
	25 1.0	2	Economical	
	26 1.0	2	Economical	
JAN. 2023	0.0	0		
FEB. 2023	3 1	2	Economical	
	4 1	2	Economical	
MAR. 2023	0.0	0		
APR. 2023	0.0	0		
MAY 2023	0.0	0		
JUNE 2023	0.0	0		
JULY 2023	0.0	0		
AUG 2023	0.0	0		
SEPT 2023	0.0	0		

SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 14 - GAS

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

RESIDENTIAL SERVICE (RSG)

APPLICABLE TO USE OF SERVICE FOR:

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

CHARACTER OF SERVICE Firm Sales Service and Firm Transportation Service.

MONTHLY RATE: ⁽¹⁾

Customer Charge: \$10.502563 per month

Delivery Charge:

(a) Residential Non-Heating Customers
Firm Sales Service and Firm Transportation Service \$1.~~205269~~-200935 per therm

(b) Residential Heating Customers
Firm Sales Service and Firm Transportation Service \$1.~~183015~~-178681 per therm

Basic Gas Supply Service ("BGSS") Charge:

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

APPLICABLE RIDERS:

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

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

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

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

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

Issued _____
by South Jersey Gas Company,
B. Schomber, 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. 14 - GAS

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

GENERAL SERVICE (GSG)

APPLICABLE TO USE OF SERVICE FOR:

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

CHARACTER OF SERVICE:

Firm Sales Service or Firm Transportation Service.

MONTHLY RATE: ⁽¹⁾

Customer Charge:

\$40.496175 per month

Delivery Charges:

Firm Sales Service and Firm Transportation Service \$.~~996069~~991736 per therm

Basic Gas Supply Service ("BGSS") Charge:

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

LINE LOSS:

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

APPLICABLE RIDERS:

Basic Gas Supply Service Clause:	BGSS charges are depicted in Rider "A" of this Tariff.
Transportation Initiation Clause:	The rates set forth above have been adjusted, as is appropriate, pursuant to Rider "C" of this Tariff.
Societal Benefits Clause:	The rates set forth above have been adjusted, as is appropriate, pursuant to Rider "E" of this Tariff.
Temperature Adjustment Clause:	The rates set forth above have been adjusted, as is appropriate, pursuant to Rider "F" of this Tariff.

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

Issued _____
by South Jersey Gas Company,
B. Schomber, President

Effective with service rendered
on and after _____

Filed pursuant to Order in Docket No. _____ of the Board of
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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 14 - GAS

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

GENERAL SERVICE – LARGE VOLUME (GSG-LV)

APPLICABLE TO USE OF SERVICE FOR:

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

CHARACTER OF SERVICE:

Firm Sales Service or Firm Transportation Service.

MONTHLY RATE: ⁽¹⁾

Customer Charge:

\$264.003500 per month

Delivery Charges:

Firm Sales Service and Firm Transportation Service⁽²⁾

Demand Charge:

D-1FT: \$14.199998 per Mcf of Contract Demand

Volumetric Charge:

~~\$.592537~~ \$.588203 per therm

Basic Gas Supply Service ("BGSS") Charge:

All consumption for customers who elect
Firm Sales Service

See Rider "A" of this Tariff.

LINE LOSS:

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

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

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

Issued _____
by South Jersey Gas Company,
B. Schomber, President

Effective with service rendered
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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 14 - GAS

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

COMPREHENSIVE TRANSPORTATION SERVICE (CTS)

(Continued)

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

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

- (p) The receipt of gas by the Company for transportation under this Rate Schedule CTS shall equal the delivery of said gas to the customer on a daily basis, less a percentage for line loss. The line loss factor to be utilized will by the Company-wide line loss percentage.
- (q) Customers subscribing to this Rate Schedule CTS may elect the "opt-out" provision provided for in the Standard Gas Service Agreement (LV). Such an "opt-out" customer will have no right or entitlement to have base load gas provided by the Company. Provided, however, that a customer electing the "opt-out" provision shall be eligible to receive balancing services from the Company pursuant to appropriate rate schedules and riders. In the case that an "opt-out" customer cannot provide for its capacity, gas supply, or both, the customer must either discontinue the use of base load gas or have it provided by South Jersey at the incremental price. The incremental price charged to an "opt-out" customer shall be the sum of: (1) the highest commodity cost of gas paid by the Company during the month in which the "opt-out" customer uses "Company" gas; and (2) the higher of the cost of incremental capacity needed to serve the returning "opt-out" customer or the system weighted average cost of capacity, plus other charges which must be paid by customers eligible for South Jersey's Monthly BGSS charge. The incremental price will be charged to the customer until the effective date of a new Standard Gas Service Agreement.
- (r) An "opt-out" customer will become eligible to purchase base load gas from the Company or transport gas without "opt-out" status, upon six months' notice to the Company of intention to no longer be an "opt-out" customer, provided that prior to the expiration of the six month notice period, the customer shall have entered into a new Standard Gas Service Agreement which includes the customer's agreement to purchase base load gas or transport without an "opt-out" status for a term of not less than one year. Upon the effective date of the new Standard Gas Service Agreement, which shall be no sooner than the end of the six month period in said notice, the customer shall no longer be obligated to pay the incremental prices set forth above. However, said customer will then be obligated to pay the higher balancing charge of ~~\$0.86180~~ \$1846 per Dt, including taxes. The Company will not have the right to waive this six month notice requirement.

Issued _____
by South Jersey Gas Company,
B. Schomber, 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. 14 - GAS

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

LARGE VOLUME SERVICE (LVS)

APPLICABLE TO USE OF SERVICE FOR:

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

CHARACTER OF SERVICE:

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

MONTHLY RATE: ⁽¹⁾

Firm:

Customer Charge:

\$1,225.003963 per month

Delivery Charge:

Firm Sales Service and Firm Transportation Service

Demand Charge:

D-1FT: \$22.000043 per Mcf of Contract Demand

Volumetric Charge:

\$.175661 per therm

Basic Gas Supply Service ("BGSS") Charge:

Demand Charge:

D-2: \$16.~~496647~~502043 per Mcf of Contract Demand.

Volumetric Charge:

See Rider "A" of this Tariff.

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

Issued _____
by South Jersey Gas Company,
B. Schomber, President

Effective with service rendered
on and after _____

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 14 - GAS

**Second Revised Sheet No. 30
Superseding First Revised Sheet No. 30**

LARGE VOLUME SERVICE (LVS)

(Continued)

- (l) A Firm Transportation Service customer scheduling gas for delivery may not schedule less than one dekatherm of gas for delivery under this Rate Schedule LVS on any day. All scheduling must be done in whole number dekatherms and not in fractions thereof.
- (m) The BGSS D-2 Demand Charge will equal the Company's system weighted average interstate pipeline demand charge plus the system weighted average gas reservation charge both as of October 1 of each year. The BGSS D-2 Demand Charge is subject to annual adjustment, to be made in the same proceeding in which the Company's annual Periodic BGSS Rate is established for the BGSS Year pursuant to Rider "A" of this Tariff. The BGSS D-2 Demand Charge shall not be less than the sum of the following: (1) the demand charge invoiced by Transcontinental Gas Pipe Line Corporation for its FT service; (2) the Pipeline Capacity Factor; and (3) one dollar (\$1.00) per Dt.
- (n) The Pipeline Capacity Factor will recover the difference between the Company's system weighted average pipeline demand cost and the demand cost of Transcontinental Gas Pipe Line Corporation's FT charge.
- (o) Customers subscribing to this Rate Schedule LVS may elect the "opt-out" provision provided for in the Standard Gas Service Agreement (LV). Such an "opt-out" customer will have no right or entitlement to have base load gas provided by the Company. Provided, however, that a customer electing the "opt-out" provision shall be eligible to receive balancing services from the Company pursuant to appropriate rate schedules and riders. In the case that an "opt-out" customer cannot provide for its capacity, gas supply, or both, the customer must either discontinue the use of base load gas or have it provided by South Jersey at the incremental price. The incremental price charged to an "opt-out" customer shall be the sum of: (1) the highest commodity cost of gas paid by the Company during the month in which the "opt-out" customer uses "Company" gas; and (2) the higher of the cost of incremental capacity needed to serve the returning "opt-out" customer or the system weighted average cost of capacity, plus other charges which must be paid by customers eligible for South Jersey's Monthly BGSS charge. The incremental price will be charged to the customer until the effective date of a new Standard Gas Service Agreement.
- (p) An "opt-out" customer will become eligible to purchase base load gas from the Company, or transport gas without "opt-out" status, upon six months' notice to the Company of intention to no longer be an "opt-out" customer, provided that prior to the expiration of the six month notice period, the customer shall have entered into a new Standard Gas Service Agreement which includes the customer's agreement to purchase base load gas or transport without an "opt-out" status for a term of not less than one year. Upon the effective date of the six month period in said notice, the customer shall no longer be obligated to pay the incremental prices set forth above. However, said customer will then be obligated to pay the higher balancing charge of ~~\$0.86180~~ \$1.846 per Dt, including taxes. The Company will not have the right to waive this six month notice requirement.

Issued _____
by South Jersey Gas Company,
B. Schomber, 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. 14 - GAS

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

FIRM ELECTRIC SERVICE (FES)

APPLICABLE TO USE OF SERVICE FOR:

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

CHARACTER OF SERVICE:

Firm Sales Service and Firm Transportation Service.

MONTHLY RATE ^{(1) (2)}

WINTER (November – March):

Demand Charge:

- D-1 \$3.089100 per Mcf of Winter Daily Contract Demand
D-2 \$8.~~248323~~ 251022 per Mcf of Daily Billing Determinant or \$0 for Firm Transportation

customers

Volumetric Charge:

- C-1: \$.129293 per therm of consumption
C-2: FES Monthly Commodity Rate, pursuant to Rider "A" and Special Provision (x), OR
Customer Owned Gas Clause, Rider "D"
C-3: \$.173700 per therm of consumption
C-4: Escalator Rate – Charge may change monthly pursuant to Standard Gas Service Addendum.
Minimum Bill: The monthly D-1 and D-2 charges, irrespective of use.

SUMMER (April – October):

Demand Charge:

- D-1 \$3.089100 per Mcf of Summer Daily Contract Demand
D-2 \$8.~~248323~~ 251022 per Mcf of Daily Billing Determinant or \$0 for Firm Transportation

customers

Volumetric Charge:

- C-1: \$.129293 per therm of consumption
C-2: FES Monthly Commodity Rate, pursuant to Rider "A" and Special Provision (x), OR
Customer Owned Gas Clause, Rider "D"
C-3: \$.173700 per therm of consumption
C-4: Escalator Rate – Charge may change monthly pursuant to Standard Gas Service Addendum.

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

⁽²⁾ Please refer to Special Provision (p)

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 14 - GAS

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

ELECTRIC GENERATION SERVICE (EGS)

APPLICABLE TO USE OF SERVICE FOR:

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

CHARACTER OF SERVICE:

Firm Sales Service and Firm Transportation Service

MONTHLY RATE: ⁽¹⁾⁽²⁾

Residential Customer Charge:

\$10.502563 per month

Residential Delivery Charge

Residential Volumetric Charge: \$.~~388989~~384655 per therm

Commercial and Industrial Customer Charge:

\$91.996050 per month

Commercial and Industrial Delivery Charge:

Commercial and Industrial Demand Charge:

D-1 Charge: \$9.750003 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

\$.~~375857~~371523 per therm

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

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

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 14 - GAS

**Fourth Revised Sheet No. 39
Superseding Third 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

~~\$.343869~~ \$.339535 per therm

Basic Gas Supply Service ("BGSS") Charge:

Applicable to customers who elect Firm Sales Service

See Rider "A" of this Tariff.

LINE LOSS:

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

APPLICABLE RIDERS:

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

TERMS OF PAYMENT:

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

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 14 - GAS

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

ELECTRIC GENERATION SERVICE – LARGE VOLUME (EGS-LV)

APPLICABLE TO USE OF SERVICE FOR:

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

CHARACTER OF SERVICE:

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

MONTHLY RATE: ⁽¹⁾

Customer Charge:

\$874.996738 per month

FIRM:

Demand Charges: ⁽²⁾

D-1 \$29.441185 per Mcf of Firm Daily Contract Demand.

D-2 \$16.~~579139~~587216 per Mcf of Firm Daily Contract Demand or \$0 for Firm Transportation customers.

Volumetric Charge:

C-1: \$.110408 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.~~248323~~251022 per Mcf of Limited Firm Daily Contract Demand or \$0 for Limited Firm Transportation customers

Volumetric Charge: ⁽²⁾

C-1: \$.110408 per therm of consumption

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

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

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

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

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 14 - GAS

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

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

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

- (o) An “opt-out” customer will become eligible to purchase base load gas from the Company, or transport gas without “opt-out” status upon six months’ notice to the Company of intention to no longer be an “opt-out” customer. It will not be necessary for an EGS-LV “opt-out” customer to execute a new Standard Gas Service Agreement in order to purchase base load gas from the Company or transport gas without “opt-out” status. However, the customer must commit to purchase base load gas or transport gas without “opt-out” status for a minimum of one year. At the end of the six month period specified in said notice, the customer shall no longer be obligated to pay the incremental prices set forth above. However, said customer will then be obligated to pay the higher balancing charge of \$0.~~86180~~ 81846 per Dt, including taxes. The Company will not have the right to waive this six month notice requirement.
- (p) Customer shall contract for service under the Company’s Standard Gas Service Agreement (EGS).

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 14 - GAS

Eighth Revised Sheet No. 65
Superseding Seventh Revised Sheet No. 65

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

APPLICABLE TO:

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

APPLICABLE RATES:

Periodic BGSS Subrider (Effective ~~March 1, 2023~~ _____):

<u>Rate Schedule</u>	<u>BGSS Rate Before Taxes (per therm)</u>	<u>BGSS Rate With Taxes (per therm)</u>
RSG	\$0. 588735 <u>389249</u>	\$0. 627739 <u>415037</u>
GSG (under 5,000 therms)	\$0. 588735 <u>389249</u>	\$0. 627739 <u>415037</u>

Monthly BGSS Subrider (Effective May 1, 2023):

<u>Rate Schedule</u>	<u>BGSS Rate Before Taxes (per therm)</u>	<u>BGSS Rate With Taxes (per therm)</u>
LVS C-2	\$0.301075	\$0.321021
FES	\$0.204068	\$0.217588
EGS	\$0.350247	\$0.373451
EGS-LV Firm C-2	\$0.300829	\$0.320759
EGS-LV Limited Firm C-2	\$0.325661	\$0.347236
GSG-LV	\$0.350247	\$0.373451
GSG (5,000 therms or greater)	\$0.350247	\$0.373451
NGV	\$0.350247	\$0.373451

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

FILING:

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

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on and after _____

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 14 - GAS

**First Revised Sheet No. 66
Superseding Original Sheet No. 66**

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

PERIODIC BGSS SUBRIDER

The Company shall make an annual Periodic BGSS rate filing by no later than June 1st of each year, proposing a Periodic BGSS rate to be effective on or about the following October 1st. The Company shall have the discretion to file for two self-implementing rate increases, effective December 1st and February 1st, to its Periodic BGSS rate approved in the same BGSS Year. The purpose of each Periodic BGSS filing, shall be to recover gas costs pursuant to this Rider "A" and to achieve a zero or near-zero deferred balance by the following September 30.

Each self-implementing rate increase will be subject to a cap which will limit the increase so that the benchmark residential bill, using 100 therms, will not increase by more than five percent (5%). The self-implementing rate increases shall be pre-conditioned upon written notice by the Company to the BPU Staff and to the Division of Rate Counsel, given no later than November 1 and January 1, of the intention to implement a self-implementing rate increase on or about December 1 and February 1, respectively. The Company shall provide in its written notice the approximate amount of the self-implementing rate increase, based upon then current market data. The Company shall have the discretion to implement a bill credit or a refund at any time during the BGSS Year with five (5) days notice to the BPU Staff and the Division of Rate Counsel. The Company shall have the discretion to file a self-implementing rate reduction without a cap at any time during the BGSS Year with ~~two (2) weeks~~ five (5) days notice to the BPU Staff and the Division of Rate Counsel.

The notice of filing and of public hearing in the annual BGSS proceedings shall include the specific rate change proposed to be implemented on October 1st and a paragraph indicating that such proposed rates may be subject to self-implementing rate increases on or about the next December 1st and February 1st, subject to the 5% maximum caps for each of the two self-implementing increases. The notice shall also include the impact of such potential increases on a benchmark 100 therm residential bill.

The annual Periodic BGSS filing shall contain, but not be limited to, the following:

- (1) A reconciliation of actual versus estimated costs and revenues from the last Board approved rate change for commodity costs, storage costs, and interstate transportation costs, including the costs and results of any supplies set by hedges;
- (2) Projected rates supported by projected volumes, revenues, and commodity costs, transportation costs, storage costs and transaction costs, including the cost of supplies set by hedges;
- (3) Deferred balances and the timeframe over which they are proposed to be collected or returned;
- (4) A written explanation of the circumstances that caused the deferred balances in (3) above; and
- (5) A written explanation of any significant activities or trends which may affect costs for the prospective period.
- (6) Updated tariff sheets to reflect any change to the Periodic BGSS rate.

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 14 - GAS

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

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

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

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

MONTHLY FORMULA:

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

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

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

D-2 Deduction	
<u>Rate Schedule</u>	<u>Including Taxes</u>
LVS	<u>\$.052430052447</u>
EGS-LV Firm	<u>\$.052692052718</u>
EGS-LV Limited Firm	<u>\$.026215026224</u>

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 14 - GAS

**First Revised Sheet No. 69
Superseding Original Sheet No. 69**

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

SPECIAL PROVISIONS:

- (1) The self-implementing Periodic BGSS and Monthly BGSS rate filings will be self-implementing compliance filings. The implementation of the rates will not require any further Order of the Board.
- (2) Each self-implementing BGSS rate change will be posted on the Company's website within four (4) working days of its submission to the Board. Each other BGSS rate change will be posted on the Company's website within four (4) working days of receipt of a written order from the Board, approving such rate change.
- (3) Updated tariff sheets to reflect any change to the Monthly BGSS rate.
- (4) Interest shall be passed on to customers through the Periodic BGSS rate at the beginning of each BGSS Year succeeding any BGSS Year in which any monthly gas cost overrecovery has taken place. Any debit or credit balance in the separate deferred revenue or cost of gas accounts shall be determined monthly. Monthly interest shall be calculated on the average of the current and prior months' ending cumulative deferred revenue or cost of gas balances. Interest on such gas costs shall be calculated utilizing the Company's Board-allowed overall rate of return as the same shall be in effect from time to time.
- (5) ~~For the transition to the Monthly BGSS, the Company will estimate its net deferred balance as of March 1, 2003. Any underrecovery balance associated with Monthly BGSS customers will be collected over a period of up to twelve months based upon the estimated Firm Sales for the period. At the end of this period, if there is a remaining deferred cost balance to be recovered from the Monthly BGSS customers, the rate component used to recover such balance in the prior twelve month period shall be continued into future months until the deferred balance becomes positive as an overrecovery, which then will be transferred to the Periodic BGSS mechanism. "Left blank intentionally."~~
- (6) Gas costs and related recoveries from the Monthly BGSS will flow to the deferred balance in the Periodic BGSS mechanism.
- (7) As used in this Tariff, BGSS Year shall mean a twelve (12) month period commencing October 1 and ending September 30.
- (8) "Left blank intentionally."
- (9) As used in this Rider "A" the term "Monthly Threshold" shall mean an annualized usage of 5,000 therms or more. A customer has the right to request a review for reclassification from monthly back to Periodic BGSS pricing. The Company shall review, once each year, Rate Schedule GSG customers' usage and anytime at the request of an individual customer, for the most recent calendar year to determine which customer(s) meet the Monthly Threshold. If appropriate, the customer will be returned to Periodic BGSS billing.

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 14 - GAS

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

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

APPLICABLE TO:

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

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

MONTHLY RATE:

Volumetric Charge:

BS-1: \$0.~~002718~~002103 per therm for all gas delivered under Rate Schedules LVS, EGS-LV, FES, NGV and CTS who "opt-out" as provided for in the Standard Gas Service Agreements (LV), (FES) and (EGS).

BS-1: \$0.~~086180~~081846 per therm for all gas delivered under Rate Schedules GSG-LV, EGS, and under Rate Schedules LVS, EGS-LV, FES, NGV and CTS who do not "opt-out", including Firm Sales Service customers

Cash-Out Charges and Credits:

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

DEFINITIONS:

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

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 14 - GAS

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

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

APPLICABLE TO:

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

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

MONTHLY RATE:

Volumetric Charge:

BS-1: \$.~~086180~~ 081846 per therm for all gas delivered under the applicable rate schedules in addition to the following:

DCQ AND BUY-OUT CHARGE:

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

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

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

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

Page 1

RESIDENTIAL GAS SERVICE (RSG) - NONHEAT CUSTOMER

	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<u>CUSTOMER CHARGE</u>		9.850000		0.652563	10.502563
<u>DELIVERY CHARGE (per therm):</u>					
Base Rate		0.897170		0.059438	0.956608
TIC	C	0.000229	0.000000	0.000015	0.000244
SBC:					
RAC	E, G	0.050674	0.000000	0.003357	0.054031
CLEP	E, K	0.029336	0.000000	0.001944	0.031280
USF	E	<u>0.015600</u>	<u>0.000000</u>	<u>0.001000</u>	<u>0.016600</u>
Total SBC		0.095610	0.000000	0.006301	0.101911
CIP	M	0.048609	0.000000	0.003220	0.051829
EET	N	0.025681	0.000000	0.001701	0.027382
2017 Tax Act	H	(0.017668)	(0.000044)	(0.001173)	(0.018885)
Balancing Service Charge BS-1	J	0.076761	0.000000	0.005085	0.081846
Balancing Service Charge BUY-OUT PRICE (Applicable to Transportation Customers Only)	J				Rate Set Monthly
TOTAL DELIVERY CHARGE		1.126392	(0.000044)	0.074588	1.200935
<u>BGSS: (Applicable To Sales Customers Only)</u>	A	0.389249	0.000000	0.025788	0.415037

SOUTH JERSEY GAS COMPANY
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RESIDENTIAL GAS SERVICE (RSG) - HEAT CUSTOMER					
	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<u>CUSTOMER CHARGE</u>		9.850000		0.652563	10.502563
<u>DELIVERY CHARGE (per therm):</u>					
Base Rate		0.897170		0.059438	0.956608
TIC	C	0.000229	0.000000	0.000015	0.000244
SBC:					
RAC	E, G	0.050674	0.000000	0.003357	0.054031
CLEP	E, K	0.029336	0.000000	0.001944	0.031280
USF	E	<u>0.015600</u>	<u>0.000000</u>	<u>0.001000</u>	<u>0.016600</u>
Total SBC		0.095610	0.000000	0.006301	0.101911
CIP	M	0.027737	0.000000	0.001838	0.029575
EET	N	0.025681	0.000000	0.001701	0.027382
2017 Tax Act	H	(0.017668)	(0.000044)	(0.001173)	(0.018885)
Balancing Service Charge BS-1	J	0.076761	0.000000	0.005085	0.081846
Balancing Service Charge BUY-OUT PRICE (Applicable to Transportation Customers Only)	J				Rate Set Monthly
Total Delivery Charge		1.105520	(0.000044)	0.073206	1.178681
<u>BGSS: (Applicable To Sales Customers Only)</u>	A	0.389249	0.000000	0.025788	0.415037

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GENERAL SERVICE (GSG)					
	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
CUSTOMER CHARGE		37.980000		2.516175	40.496175
<u>DELIVERY CHARGE (per therm):</u>					
Base Rate		0.723187		0.047911	0.771098
TIC	C	0.000229	0.000000	0.000015	0.000244
SBC:					
RAC	E, G	0.050674	0.000000	0.003357	0.054031
CLEP	E, K	0.029336	0.000000	0.001944	0.031280
USF	E	<u>0.015600</u>	<u>0.000000</u>	<u>0.001000</u>	<u>0.016600</u>
Total SBC		0.095610	0.000000	0.006301	0.101911
CIP	M	0.026392	0.000000	0.001748	0.028140
EET	N	0.025681	0.000000	0.001701	0.027382
2017 Tax Act	H	(0.017668)	(0.000044)	(0.001173)	(0.018885)
Balancing Service Charge BS-1	J	0.076761	0.000000	0.005085	0.081846
Balancing Service Charge BUY-OUT PRICE (Applicable to Transportation Customers Only)	J				Rate Set Monthly
Total Delivery Charge		0.930192	(0.000044)	0.061589	0.991736
<u>BGSS: (Applicable To Sales Customers Only using less than 5,000 therms annually)</u>	A	0.389249	0.000000	0.025788	0.415037
<u>BGSS: (Applicable To Sales Customers Only using 5,000 therms annually or greater)</u>	A				RATE SET MONTHLY

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<u>GENERAL SERVICE-LV (GSG-LV)</u>					
	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<u>CUSTOMER CHARGE</u>		247.600000		16.403500	264.003500
<u>D-1 Demand Charge (Mcf)</u>		13.317700		0.882298	14.199998
<u>DELIVERY CHARGE (per therm):</u>					
Base Rate		0.359109		0.023791	0.382900
TIC	C	0.000229	0.000000	0.000015	0.000244
SBC:					
RAC	E, G	0.050674	0.000000	0.003357	0.054031
CLEP	E, K	0.029336	0.000000	0.001944	0.031280
USF	E	<u>0.015600</u>	<u>0.000000</u>	<u>0.001000</u>	<u>0.016600</u>
Total SBC		0.095610	0.000000	0.006301	0.101911
CIP	M	0.012009	0.000000	0.000796	0.012805
EET	N	0.025681	0.000000	0.001701	0.027382
2017 Tax Act	H	(0.017668)	(0.000044)	(0.001173)	(0.018885)
Balancing Service Charge BS-1	J	0.076761	0.000000	0.005085	0.081846
Balancing Service Charge BUY-OUT PRICE (Applicable to Transportation Customers Only)	J				Rate Set Monthly
Total Delivery Charge		0.551731	(0.000044)	0.036517	0.588203
<u>BGSS: (Applicable Sales Customers Only)</u>	A				RATE SET MONTHLY

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COMPREHENSIVE TRANSPORTATION SERVICE (CTS)

	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<u>FIRM</u>					
<u>CUSTOMER CHARGE</u>		820.630000		54.366738	874.996738
<u>D-1 Demand Charge (Mcf)</u>		34.701100		2.298948	37.000048
<u>DELIVERY CHARGE (per therm):</u>					
Base Rate		0.091136		0.006038	0.097174
SBC:					
RAC	E, G	0.050674	0.000000	0.003357	0.054031
CLEP	E, K	0.029336	0.000000	0.001944	0.031280
USF	E	<u>0.015600</u>	<u>0.000000</u>	<u>0.001000</u>	<u>0.016600</u>
Total SBC		0.095610	0.000000	0.006301	0.101911
EET	N	0.025681	0.000000	0.001701	0.027382
2017 Tax Act	H	(0.017668)	(0.000044)	(0.001173)	(0.018885)
Total Delivery Charge		0.194759	(0.000044)	0.012867	0.207582
Balancing Service Charge BS-1	I	0.076761	0.000000	0.005085	0.081846
Balancing Service Charge BS-1 (Opt Out Provision)	I	0.001972	0.000000	0.000131	0.002103
BUY-OUT PRICE					RATE SET MONTHLY
<u>LIMITED FIRM</u>					
<u>CUSTOMER CHARGE</u>		500.000000		33.125000	533.125000
<u>DELIVERY CHARGE (per therm):</u>					
Base Rate		0.058400		0.003900	0.062300
SBC:					
RAC	E, G	0.050674	0.000000	0.003357	0.054031
CLEP	E, K	0.029336	0.000000	0.001944	0.031280
USF	E	<u>0.015600</u>	<u>0.000000</u>	<u>0.001000</u>	<u>0.016600</u>
Total SBC		0.095610	0.000000	0.006301	0.101911
EET	N	0.025681	0.000000	0.001701	0.027382
2017 Tax Act	H	(0.017668)	(0.000044)	(0.001173)	(0.018885)
Total Delivery Charge		0.162023	(0.000044)	0.010729	0.172708
Balancing Service Charge BS-1	I	0.076761	0.000000	0.005085	0.081846
Balancing Service Charge BS-1 (Opt Out Provision)	I	0.001972	0.000000	0.000131	0.002103
BUY-OUT PRICE					RATE SET MONTHLY

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LARGE VOLUME SERVICE (LVS)

	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<u>FIRM</u>					
<u>CUSTOMER CHARGE</u>		1,148.890000		76.113963	1,225.003963
<u>D-1 Demand Charge (Mcf)</u>		20.633100		1.366943	22.000043
<u>D-2 DEMAND BGSS(Applicable to Sales Customers Only)</u>	A	15.476711	0.000000	1.025332	16.502043
<u>DELIVERY CHARGE (per therm):</u>					
Base Rate		0.061199		0.004054	0.065253
SBC:					
RAC	E, G	0.050674	0.000000	0.003357	0.054031
CLEP	E, K	0.029336	0.000000	0.001944	0.031280
USF	E	<u>0.015600</u>	<u>0.000000</u>	<u>0.001000</u>	<u>0.016600</u>
Total SBC		0.095610	0.000000	0.006301	0.101911
EET	N	0.025681	0.000000	0.001701	0.027382
2017 Tax Act	H	(0.017668)	(0.000044)	(0.001173)	(0.018885)
Total Delivery Charge		0.164822	(0.000044)	0.010883	0.175661
Balancing Service Charge BS-1	I	0.076761	0.000000	0.005085	0.081846
Balancing Service Charge BS-1 (Opt Out Provision) (Applicable to Transportation Customers Only)	I	0.001972	0.000000	0.000131	0.002103
Balancing Service Charge CASH OUT CHARGE (CREDIT) (Applicable Transportaton Customers Only)	I				RATE SET MONTHLY
<u>BGSS: (Applicable Sales Customers Only)</u>	A				RATE SET MONTHLY
<u>LIMITED FIRM</u>					
<u>CUSTOMER CHARGE</u>		500.000000		33.125000	533.125000
<u>DELIVERY CHARGE (per therm):</u>					
Base Rate		0.148587		0.009844	0.158431
SBC:					
RAC	E, G	0.050674	0.000000	0.003357	0.054031
CLEP	E, K	0.029336	0.000000	0.001944	0.031280
USF	E	<u>0.015600</u>	<u>0.000000</u>	<u>0.001000</u>	<u>0.016600</u>
Total SBC		0.095610	0.000000	0.006301	0.101911
EET	N	0.025681	0.000000	0.001701	0.027382
2017 Tax Act	H	(0.017668)	(0.000044)	(0.001173)	(0.018885)
Total Delivery Charge		0.252210	(0.000044)	0.016673	0.268839
Balancing Service Charge BS-1	I	0.076761	0.000000	0.005085	0.081846
Balancing Service Charge BS-1 (Opt Out Provision) (Applicable to Transportation Customers Only)	I	0.001972	0.000000	0.000131	0.002103
BUY-OUT PRICE	I				RATE SET MONTHLY

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FIRM ELECTRIC SALES (FES)					
	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<u>WINTER</u>					
<u>D-1 DEMAND (MCF) (Rate is negotiated. Shown here is the benchmark rate.)</u>		2.897200		0.191900	3.089100
<u>D-2 DEMAND BGSS(MCF) (Applicable to Sales Customers Only)</u>	A	7.738356	0.000000	0.512666	8.251022
<u>DELIVERY CHARGE (per therm):</u>					
SBC:					
RAC	E, G	0.050674	0.000000	0.003357	0.054031
CLEP	E, K	0.029336	0.000000	0.001944	0.031280
USF	E	<u>0.015600</u>	<u>0.000000</u>	<u>0.001000</u>	<u>0.016600</u>
Total SBC		0.095610	0.000000	0.006301	0.101911
EET	N	0.025681	0.000000	0.001701	0.027382
Total Delivery Charge		0.121291	0.000000	0.008002	0.129293
<u>C-3 All Therms (Rate is negotiated. Shown here is the benchmark rate.)</u>		0.162900		0.010800	0.173700
<u>C-4 Escalator Rate (To be determined as prescribed in the Company's Tariff)</u>					RATE SET MONTHLY
Balancing Service Charge CASH OUT CHARGE (CREDIT) (Applicable to Firm Transportatin Customers Only)	I				RATE SET MONTHLY
<u>BGSS: (Applicable To Sales Customers Only)</u>	A				RATE SET MONTHLY
<u>SUMMER</u>					
<u>D-1 DEMAND (MCF) (Rate is negotiated. Shown here is the benchmark rate.)</u>		2.897200		0.191900	3.089100
<u>D-2 DEMAND BGSS(MCF) (Applicable to Sales Customers Only)</u>	A	7.738356	0.000000	0.512666	8.251022
SBC:					
RAC	E, G	0.050674	0.000000	0.003357	0.054031
CLEP	E, K	0.029336	0.000000	0.001944	0.031280
USF	E	0.015600	0.000000	0.001000	0.016600
EET	N	0.025681	0.000000	0.001701	0.027382
Total Delivery Charge		0.121291	0.000000	0.008002	0.129293
<u>C-3 All Therms (Rate is negotiated. Shown here is the benchmark rate.)</u>		0.162900		0.010800	0.173700
<u>C-4 Escalator Rate (To be determined as prescribed in the Company's Tariff)</u>					RATE SET MONTHLY
Balancing Service Charge CASH OUT CHARGE (CREDIT) (Applicable to Firm Transportatin Customers Only)	I				RATE SET MONTHLY
<u>BGSS: (Applicable To Sales Customers Only)</u>	A				RATE SET MONTHLY

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ELECTRIC GENERATION SERVICE (EGS) - RESIDENTIAL

	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<u>CUSTOMER CHARGE</u>		9.850000		0.652563	10.502563
<u>DELIVERY CHARGE (per therm):</u>					
Base Rate		0.180446		0.011955	0.192401
SBC:					
RAC	E, G	0.050674	0.000000	0.003357	0.054031
CLEP	E, K	0.029336	0.000000	0.001944	0.031280
USF	E	<u>0.015600</u>	<u>0.000000</u>	<u>0.001000</u>	<u>0.016600</u>
Total SBC		0.095610	0.000000	0.006301	0.101911
EET	N	0.025681	0.000000	0.001701	0.027382
2017 Tax Act	H	(0.017668)	(0.000044)	(0.001173)	(0.018885)
Balancing Service Charge BS-1	J	0.076761	0.000000	0.005085	0.081846
Total Delivery Charge		0.360830	(0.00004)	0.023870	0.384655
<u>BGSS: (Applicable To Sales Customers Only)</u>	A	0.389249	0.000000	0.025788	0.415037

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ELECTRIC GENERATION SERVICE (EGS) - COMMERCIAL/INDUSTRIAL					
	RIDER	RATE	PUA	NJ SALES TAX	TARIFF RATE
CUSTOMER CHARGE		86.280000		5.716050	91.996050
D-1 DEMAND (MCF)		9.144200		0.605803	9.750003
DELIVERY CHARGE (per therm):					
Base Rate - Winter Season (Nov - Mar)		0.168130		0.011139	0.179269
Base Rate - Summer Season (Apr - Oct)		0.138130		0.009151	0.147281
SBC:					
RAC	E, G	0.050674	0.000000	0.003357	0.054031
CLEP	E, K	0.029336	0.000000	0.001944	0.031280
USF	E	0.015600	0.000000	0.001000	0.016600
Total SBC		0.095610	0.000000	0.006301	0.101911
EET	N	0.025681	0.000000	0.001701	0.027382
2017 Tax Act	H	(0.017668)	(0.000044)	(0.001173)	(0.018885)
Balancing Service Charge BS-1	J	0.076761	0.000000	0.005085	0.081846
Total Delivery Charge - Winter Season		0.348514	(0.000044)	0.023054	0.371523
Total Delivery Charge - Summer Season		0.318514	(0.000044)	0.021066	0.339535
BGSS: (Applicable To Sales Customers Only)	A				RATE SET MONTHLY

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<u>ELECTRIC GENERATION SERVICE-LV (EGS-LV)</u>					
	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
FIRM					
CUSTOMER CHARGE		820.630000		54.366738	874.996738
D-1 DEMAND (MCF) (Rate is negotiated. Shown here is the benchmark rate.)		27.611897		1.829288	29.441185
D-2 DEMAND BGSS (MCF) (Applicable to Sales Customers Only)	A	15.556592	0.000000	1.030624	16.587216
DELIVERY CHARGE (per therm):					
SBC:					
RAC	E, G	0.050674	0.000000	0.003357	0.054031
CLEP	E, K	0.029336	0.000000	0.001944	0.031280
USF	E	<u>0.015600</u>	<u>0.000000</u>	<u>0.001000</u>	<u>0.016600</u>
		0.095610	0.000000	0.006301	0.101911
EET	N	0.025681	0.000000	0.001701	0.027382
2017 Tax Act	H	(0.017668)	(0.000044)	(0.001173)	(0.018885)
Total Delivery Charge		0.103623	(0.000044)	0.006829	0.110408
Balancing Service Charge BS-1	I	0.076761	0.000000	0.005085	0.081846
Balancing Service Charge BS-1 (Opt Out Provision)	I	0.001972	0.000000	0.000131	0.002103
Balancing Service Charge CASH OUT CHARGE (CREDIT) (Applicable to Firm Transportatin Customers Only)	I				RATE SET MONTHLY
BGSS: (Applicable To Sales Customers Only)	A				RATE SET MONTHLY
LIMITED FIRM					
D-2 DEMAND BGSS(MCF) (Applicable to Sales Customers Only)	A	7.738356	0.000000	0.512666	8.251022
DELIVERY CHARGE (per therm):					
SBC:					
RAC	E, K	0.050674	0.000000	0.003357	0.054031
CLEP	E, G	0.029336	0.000000	0.001944	0.031280
USF	E	<u>0.015600</u>	<u>0.000000</u>	<u>0.001000</u>	<u>0.016600</u>
		0.095610	0.000000	0.006301	0.101911
EET	N	0.025681	0.000000	0.001701	0.027382
2017 Tax Act	H	(0.017668)	(0.000044)	(0.001173)	(0.018885)
Total Delivery Charge		0.103623	(0.000044)	0.006829	0.110408
C-3 (Rate is negotiated. Shown here is the benchmark rate.)		0.162900		0.010800	0.173700
Balancing Service Charge BS-1	I	0.076761	0.000000	0.005085	0.081846
Balancing Service Charge BS-1 (Opt Out Provision)	I	0.001972	0.000000	0.000131	0.002103
Balancing Service Charge CASH OUT CHARGE (CREDIT) (Applicable to Firm Transportatin Customers Only)	I				RATE SET MONTHLY
BGSS: (Applicable To Sales Customers Only)	A				RATE SET MONTHLY

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<u>YARD LIGHTING SERVICE (YLS)</u>					
	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
MONTHLY CHARGE / INSTALL		15.686433		1.039226	16.725659
<u>STREET LIGHTING SERVICE (SLS)</u>					
MONTHLY CHARGE / INSTALL		18.866868		1.249930	20.116798
<u>INTERRUPTIBLE GAS SALES (IGS)</u>					
Commodity					Rate Set Monthly
SBC:					
RAC	E, K	0.050674	0.000000	0.003357	0.054031
USF	E	0.015600	0.000000	0.001000	0.016600
Total SBC:		0.066274	0.000000	0.004357	0.070631
EET	N	0.025681	0.000000	0.001701	0.027382

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<u>INTERRUPTIBLE TRANSPORTATION (ITS)</u>					
	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<u>CUSTOMER CHARGE</u>		500.000000		33.125000	533.125000
<u>TRANSPORTATION CHARGE A</u>		0.078400		0.005200	0.083600
SBC:					
RAC	E, K	0.050674	0.000000	0.003357	0.054031
CLEP	E, G	0.029336	0.000000	0.001944	0.031280
USF	E	<u>0.015600</u>	<u>0.000000</u>	<u>0.001000</u>	<u>0.016600</u>
Total SBC:		0.095610	0.000000	0.006301	0.101911
EET	N	0.025681	0.000000	0.001701	0.027382
<u>TRANSPORTATION CHARGE B</u>		0.143200		0.009500	0.152700
SBC:					
RAC	E, K	0.050674	0.000000	0.003357	0.054031
CLEP	E, G	0.029336	0.000000	0.001944	0.031280
USF	E	<u>0.015600</u>	<u>0.000000</u>	<u>0.001000</u>	<u>0.016600</u>
Total SBC:		0.095610	0.000000	0.006301	0.101911
EET	N	0.025681	0.000000	0.001701	0.027382
<u>TRANSPORTATION CHARGE C</u>		0.203200		0.013500	0.216700
SBC:					
RAC	E, K	0.050674	0.000000	0.003357	0.054031
CLEP	E, G	0.029336	0.000000	0.001944	0.031280
USF	E	<u>0.015600</u>	<u>0.000000</u>	<u>0.001000</u>	<u>0.016600</u>
Total SBC:		0.095610	0.000000	0.006301	0.101911
EET	N	0.025681	0.000000	0.001701	0.027382

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NATURAL GAS VEHICLE (NGV)

		<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<u>COMPANY OPERATED FUELING STATIONS</u>					
<u>DELIVERY CHARGE (per therm):</u>					
SBC					
RAC	E, K	0.050674	0.000000	0.003357	0.054031
CLEP	E, G	0.029336	0.000000	0.001944	0.031280
USF	E	<u>0.015600</u>	<u>0.000000</u>	<u>0.001000</u>	<u>0.016600</u>
Total SBC:		0.095610	0.000000	0.006301	0.101911
EET	N	0.025681	0.000000	0.001701	0.027382
2017 Tax Act	H	(0.017668)	(0.000044)	(0.001173)	(0.018885)
Total Delivery Charge		0.103623	(0.000044)	0.006829	0.110408
<u>DISTRIBUTION CHARGE</u>		0.241844	0.000000	0.0160220	0.257866
<u>COMPRESSION CHARGE</u>		0.656506	0.000000	0.043494	0.700000
Balancing Service Charge BS-1	I	0.076761	0.000000	0.005085	0.081846
Balancing Service Charge BS-1 (Opt Out Provision) (Applicable for Transportation Customers Only)	I	0.001972	0.000000	0.000131	0.002103
Balancing Service Charge BS-1	J	0.076761	0.000000	0.005085	0.081846
<u>BGSS: (Applicable To Sales Customers Only)</u>	A				RATE SET MONTHLY
<u>CUSTOMER OPERATED FUELING STATIONS</u>					
<u>CUSTOMER CHARGE</u>					
0 - 999 CF/hour		37.500000		2.484400	39.984400
1,000 - 4,999 CF/hour		75.000000		4.968800	79.968800
5,000 - 24,999 CF/hour		241.970000		16.030500	258.000500
25,000 or Greater CF/hour		925.000000		61.281250	986.281250
<u>DELIVERY CHARGE (per therm):</u>					
SBC					
RAC	E, K	0.050674	0.000000	0.003357	0.054031
CLEP	E, G	0.029336	0.000000	0.001944	0.031280
USF	E	<u>0.015600</u>	<u>0.000000</u>	<u>0.001000</u>	<u>0.016600</u>
Total SBC:		0.095610	0.000000	0.006301	0.101911
EET	N	0.025681	0.000000	0.001701	0.027382
2017 Tax Act	H	(0.017668)	(0.000044)	(0.001173)	(0.018885)
Total Delivery Charge		0.103623	(0.000044)	0.006829	0.110408
<u>DISTRIBUTION CHARGE</u>		0.241844	0.000000	0.016022	0.257866
Balancing Service Charge BS-1	I	0.076761	0.000000	0.005085	0.081846
Balancing Service Charge BS-1 (Opt Out Provision) (Applicable for Transportation Customers Only)	I	0.001972	0.000000	0.000131	0.002103
Balancing Service Charge BS-1	J	0.076761	0.000000	0.005085	0.081846
<u>BGSS: (Applicable To Sales Customers Only)</u>	A				RATE SET MONTHLY
<u>Facilities Charge (Applicable only to Customers that elect the Company construct Compressed Natural Gas ("CNG") fueling Facilities located on Customer's property)</u>		0.276150		0.018295	0.294445

SOUTH JERSEY GAS COMPANY
Appendix A - Effective _____

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Heat Residential Rate Schedule:

	<i>RSG FSS</i>	<i>RSG-FTS</i>	<i>Difference</i>
BGSS	0.415037	0.000000	0.415037
Base Rate	0.956608	0.956608	0.000000
CLEP	0.031280	0.031280	0.000000
RAC	0.054031	0.054031	0.000000
CIP	0.029575	0.029575	0.000000
USF	0.016600	0.016600	0.000000
TIC	0.000244	0.000244	0.000000
EET	0.027382	0.027382	0.000000
2017 Tax Act	(0.018885)	(0.018885)	0.000000
BSC "J" BS-1	0.081846	0.081846	0.000000
Price to Compare	1.593718	1.178681	0.415037

NonHeat Residential Rate Schedule:

	<i>RSG FSS</i>	<i>RSG-FTS</i>	<i>Difference</i>
BGSS	0.415037	0.000000	0.415037
CIP	0.051829	0.051829	0.000000
Base Rate	0.956608	0.956608	0.000000
CLEP	0.031280	0.031280	0.000000
RAC	0.054031	0.054031	0.000000
USF	0.016600	0.016600	0.000000
TIC	0.000244	0.000244	0.000000
EET	0.027382	0.027382	0.000000
2017 Tax Act	(0.018885)	(0.018885)	0.000000
BSC "J" BS-1	0.081846	0.081846	0.000000
Price to Compare	1.615972	1.200935	0.415037

GSG

(Under 5,000 therms annually)

	<i>GSG FSS</i>	<i>GSG-FTS</i>	<i>Difference</i>
BGSS	0.415037	0.000000	0.415037
CIP	0.028140	0.028140	0.000000
Base Rates	0.771098	0.771098	0.000000
CLEP	0.031280	0.031280	0.000000
RAC	0.054031	0.054031	0.000000
USF	0.016600	0.016600	0.000000
TIC	0.000244	0.000244	0.000000
EET	0.027382	0.027382	0.000000
2017 Tax Act	(0.018885)	(0.018885)	0.000000
BSC "J" BS-1	0.081846	0.081846	0.000000
Price to Compare	1.406773	0.991736	0.415037

GSG

(5,000 therms annually or greater)

	<i>GSG FSS</i>	<i>GSG-FTS</i>	<i>Difference</i>
BGSS	0.373451	0.000000	0.373451
CIP	0.028140	0.028140	0.000000
Base Rates	0.771098	0.771098	0.000000
CLEP	0.031280	0.031280	0.000000
RAC	0.054031	0.054031	0.000000
USF	0.016600	0.016600	0.000000
TIC	0.000244	0.000244	0.000000
EET	0.027382	0.027382	0.000000
2017 Tax Act	(0.018885)	(0.018885)	0.000000
BSC "J" BS-1	0.081846	0.081846	0.000000
Price to Compare	1.365187	0.991736	0.373451

GSG-LV

Prior to 7/15/97

	<i>GSG-LV FSS</i>	<i>GSG-LV-FTS</i>	<i>Difference</i>
BGSS	0.373451	0.000000	0.373451
CIP	0.012805	0.012805	0.000000
Base Rates	0.382900	0.382900	0.000000
CLEP	0.031280	0.031280	0.000000
RAC	0.054031	0.054031	0.000000
USF	0.016600	0.016600	0.000000
TIC	0.000244	0.000244	0.000000
EET	0.027382	0.027382	0.000000
2017 Tax Act	(0.018885)	(0.018885)	0.000000
BSC "J" BS-1	0.081846	0.081846	0.000000
Price to Compare	0.961654	0.588203	0.373451

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

SOUTH JERSEY GAS COMPANY

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

**On Behalf of
South Jersey Gas Company**

1 **I. INTRODUCTION**

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

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

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

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

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

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

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

3 **A.** The purpose of my testimony is to support the Company’s projected gas supply and
4 requirements forecast, as well as the gas costs associated with meeting these needs
5 for the 2022-2023 and 2023-2024 Basic Gas Supply Service (“BGSS”) Years,
6 ending September 30, 2023 and September 30, 2024, respectively. In discussing
7 the gas costs reflected in this filing, I will discuss the gas supply and related costs
8 incurred as a result of the resolution of a contract dispute with Antero Resources
9 Corporation (“Antero”) and related amortization which will be completed by
10 September 30, 2024 as reflected in this filing. I also support proposed changes to
11 the Company’s Balancing Service Clause (“BSC”) charges that are applicable to
12 Rider “I” – BSC Large Volume (“BSC-LV”) and Rider “J” – BSC General Service
13 (“BSC-GS”) transportation customers. In addition, I address certain affiliate gas
14 supply and capacity release transactions, marketer-related issues and planned
15 capacity additions as well as describe the Company’s hedging activities, cost offsets
16 associated with margin sharing and pipeline refunds and Conservation Incentive
17 Program (“CIP”) savings. I also address certain Federal Energy Regulatory
18 Commission (“FERC”) pipeline activities expected to impact the 2022–2023 and
19 2023–2024 BGSS/CIP Years. Finally, throughout my testimony, I describe
20 compliance with various requirements contained in the New Jersey Board of Public
21 Utilities’ (“BPU” or “Board”) Order issued in South Jersey’s 2018 BGSS

1 proceeding in BPU Docket No. GR18060609¹ and in the 2022 BGSS proceeding
2 in BPU Docket No. GR22060364².

3 **Q. DO YOU SPONSOR ANY SCHEDULES AS PART OF YOUR**
4 **TESTIMONY?**

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

- 10 (i) Schedule MCM-1 contains the Company’s projected gas send-out
11 requirements and supplies for the 2023–2024 BGSS/CIP Year;
12 (ii) Schedule MCM-2 contains projected pipeline pricing for the 2023–
13 2024 BGSS/CIP Year;
14 (iii) Schedule MCM-3 contains projected use of supplemental gas
15 supplies for 2023–2024 BGSS/CIP Year;
16 (iv) Schedule MCM-4 contains actual and estimated annual gas
17 requirements and supplies for the 2020–2025 period;
18 (v) Confidential Schedule MCM-5 contains South Jersey’s Gas
19 Procurement Strategy and Plan as part of the SJI Utilities Risk Management
20 Policy. Confidential Schedule MCM-5 will be provided to Board Staff and

¹ In re the Petition of South Jersey Gas Company to Revise the Level of its Basic Gas Supply Service (“BGSS”) Charge and Conservation Incentive Program (“CIP”) Charges for the Year Ending September 30, 2019, Docket No. GR18060609, Order dated May 18, 2019 (“2019 BGSS Order”)

² In re the Petition of South Jersey Gas Company to Revise the Level of its Basic Gas Supply Service (“BGSS”) Charge and Conservation Incentive Program (“CIP”) Charges for the Year Ending September 30, 2023, Docket No. GR22060364, Order dated September 7, 2022 (“2022 BGSS Order”)

1 the New Jersey Division of Rate Counsel (“Rate Counsel”) upon the
2 execution of a mutually acceptable Non-Disclosure Agreement;

3 (vi) Schedule MCM-6 contains the Design Day Forecast for the 2023–
4 2028 period;

5 (vii) Schedule MCM-7 contains actual peak day supply and demand for
6 the five highest demand days for the 2020-2021, 2021-2022 and 2022–2023
7 winter seasons;

8 (viii) Schedule MCM-8 contains actual and estimated supplier refunds for
9 the 2022–2023 and 2023–2024 BGSS/CIP Years;

10 (ix) Schedule MCM-9 contains a summary of hedging activity for the
11 four most recent quarterly hedging reports as of March 31, 2023;

12 (x) Confidential Schedule MCM-10 contains affiliate transactions
13 between South Jersey and South Jersey Resources Group, Inc. (“SJRG”),
14 including delivery points for all purchase and sale transactions and
15 comparable daily/monthly price index information for purchase and sale
16 transactions done at fixed price, for the period from May 2022 through April
17 2023. Confidential Schedule MCM-10 will be provided to Board Staff and
18 Rate Counsel upon execution of a mutually acceptable Non-Disclosure
19 Agreement;

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

22 (xii) Schedule MCM-12 contains calculations of the charges applicable
23 to Rider “I” - BSC-LV and Rider “J” - BSC-GS;

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

(xiv) Schedule MCM-14 contains the projected spot/natural gas purchase requirements and commodity prices for the 2022–2023 and 2023–2024 BGSS/CIP Years; and

(xv) Schedule MCM-15 Contains Asset Management Agreement (“AMA”) valuation calculations covering transactions that involve baseload AMAs. In accordance with MFR-20, to the extent the Company enters into baseload AMAs, the Company will prepare an analysis produced at the time the AMA is executed that will set forth how much, if any, of the AMA management fee will be excluded from the formula used to determine AMA management fee sharing between the Company and its Periodic BGSS customers because the excluded portion of the fee is the product of an agreement by the Company to provide the Asset Manager with a benefit under the AMA that is forecasted to increase the commodity costs to Periodic BGSS customers.

II. GAS SUPPLY AND REQUIREMENTS FORECAST

Q. PLEASE EXPLAIN GENERALLY THE COMPANY’S GAS SUPPLY AND REQUIREMENTS FORECAST FOR THE 2023–2024 BGSS/CIP YEAR.

A. The gas quantities shown on Schedule MCM-1 are based on a mixture of gas supply sources determined by the Company to yield the best gas cost mixture while providing security of supply and system integrity. The Company utilized the New

1 York Mercantile Exchange (“NYMEX”) Strip Pricing as of May 10, 2023,
2 currently hedged positions and contractual agreements when determining the prices
3 and quantities of gas, which are shown on Schedule MCM-2 and Schedule MCM-
4 14.

5 For the 2023–2024 BGSS/CIP Year, we are projecting in Schedule MCM-
6 1 that firm customer requirements and projected storage injections will be met
7 predominantly through annual, seasonal and short term purchases from third-party
8 sellers on the Transcontinental Gas Pipe Line Company, LLC (“Transco”),
9 Columbia Gas Transmission, LLC (“Columbia”), and Eastern Gas Transmission
10 and Storage (“EGTS”) pipeline systems of 4.5 million dekatherms (“MMDth”), 3.4
11 MMDth, and 0.4 MMDth respectively as well as pipeline storage withdrawals of
12 8.1 MMDth and liquified natural gas (“LNG”) withdrawals of 0.2 MMDth.

13 **Q. PLEASE PROVIDE THE HISTORIC AND PROSPECTIVE SUPPLY AND**
14 **REQUIREMENTS FOR THE 2023–2024 BGSS/CIP YEAR.**

15 **A.** The data shown on Schedule MCM-4 (page 1 of 3) provides the actual requirements
16 and supplies by component on an annual heating season and non-heating season
17 basis for the two prior gas supply years, November 2020 – October 2021 and
18 November 2021 – October 2022. The data shown on Schedule MCM-4 (page 2 of
19 3) provides information for the reconciliation period November 2022 – October
20 2023, including actual data for the November 2022 – March 2023 heating season
21 and estimated data for the April 2023 – October 2023 non-heating season. Schedule
22 MCM-1 provides prospective information for the 2023-2024 BGSS/CIP Year,
23 while Schedule MCM-4 (page 3 of 3) provides the same information on a

1 prospective basis for the subsequent gas supply years November 2023 – October
2 2024 and November 2024 - October 2025.

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

5 **A. Supplies on Transco**

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

11 **Supplies on Columbia**

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

18 The Company’s Maximum Daily Quantity (“MDQ”) for its FTS service is
19 85,043 Dth/day and its MDQ with its NTS service is 22,511 Dth/day, for a
20 combined deliverability of 107,554 Dth/day. Each of the referenced services is
21 available on a year-round basis.

22 **Supplies on EGTS, previously known as Dominion Transmission, Inc.**

1 The Company's EGTS GSS storage service provides for the delivery of up to
2 10,000 Dth/day during the winter season. This storage supply is delivered to the
3 Company's city gate via a Transco Leidy Line transportation service.

4 **Q. PLEASE EXPLAIN HOW THE PIPELINE STORAGE SERVICES WILL**
5 **HELP MEET THE COMPANY'S REQUIREMENTS DURING THE 2023–**
6 **2024 BGSS/CIP YEAR.**

7 **A.** Schedule MCM-1 (lines 30 and 34) reflect the injection of direct purchased gas into
8 storage services during the 2023-2024 summer season of approximately 8.3
9 MMDth. Schedule MCM-1 (lines 31 and 35) also reflects the amount of gas
10 projected to be withdrawn from pipeline storage services of approximately 8.1
11 MMDth to meet the Company's requirements during the 2023–2024 winter season.
12 The pipeline storage services are essential to meeting demand during the winter
13 season and serve as to balance the variation in demand all year long.

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

16 **A.** In Schedule MCM-1 (line 26), the Company is projecting that its LNG sendout
17 requirement during the 2023–2024 BGSS/CIP Year will be 110,200 Dth. South
18 Jersey requires a stable LNG supply source to maintain gas service to its customers
19 during the winter season to meet peak sendout requirements and to stand ready to
20 supply its customers should an interruption of gas supplies occur on the system of
21 one or more of its pipeline suppliers. For these reasons, in response to changes in
22 the LNG marketplace in 2012, South Jersey secured its LNG supply requirements
23 through the operation of its own liquefaction facility, which went into service in

1 November 2016. This facility helps to ensure that LNG is available at a reasonable
2 cost and not subject to LNG marketplace volatility.

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

5 **A.** South Jersey, like other gas utilities, must plan to meet customer needs on a design
6 day (a day in which our service area would experience an average daily temperature
7 of 2 degrees Fahrenheit or 63 heating degree days). Schedule MCM-6 represents
8 the Company’s design day forecast (“Design Day Forecast”) as compared to
9 Company entitlements for the 2023-2024 through 2027-2028 winter seasons. This
10 forecast is used by South Jersey to evaluate its ability to meet customer
11 requirements on the projected coldest day scenario, which is based on South
12 Jersey’s actual experience in January 1994. For the purpose of this analysis, the
13 Company updated the forecasting model to incorporate updated customer growth
14 rates for residential and commercial customers and updated heating use factors.
15 Incorporating the most recent available data into the design day model provides a
16 reflection of the effects that energy efficiency programs and conservation incentive
17 programs have had in recent years and are projected to have in future years.
18 Schedule MCM-7 contains information related to the actual peak day supply and
19 demand for the Company’s five (5) highest send-out days for each of the last three
20 winter seasons.

1 Pursuant to the 2003 BGSS Order³, South Jersey agreed to revise its design
2 day analysis to include in the calculation of demand requirements, design day
3 volumes associated with customers served under all sales rate schedules and
4 transportation customers served under Rate Schedules RSG, GSG, GSG-LV, EGS,
5 LVS, CTS and EGS-LV. In addition, South Jersey agreed to exclude from design
6 day planning, design day volumes associated with transportation customers served
7 under rate schedules LVS, CTS and EGS-LV that opt-out of the right or entitlement
8 to have base load provided by the Company in accordance with provisions of our
9 tariff. To date, all eligible customers served under rate schedules LVS, CTS and
10 EGS-LV have opted out and this has been reflected in the design day forecast.

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

³ In the Matter of the Petition of South Jersey Gas Company for Approval of Increased Base Rate Tariff Rates and Charges for the Gas Service and Other Tariff Revisions, Docket No. GR03080683, et.al, Order dated April 29, 2003 (“2003 BGSS Order”)

1 Dth/day. Schedule MCM-6 details the Company's design day requirements as
2 compared to available capacity entitlements through the 2027-2028 winter season.

3
4 **III. COST OF GAS**

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

7 **A.** The Company has taken reasonable steps to reduce its gas costs and manage the
8 high volatility experienced in the natural gas commodities market during the recent
9 years. South Jersey's efforts to reduce costs and manage volatility have included
10 (1) continuing to execute its Gas Procurement Strategy and Plan, which include
11 financial hedging strategies, on file with the Board, (2) employing its gas storage
12 resources to reduce exposure to some of the volatility associated with wintertime
13 price swings and (3) maximizing credits to firm customers through the optimization
14 of its gas supply and upstream capacity management, which has resulted in the
15 inclusion of a credit to BGSS gas costs of \$37.4 million, which represents eighty-
16 five percent (85%) of the gross margin generated by off-system sales, interruptible
17 sales and transportation and capacity releases. Petitioner's purchases of gas supply
18 have been effectuated at prices consistent with market conditions required by
19 N.J.S.A. 48:3-58(t). The Company will continue to monitor market conditions and
20 look for opportunities to lower costs and benefit our customers. Further details
21 regarding the Company's efforts are discussed below.

22 **Market Responsive Pipeline Supplies**

23 The Company has direct connections with two interstate pipeline companies,

1 Transco and Columbia. South Jersey also secures firm storage and transportation
2 services from EGTS, whose pipeline system is located upstream of the Transco
3 system. Natural gas stored and transported by EGTS is delivered into Transco's
4 Leidy Line system for ultimate delivery to South Jersey. As required by the
5 governing MFRs, Schedule MCM-13 presents changes to the Company's portfolio
6 of interstate pipeline contracts through the period ending September 30, 2024.

7 South Jersey intends to utilize the "open access" status of its pipeline
8 suppliers to the maximum extent possible to facilitate its ongoing policy of best-
9 value gas purchasing, with consideration given to security of supply along with
10 contractual obligations and hedged supplies. With this objective, South Jersey is
11 projecting that all the natural gas purchases reflected in Schedule MCM-14 for the
12 2022–2023 and the 2023–2024 BGSS/CIP Years will be priced on a market
13 responsive basis, with the exception of those hedged purchases made under the
14 provisions of the Company's Gas Procurement Strategy and Plan which are
15 attached hereto as Confidential Schedule MCM-5. As indicated earlier in my
16 testimony, this schedule will be provided to Board Staff and Rate Counsel upon
17 execution of a mutually acceptable Non-Disclosure Agreement.

18 **Demand Charges**

19 The projected pipeline demand charges shown in Schedule MCM-2 associated with
20 the purchase of storage and transportation services on the Transco, Columbia and
21 EGTS pipeline systems reflect the currently effective FERC approved jurisdictional
22 rates contained in each pipeline's FERC Gas Tariff. These rates were held constant
23 throughout the 2023-2024 BGSS/CIP Year.

1 On September 30, 2021, EGTS submitted a general rate case filing (Docket
2 No. RP21-1187) to the FERC. Following months of negotiations, EGTS filed the
3 Stipulation and Agreement of Settlement (“EGTS Stipulation”), which was
4 approved by the commission on November 30, 2022 in Docket No RP21-1187-009.
5 On February 28, 2023, EGTS filed its Report of Refunds, which details refunds
6 issued by EGTS in compliance with the EGTS Stipulation, wherein it was noted
7 that South Jersey received the sum of \$314,554 related to this rate case settlement.

8 In January 2019, the Company entered into an agreement with Transco to
9 turn back a total of 22,256 Dth/day of Zone 1- Zone 3 production area capacity for
10 a term of ten (10) years that became effective October 1, 2020. The Company
11 released this path of capacity to various counterparties over many years as the most
12 liquid pools to supply this long-haul capacity are in Transco’s Zones 3 and 4. The
13 turn back of this capacity saves customers over \$800,000 annually.

14 **Commodity Charges**

15 The delivered commodity gas prices reflected in Schedule MCM-14 for the 2023–
16 2024 BGSS/CIP Year were derived based on the Company's Gas Procurement
17 Strategy and Plan, which is explained in Confidential Schedule MCM-5. These
18 guidelines were developed with a number of goals in mind, including the
19 management of price risk through diversity of purchases, providing a framework
20 from which sound purchasing decisions can be made and the establishment of
21 criteria for price hedging.

22 The commodity prices in Schedule MCM-14 for gas purchased and
23 delivered under Transco Rate Schedules FT and PSFT, along with gas purchased

1 and delivered on Columbia Rate Schedules FTS and NTS, were based on the
2 average of the NYMEX close as of May 10, 2023, along with the estimated
3 production and market area indices at the various locations where we expect to
4 purchase gas during the 2023-2024 BGSS/CIP Year. The estimates of indices were
5 gathered from industry publications along with discussions held with other market
6 participants including brokers, marketers and other gas distribution companies.
7 Additionally, any currently hedged positions as shown in the quarterly hedging
8 report most recently filed with the Board are included in the commodity price
9 estimate. Also incorporated in these commodity prices are the appropriate pipeline
10 fuel retainage and transportation costs assessed when delivering gas to South
11 Jersey's city gate stations.

12 **LNG Commodity Charges**

13 The commodity price of the LNG as shown in Schedule MCM-14 was based on the
14 delivered cost of LNG using the NYMEX strip on May 10, 2023, along with costs
15 related to processing natural gas into liquefied natural gas.

16 **Q. WHAT ARE THE COSTS RELATED TO THE ANTERO CONTRACT**
17 **DISPUTE THAT SOUTH JERSEY HAS INCLUDED IN THE BGSS RATES**
18 **PROPOSED IN THIS PROCEEDING?**

19 **A.** Pursuant to the Board's May 2021 Order⁴, South Jersey was authorized to recover,
20 through its Periodic BGSS Rate over a two-year period, \$24,246,132 of gas supply
21 and related costs incurred as a result of the resolution of a contract dispute with

⁴ In re the Matter of the Petition of South Jersey Gas Company to Revise the Level of Its Basic Gas Supply Service ("BGSS") Charge and Conservation Incentive Program ("CIP") Charges for the Year Ending September 30, 2021, Docket No. GR20060383, Order dated May 5, 2021 ("May 2021 Order").

1 Antero Resources Corporation (“Antero”), including the following costs.

2	Disputed Costs:	\$20,545,460.30
3	Interest Paid to Antero:	\$2,344,542.67
4	Legal Costs:	\$1,280,124.91
5	Court Bond:	<u>\$76,003.99</u>
6	Total	\$24,246,131.87

7 The Board approved fifty percent (50%), or \$12,123,066, recovery of Antero costs
8 within the 2020-2021 BGSS/CIP Year. The Board also ordered the remaining fifty
9 percent (50%), or \$12,123,066, of Antero costs would be recovered in the 2021-
10 2022 BGSS/CIP Year. Thus, the May 5 Order approved an amortization of the
11 Antero costs that would result in the full recovery of these costs by September 30,
12 2022. By its November 2021 Order⁵, the Board extended the Antero amortization
13 period through September 30, 2024.

14

15 **IV. BALANCING SERVICE CLAUSE (“BSC”) CHARGES**

16 **Q. IS THE COMPANY PROPOSING ANY CHANGE TO ITS CURRENT BSC**
17 **CHARGES?**

18 **A.** Yes. Within its Rider “I”, the Company maintains two separate provisions for per
19 therm volumetric charges related to balancing as follows: (1) An Opt-Out provision
20 for customers under Rate Schedules LVS, EGS-LV, FES, NGV and CTS who “Opt-
21 Out” and forego any right or entitlement to purchase the Company’s firm system
22 gas during the term of their standing Standard Gas Service Agreement; and (2) A
23 Non Opt-Out provision for customers under Rate Schedules GSG-LV, EGS, LVS,

⁵ In re the Petition of South Jersey Gas Company to Revise the Level of its Basic Gas Supply Service (“BGSS”) Charge and Conservation Incentive Program (“CIP”) Charges for the Year Ending September 30, 2022, Docket No. GR21060881, Order dated November 17, 2021 (“November 2021 Order”)

1 EGS-LV, FES, NGV and CTS who do not Opt Out (*i.e.*, do not select the Opt Out
2 provision).

3 Related to its Rider “I”, the Company proposes to decrease its current Opt-
4 Out balancing charge of \$0.002718 per therm to \$0.002103 per therm, and the
5 Company proposes to decrease its current Non Opt-Out balancing charge of
6 \$0.086180 per therm to \$0.081846 per therm, which is equal to the Company’s
7 proposed Rider “J” BSC rate⁶. Both changes are proposed to be effective October
8 1, 2023.

9 Related to its Rider “J”, the Company is proposing, for all applicable Rate
10 Schedules per its current tariff, to decrease its current balancing charge of
11 \$0.086180 per therm to \$0.081846 per therm, effective October 1, 2023.

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

14 **A.** The proposed Rider “I” calculation is provided in Schedule MCM-12, page 1 of 2.
15 The calculation presented therein reflects updated inventory amounts, which are
16 based on the middle value of the last five (5) years of updated supply inventory.
17 Each yearly inventory data point is representing a twelve (12) month average
18 supply and include LNG, updated storage carrying costs, the calculated percentage
19 of balancing that pertains to single coldest January day volume requirements and
20 updated balancing costs. The determination of the proposed pre-tax balancing rate,
21 based on annual firm therms over the past twelve (12) months, is also provided.

⁶ All rates quoted herein include applicable taxes.

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

3 **A.** Rider “J” has been revised to comply with the requirements of the 2019 BGSS
4 Order. The proposed Rider “J” calculation is provided in Schedule MCM-12, page
5 2 of 2. The calculation presented therein is identical to Rider “I”, but also includes
6 the following: (1) updated pipeline demand charges and BGSS incentive credits, as
7 Rider “J” pertains to the Company’s General Service customers, and (2) commodity
8 costs from the prior winter season, which are intended to send appropriate price
9 signals to marketers/transportation customers to incent them to bring in the amount
10 of gas used by customers on a monthly basis. The Company continues to evaluate
11 whether and how to revise its tariff to include a separate standby charge, as
12 appropriate.

13
14 **V. AFFILIATE GAS SUPPLY TRANSACTIONS, NON-BIDDABLE**
15 **CAPACITY RELEASES AND RELATED ISSUES**

16 **Q. PLEASE EXPLAIN ALL AFFILIATE GAS SUPPLY TRANSACTIONS**
17 **ENTERED INTO AS OF APRIL 2023.**

18 **A.** Please refer to Confidential Schedule MCM-10 for details including date, rate and
19 terms of all gas and capacity sales as of April 2023 to our affiliate SJRG for the
20 2023-2024 BGSS/CIP Year. As noted above, Confidential Schedule MCM-10 will
21 be provided to Board Staff and Rate Counsel upon execution of a mutually
22 acceptable Non-Disclosure Agreement. Should market opportunities present
23 themselves, we would expect additional transactions to maximize the value of
24 Company assets for the benefit of BGSS customers.

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

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

14
15 **VI. ADDITIONAL CAPACITY**

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

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

19 **Adelphia Gateway, LLC (“Adelphia”)/PennEast Capacity**

20 During the winters of 2014 and 2018 when prices spiked, the Company
21 determined it was prudent to address the need for annually increasing city gate
22 peaking requirements by subscribing to incremental firm city gate capacity. The
23 economic impact of addressing this need has been of great concern. However,

1 South Jersey's primary responsibility is to provide firm, reliable and uninterrupted
2 service to our customers which is a non-negotiable obligation.

3 In August 2014, the Company entered into a Precedent Agreement for firm
4 transportation capacity with PennEast Pipeline Company, LLC ("PennEast"). The
5 PennEast capacity would have provided supply at lower Marcellus production area
6 prices as opposed to the volatile Transco Z-6 prices. As the PennEast project met
7 with increasing regulatory delays, the project sought to amend its FERC application
8 into two phases. "Phase 1" was to be located in Pennsylvania and "Phase 2"
9 extending into New Jersey.

10 In November 2017, Adelphia announced a two-zone project with a
11 termination point in Marcus Hook, Pennsylvania. This presented an opportunity
12 for South Jersey to access the Marcellus shale supply while building on reliability
13 and supply diversification.

14 In December 2019, the FERC issued Adelphia a certificate to construct and
15 operate.

16 In January 2020, South Jersey agreed to amend the Precedent Agreement
17 with PennEast at a lower volume and rate, with a receipt point intended to be an
18 interconnection with Adelphia pipeline which would in turn interconnect
19 downstream with Columbia pipeline and bring the Marcellus production priced
20 supply to the South Jersey's service territory. This capacity path presented an
21 opportunity to 1) bring lower priced supply into the service territory and more
22 importantly 2) meet the growing need for additional capacity identified in South

1 Jersey's Ten-Year Forecast of Requirements and Entitlements referenced earlier in
2 my testimony.

3 In August 2020, the Company entered a Precedent Agreement with
4 Adelphia to bring supply from the interconnection with PennEast to the
5 interconnection with Columbia to the Company's city gate station.

6 In February 2021, the Company executed a Firm Transportation Agreement
7 for pipeline capacity with Adelphia. The transportation contract quantity is 75,000
8 Dth/day at \$0.30 per Dth. This capacity was in service on September 1, 2022 and
9 will be fully operational at the Company city gate in the winter of 2023-2024. The
10 associated demand fees from this capacity are included in the filing. The terms of
11 the agreement provide South Jersey the option to extend the contract after the first
12 five (5) years. However, it is at the Company's discretion to exercise the option.

13 Additionally, and pursuant to Board's 2022 BGSS Order, the Company
14 agreed to credit BGSS customers, during the period September 1, 2022 to
15 September 30, 2023, with all capacity release credits or off-system sales margins
16 (including the Company's usual 15% share) derived from the use of pipeline
17 capacity under contract between the Company and Adelphia for 75,000 Dth/Day of
18 firm transportation capacity that became effective September 1, 2022, and under a
19 contract between the Company and Columbia for 75,000 Dth of firm transportation
20 capacity projected to be placed in service during calendar year 2023. This provision
21 has resulted in the inclusion of a credit to BGSS gas costs of \$1,289,660 million,
22 including \$193,449 related to the Company's usual 15% share.

1 In September 2021, the PennEast developers announced they would cease
2 all further development of the project. As a result, the Company no longer had the
3 opportunity to acquire the pipeline capacity related to the PennEast project as
4 originally anticipated. However, given the deficit of city gate capacity in South
5 Jersey's long-term planning, the Company proceeded with the Adelphia Precedent
6 Agreement and continued negotiating a facilities agreement with Columbia to bring
7 the supply to the Company's service territory.

8 The project viability assessment of South Jersey incorporating this
9 transportation asset into its portfolio included the modeling of 75,000 Dth/Day of
10 Adelphia firm capacity built into the Company's Ten-Year Forecast of
11 Requirements and Entitlements. The results of the model indicated that with this
12 addition, South Jersey would be able to eliminate peaking supply ranging from
13 35,000 Dth/Day for the Winter of 2018-2019 to up to 100,000 Dth/Day at the end
14 of the ten-year window. A comparison between the current state of South Jersey's
15 installed capacity versus one that included this incremental capacity on the
16 Adelphia/Columbia pipeline resulted in an increase in transportation demand costs
17 for the 2018-2028 period. However, in a condition of extreme weather, the impact
18 of this additional capacity also represented significant commodity savings,
19 eliminated peak day shortfalls in the long run, added an extra layer of supply
20 diversification and most critically improved reliability of supply.

21 Additionally, the Company anticipates entering into a Firm Transportation
22 Agreement with Columbia to deliver the supply from the Adelphia/Columbia
23 interconnection into the South Jersey service territory. It is expected that this

1 agreement will be effective in September of 2023. The associated demand fees
2 from this capacity are included in this filing. South Jersey also anticipates this
3 agreement will provide the Company the option to extend the contract after the first
4 five (5) years.

5 **Transco's Regional Energy Access (REA) Expansion Project**

6 The Company's Transco city gates are located on the restricted and fully subscribed
7 Marcus Hook lateral, which makes it difficult to acquire city gate peaking services
8 and does not offer any guarantee of future availability. This portion of Transco's
9 system has been the focus of increasingly restrictive Operational Flow Orders
10 ("OFOs"), which severely limit or eliminate any non-primary deliveries on the
11 Marcus Hook lateral. These OFOs continue to grow which, considering that the
12 lateral is 100% subscribed by firm shippers, makes it extremely risky for the
13 company to enter into third-party peaking arrangements in the near term and
14 impossible to be a reliable supply source in the long term. For these reasons, the
15 Company entered into a Precedent Agreement for Firm Transportation Service
16 under the REA Expansion with Transco on December 9, 2019. The transportation
17 contract quantity is 25,000 Dth/day at the negotiated rate of \$0.65 per Dth/day. The
18 current target in-service date for this project is the fourth quarter of 2024.

19 The REA Expansion provides an economic benefit by avoiding the worst
20 impact of price spikes, but even more importantly, it provides the reliability that
21 South Jersey is obligated to provide to its customers.

22 **Q. IS THE COMPANY CONSIDERING FUTURE MODIFICATIONS TO THE**
23 **PIPELINE PORTFOLIO?**

1 A. Yes, considering the PennEast project elimination, the Company intends to
2 continue to pursue opportunities to access lower cost commodity relative to the
3 Adelphia/Columbia path during the term of those agreements. At the end of the 5-
4 year term of the Adelphia/Columbia agreements, South Jersey will evaluate the
5 relative merit of extending those agreements and under what terms. The
6 considerations in the evaluation will include customer firm requirements, access to
7 an additional supply source which provides redundancy and relative value added
8 by the additional demand charges and related commodity costs. Additional
9 considerations could include new supply availability from traditional and non-
10 traditional supply sources.

11 Additionally, the Company is prepared to discuss with Staff and Rate
12 Counsel the specific pipeline capacity released to meet the BGSS Savings Test
13 consistent with the CIP Stipulation. The current temporarily released capacity
14 included in the BGSS Savings Test and identified in detail in part IX of my
15 testimony expire on March 31, 2025 (as agreed in the November 2021 Order). The
16 process of collaboratively identifying the capacity released to meet the BGSS
17 Savings Test will be an additional tool for determining the optimal capacity
18 portfolio for South Jersey customers in the future.

19 **Cabot Supply**

20 In January 2015, South Jersey entered into three (3) long term supply agreements
21 directly associated with the new pipeline capacity agreements identified above that
22 will provide significantly discounted supply and offset the demand and variable
23 charges associated with those new capacity agreements. The first agreement

1 provides supply into the Tennessee 300 line at Gibson, which will be moved to the
2 Tennessee/Columbia interconnect and then transported to South Jersey's city gate
3 via Columbia. This supply is priced at NYMEX last day settle less \$0.88. The
4 commodity price has been negotiated to offset the per Dth demand charge of both
5 the Tennessee capacity and the Columbia capacity such that South Jersey will
6 obtain the supply at its city gate at a price equal to the NYMEX price. The delivery
7 period began November 2018 and continues for ten (10) years.

8 The second agreement, which was intended to provide supply into the
9 PennEast project, is no longer in effect.

10 The third agreement, also no longer in effect, would have provided winter
11 only supply into the PennEast project, by moving it to the PennEast/Transco
12 interconnect and then transporting it to South Jersey's city gate via Transco.

13 **Supplier Refunds**

14 The Company's actual and projected supplier refunds for both the 2022–2023 and
15 2023–2024 BGSS/CIP Years are shown in Schedule MCM-8. The refunds shown
16 for the 2022–2023 BGSS/CIP Year reflect the sharing of penalty revenues with
17 non-penalized shippers along with the EGTS rate case refund. As of now, there is
18 no projection for refunds taking place in the 2023-2024 BGSS/CIP Year.

19 20 **VII. HEDGING PROGRAM**

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

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

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

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

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

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

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

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

10 The four most recent quarterly hedging reports as of March 2023 are
11 contained in Schedule MCM-9.

12

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

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

18 **A.** For the 2022–2023 BGSS/CIP Year, as shown on Schedule JGF-12, eighty five
19 percent (85%) of gross margin generated by off-system sales and off-system and
20 on system capacity releases offset BGSS costs in accordance with the 2019 BGSS
21 Order, and eighty five percent (85%) of gross margin generated by interruptible
22 sales offset BGSS costs pursuant to the 2003 BGSS Order. In addition, pursuant to
23 the Board's 2022 Order, it also includes the Company's usual 15% share of margin

1 derived from the use of pipeline capacity under contract between the Company and
2 Adelphia of \$193,449 for the period September 1, 2022 through September 30,
3 2023.

4 For the 2023–2024 BGSS/CIP Year, as shown on Schedule JGF-9, eighty
5 five percent (85%) of gross margin generated by off-system sales, off-system and
6 on system capacity releases offset BGSS costs in accordance with the 2019 BGSS
7 Order and eight five percent (85%) of gross margin generated by interruptible sales
8 offset BGSS costs pursuant to the 2003 BGSS Order. These estimates are based on
9 normal weather, historical actual information, and current market conditions.

10 Additionally, the Company’s actual and projected pipeline refunds for both
11 the 2022–2023 and 2023–2024 BGSS/CIP Years are shown in Schedule MCM-8
12 along with the applicable FERC docket numbers.

13
14 **IX. CIP**

15 **Q. PLEASE EXPLAIN THE COMPANY’S CURRENT AND ANTICIPATED**
16 **CIP ACTIONS.**

17 **A.** By Order dated May 21, 2014 in Docket No. GR13030185 (the “CIP Continuation
18 Order”), the Board approved the continuation of the Company’s CIP, with certain
19 modifications, that became effective with the CIP accrual year beginning October
20 1, 2014. Those modifications, which include the Modified BGSS Savings Test,
21 have been reflected in this CIP filing and are discussed in more detail in the Direct
22 Testimony of Daniel P. Yardley.

23 Savings for the 2023–2024 BGSS/CIP Year includes \$2,243,369 of
24 Category One Permanent BGSS Savings, which are defined in the CIP

1 Continuation Order as permanent savings realized from permanent capacity
2 releases and contract terminations. The Category One Permanent BGSS Savings
3 of \$2,243,369 includes \$1,360,159 of savings associated with the termination of the
4 SS-1 storage service provided by Transco and EGTS. The remaining \$883,210 of
5 this savings is the result of a permanent CIP release of 1.7 million Dts of
6 Washington Storage Service (WSS) on Transco that became effective May 1, 2006.

7 Pursuant to the November 2021 Order, effective June 1, 2022, two of the
8 CIP capacity releases or 20,000 Dth/day Transco FT capacity and 16,468 Dth/day
9 of Columbia FTS capacity previously released as Category One Permanent BGSS
10 Savings shifted back to temporary releases in Category Two. These two reclassified
11 capacity releases in addition to an existing CIP release of 10,000 Dth/day of
12 Transco Long Haul capacity result in eligible Category Two BGSS savings totaling
13 \$4,792,330 for the 2022–23 BGSS/CIP Year. These anticipated Category Two
14 releases represent a cross section of South Jersey’s portfolio of assets.

15 Category Three BGSS savings associated with avoided capacity costs to
16 meet residential customer growth total \$215,373. This amount has been calculated
17 as set forth in the CIP Continuation Order and is supported by the Direct Testimony
18 of Daniel P. Yardley. The total anticipated Category One, Two and Three savings
19 eligible for the BGSS savings test for the 2022–2023 BGSS/CIP Year is
20 \$7,251,071.

1 **X. FERC PIPELINE ACTIVITIES**

2 **Q. PLEASE EXPLAIN WHETHER ANY FERC PROCEEDINGS ARE**
3 **ANTICIPATED TO IMPACT 2023–2024 BGSS/CIP YEAR COSTS.**

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

8

9 **XI. CONCLUSION**

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

11 **A.** My testimony highlights activities the Company is undertaking to optimize the use
12 of its gas supply portfolio and to minimize and stabilize costs to its customers. For
13 the reasons set forth in this testimony, the Board should approve the Company's
14 proposed BGSS, BSC and CIP rates for the 2023-2024 BGSS/CIP Year.

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

16 **A.** Yes, it does.

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

	Oct 2023	Nov 2023	Dec 2023	Jan 2024	Feb 2024	Mar 2024	Apr 2024	May 2024	Jun 2024	Jul 2024	Aug 2024	Sep 2024	TOTAL
<u>Sendout</u>													
Firm	1,589.8	3,540.4	5,647.9	7,318.2	6,296.4	4,798.9	2,460.8	1,324.8	901.5	989.5	1,059.8	957.6	36,885.6
Non-Firm	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net Gas Sendout	1,589.8	3,540.4	5,647.9	7,318.2	6,296.4	4,798.9	2,460.8	1,324.8	901.5	989.5	1,059.8	957.6	36,885.6
<u>Firm Supplies</u>	1,589.8	3,540.4	5,647.9	7,318.2	6,296.4	4,798.9	2,460.8	1,324.8	901.5	989.5	1,059.8	957.6	36,885.6
<u>Spot Supplies</u>	2,348.7	3,164.1	4,256.7	5,251.9	4,312.0	3,727.5	3,238.4	2,397.8	1,983.0	2,068.0	2,135.3	2,048.9	36,932.4
<u>Other</u>													
Take-back Peaking Supply	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Peaking Supplies	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Supplemental Gas	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL GAS PURCHASES	3,938.5	6,704.6	9,904.5	12,570.2	10,608.5	8,526.5	5,699.2	3,722.6	2,884.5	3,057.5	3,195.1	3,006.5	73,818.1
<u>On-Site LNG Activity</u>													
LNG Refill	(80.0)	0.0	0.0	0.0	0.0	0.0	(120.0)	0.0	0.0	0.0	0.0	0.0	(200.0)
LNG (Boil-off)	5.0	8.0	8.1	8.1	7.5	8.1	5.1	7.9	7.9	8.1	7.9	8.1	89.8
LNG Peaking	0.0	0.0	21.9	61.9	17.5	8.9	0.0	0.0	0.0	0.0	0.0	0.0	110.2
<u>Storage Activity</u>													
Injections	(798.4)	(199.5)	(157.0)	(156.6)	(164.6)	(164.8)	(1,090.1)	(1,090.2)	(1,090.2)	(1,090.2)	(1,090.2)	(1,090.2)	(8,182.3)
Withdrawals	48.4	579.7	1,538.9	2,185.8	2,153.7	1,237.8	329.9	28.9	20.3	23.0	26.0	10.0	8,182.3
<u>Fuel Retainage</u>													
Injections	(13.2)	(5.4)	(4.2)	(4.2)	(4.5)	(4.4)	(18.9)	(18.9)	(18.9)	(18.9)	(18.9)	(18.9)	(149.2)
Withdrawals	(0.7)	(6.6)	(16.5)	(28.7)	(25.1)	(14.2)	(3.7)	(0.7)	(0.5)	(0.5)	(0.3)	(0.3)	(97.6)
Net System Supply	3,099.5	7,080.8	11,295.7	14,636.5	12,592.9	9,597.8	4,801.5	2,649.6	1,803.0	1,979.0	2,119.6	1,915.3	73,571.3

South Jersey Gas Company
Projected Demand Charges and Storage Costs included in the June 1, 2023 BGSS Filing

STORAGE Demand	Contract No.	Cost Type	Billing Determinant			31	30	31	31	29	31	30	31	30	31	31	30	TOTAL
			Demand	Other	Capacity	Oct-2023	Nov-2023	Dec-2023	Jan-2024	Feb-2024	Mar-2024	Apr-2024	May-2024	Jun-2024	Jul-2024	Aug-2024	Sep-2024	
COL FSS	53000	Demand Capacity	52,891		3,473,022	\$2.82300 \$0.05130 \$327,477.32	\$2.82300 \$0.05130 \$327,477.32	\$2.82300 \$0.05130 \$327,477.32	\$2.82300 \$0.05130 \$327,477.32	\$2.82300 \$0.05130 \$327,477.32	\$2.82300 \$0.05130 \$327,477.32	\$2.82300 \$0.05130 \$327,477.32	\$2.82300 \$0.05130 \$327,477.32	\$2.82300 \$0.05130 \$327,477.32	\$2.82300 \$0.05130 \$327,477.32	\$2.82300 \$0.05130 \$327,477.32	\$2.82300 \$0.05130 \$327,477.32	\$1,791,735.52 \$2,137,992.34 \$3,929,727.86
EGTS GSS	300002	Demand Capacity	10,000		423,000	\$2.67840 \$0.02580 \$37,697.40	\$2.67840 \$0.02580 \$37,697.40	\$2.67840 \$0.02580 \$37,697.40	\$2.67840 \$0.02580 \$37,697.40	\$2.67840 \$0.02580 \$37,697.40	\$2.67840 \$0.02580 \$37,697.40	\$2.67840 \$0.02580 \$37,697.40	\$2.67840 \$0.02580 \$37,697.40	\$2.67840 \$0.02580 \$37,697.40	\$2.67840 \$0.02580 \$37,697.40	\$2.67840 \$0.02580 \$37,697.40	\$2.67840 \$0.02580 \$37,697.40	\$321,408.00 \$130,960.80 \$452,368.80
TR GSS	1000813	Demand Capacity	27,314		1,346,482	\$0.12078 \$0.00085 \$137,748.33	\$0.12078 \$0.00085 \$133,304.84	\$0.12078 \$0.00085 \$137,748.33	\$0.12078 \$0.00085 \$137,748.33	\$0.12078 \$0.00085 \$128,861.34	\$0.12078 \$0.00085 \$137,748.33	\$0.12078 \$0.00085 \$133,304.84	\$0.12078 \$0.00085 \$137,748.33	\$0.12078 \$0.00085 \$133,304.84	\$0.12078 \$0.00085 \$137,748.33	\$0.12078 \$0.00085 \$137,748.33	\$0.12078 \$0.00085 \$133,304.84	\$1,207,428.48 \$418,890.55 \$1,626,319.03
TR LSS	1000818	Demand Capacity	12,000		1,224,000	\$0.18692 \$0.00087 \$102,545.52	\$0.18692 \$0.00087 \$99,237.60	\$0.18692 \$0.00087 \$102,545.52	\$0.18692 \$0.00087 \$102,545.52	\$0.18692 \$0.00087 \$95,929.68	\$0.18692 \$0.00087 \$102,545.52	\$0.18692 \$0.00087 \$99,237.60	\$0.18692 \$0.00087 \$102,545.52	\$0.18692 \$0.00087 \$99,237.60	\$0.18692 \$0.00087 \$102,545.52	\$0.18692 \$0.00087 \$102,545.52	\$0.18692 \$0.00087 \$99,237.60	\$820,952.64 \$389,746.08 \$1,210,698.72
TR S-2	1000814	Demand Capacity	1,557		11,663	\$0.30475 \$0.01490 \$20,096.51	\$0.30475 \$0.01490 \$19,448.23	\$0.30475 \$0.01490 \$20,096.51	\$0.30475 \$0.01490 \$20,096.51	\$0.30475 \$0.01490 \$18,799.96	\$0.30475 \$0.01490 \$20,096.51	\$0.30475 \$0.01490 \$19,448.23	\$0.30475 \$0.01490 \$20,096.51	\$0.30475 \$0.01490 \$19,448.23	\$0.30475 \$0.01490 \$20,096.51	\$0.30475 \$0.01490 \$20,096.51	\$0.30475 \$0.01490 \$19,448.23	\$173,665.44 \$63,603.00 \$237,268.44
TR LNG	9014431	Demand Capacity	15,670		215,042	\$0.10316 \$0.01988 \$182,638.12	\$0.10316 \$0.01988 \$176,746.56	\$0.10316 \$0.01988 \$182,638.12	\$0.10316 \$0.01988 \$182,638.12	\$0.10316 \$0.01988 \$170,855.01	\$0.10316 \$0.01988 \$182,638.12	\$0.10316 \$0.01988 \$176,746.56	\$0.10316 \$0.01988 \$182,638.12	\$0.10316 \$0.01988 \$176,746.56	\$0.10316 \$0.01988 \$182,638.12	\$0.10316 \$0.01988 \$182,638.12	\$0.10316 \$0.01988 \$176,746.56	\$291,645.90 \$1,554,662.80 \$2,156,308.10
TR SS-2	1003971	Demand Capacity	16,043		1,764,675	\$0.30688 \$0.00103 \$208,967.62	\$0.30688 \$0.00103 \$202,226.73	\$0.30688 \$0.00103 \$208,967.62	\$0.30688 \$0.00103 \$208,967.62	\$0.30688 \$0.00103 \$195,485.84	\$0.30688 \$0.00103 \$208,967.62	\$0.30688 \$0.00103 \$202,226.73	\$0.30688 \$0.00103 \$208,967.62	\$0.30688 \$0.00103 \$202,226.73	\$0.30688 \$0.00103 \$208,967.62	\$0.30688 \$0.00103 \$208,967.62	\$0.30688 \$0.00103 \$202,226.73	\$1,801,918.96 \$665,247.18 \$2,467,166.14
TR ESS	9050779	Demand Capacity	27,814		232,314	\$0.02500 \$0.00346 \$46,473.85	\$0.02500 \$0.00346 \$44,974.69	\$0.02500 \$0.00346 \$46,473.85	\$0.02500 \$0.00346 \$46,473.85	\$0.02500 \$0.00346 \$43,475.54	\$0.02500 \$0.00346 \$46,473.85	\$0.02500 \$0.00346 \$44,974.69	\$0.02500 \$0.00346 \$46,473.85	\$0.02500 \$0.00346 \$44,974.69	\$0.02500 \$0.00346 \$46,473.85	\$0.02500 \$0.00346 \$46,473.85	\$0.02500 \$0.00346 \$44,974.69	\$254,498.10 \$294,193.16 \$548,691.26
Subtotal Storage Demand						\$1,063,644.67	\$1,041,113.38	\$1,063,644.67	\$1,063,644.67	\$1,018,582.10	\$1,063,644.67	\$1,041,113.38	\$1,063,644.67	\$1,041,113.38	\$1,063,644.67	\$1,063,644.67	\$1,041,113.38	\$12,628,548.35

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					31	30	31	31	29	31	30	31	30	31	31	30				
					Billing Determinant															
					Contract No.	Cost Type	Demand	Other												
FIRM TRANSPORT CAPACITY					Oct-2023	Nov-2023	Dec-2023	Jan-2024	Feb-2024	Mar-2024	Apr-2024	May-2024	Jun-2024	Jul-2024	Aug-2024	Sep-2024	TOTAL			
COL ADELPHIA FTS	FTS-SJG-0028	Demand	75,000		\$0.30000	\$0.30000	\$0.30000	\$0.30000	\$0.30000	\$0.30000	\$0.30000	\$0.30000	\$0.30000	\$0.30000	\$0.30000	\$0.30000	\$83,235,000.00			
					\$697,500.00	\$675,000.00	\$697,500.00	\$697,500.00	\$652,500.00	\$697,500.00	\$675,000.00	\$697,500.00	\$675,000.00	\$697,500.00	\$697,500.00	\$675,000.00				
COL SST	38086	Demand	Winter 26,445 52,891		\$10.16100	\$10.16100	\$10.16100	\$10.16100	\$10.16100	\$10.16100	\$10.16100	\$10.16100	\$10.16100	\$10.16100	\$10.16100	\$10.16100	\$1,880,953.52			
					\$268,707.65	\$537,425.45	\$537,425.45	\$537,425.45	\$537,425.45	\$537,425.45	\$537,425.45	\$268,707.65	\$268,707.65	\$268,707.65	\$268,707.65	\$268,707.65	\$2,687,127.26			
COL FTS	38099	Demand	6,043		\$10.28000	\$10.28000	\$10.28000	\$10.28000	\$10.28000	\$10.28000	\$10.28000	\$10.28000	\$10.28000	\$10.28000	\$10.28000	\$10.28000	\$745,464.48			
					\$62,122.04	\$62,122.04	\$62,122.04	\$62,122.04	\$62,122.04	\$62,122.04	\$62,122.04	\$62,122.04	\$62,122.04	\$62,122.04	\$62,122.04	\$62,122.04	\$745,464.48			
COL FTS	156147	Demand	9,000		\$10.28000	\$10.28000	\$10.28000	\$10.28000	\$10.28000	\$10.28000	\$10.28000	\$10.28000	\$10.28000	\$10.28000	\$10.28000	\$10.28000	\$110,240.00			
					\$92,520.00	\$92,520.00	\$92,520.00	\$92,520.00	\$92,520.00	\$92,520.00	\$92,520.00	\$92,520.00	\$92,520.00	\$92,520.00	\$92,520.00	\$92,520.00	\$110,240.00			
COL FTS ESEP	161135	Demand	70,000		\$13.39600	\$13.39600	\$13.39600	\$13.39600	\$13.39600	\$13.39600	\$13.39600	\$13.39600	\$13.39600	\$13.39600	\$13.39600	\$13.39600	\$11,252,640.00			
					\$937,720.00	\$937,720.00	\$937,720.00	\$937,720.00	\$937,720.00	\$937,720.00	\$937,720.00	\$937,720.00	\$937,720.00	\$937,720.00	\$937,720.00	\$937,720.00	\$11,252,640.00			
COL NTS	39305	Demand	22,511		\$10.40700	\$10.40700	\$10.40700	\$10.40700	\$10.40700	\$10.40700	\$10.40700	\$10.40700	\$10.40700	\$10.40700	\$10.40700	\$10.40700	\$2,811,263.72			
					\$234,271.98	\$234,271.98	\$234,271.98	\$234,271.98	\$234,271.98	\$234,271.98	\$234,271.98	\$234,271.98	\$234,271.98	\$234,271.98	\$234,271.98	\$234,271.98	\$2,811,263.72			
TENN FTS	529	Demand	78,000		\$12.16600	\$12.16600	\$12.16600	\$12.16600	\$12.16600	\$12.16600	\$12.16600	\$12.16600	\$12.16600	\$12.16600	\$12.16600	\$12.16600	\$11,387,376.00			
					\$948,948.00	\$948,948.00	\$948,948.00	\$948,948.00	\$948,948.00	\$948,948.00	\$948,948.00	\$948,948.00	\$948,948.00	\$948,948.00	\$948,948.00	\$948,948.00	\$11,387,376.00			
COL FTS		Demand	75,000		\$4.01283	\$4.01283	\$4.01283	\$4.01283	\$4.01283	\$4.01283	\$4.01283	\$4.01283	\$4.01283	\$4.01283	\$4.01283	\$4.01283	\$3,611,551.38			
					\$300,962.62	\$300,962.62	\$300,962.62	\$300,962.62	\$300,962.62	\$300,962.62	\$300,962.62	\$300,962.62	\$300,962.62	\$300,962.62	\$300,962.62	\$300,962.62				
TR FTS_ZONE BASED RESV	1003902	Demand	120,915		\$0.51145	\$0.51145	\$0.51145	\$0.51145	\$0.51145	\$0.51145	\$0.51145	\$0.51145	\$0.51145	\$0.51145	\$0.51145	\$0.51145	\$0.51145			
TR FTS LONG HAUL TURN BACK DISCOUNT	1003902	Demand			\$0.00000	\$0.00000	\$0.00000	\$0.00000	\$0.00000	\$0.00000	\$0.00000	\$0.00000	\$0.00000	\$0.00000	\$0.00000	\$0.00000	\$0.00000			
					\$1,917,097.63	\$1,855,255.77	\$1,917,097.63	\$1,917,097.63	\$1,793,411.91	\$1,917,097.63	\$1,855,255.77	\$1,917,097.63	\$1,855,255.77	\$1,917,097.63	\$1,917,097.63	\$1,855,255.77	\$22,634,120.36			
TR FTS DEMAND	1013599	Demand	21,608		\$0.12815	\$0.12815	\$0.12815	\$0.12815	\$0.12815	\$0.12815	\$0.12815	\$0.12815	\$0.12815	\$0.12815	\$0.12815	\$0.12815	\$0.12815			
			Monthly Demand Billing Determinant		669,848	648,240	669,848	669,848	626,632	669,848	648,240	669,848	648,240	669,848	648,240	669,848	7,908,528			
					\$85,841.02	\$83,071.96	\$85,841.02	\$85,841.02	\$80,302.89	\$85,841.02	\$83,071.96	\$85,841.02	\$83,071.96	\$85,841.02	\$83,071.96	\$85,841.02	\$1,013,477.86			
TR FTS SS-1 (WINTER ONLY)	1044825	Demand	17,433		\$0.00000	\$0.12815	\$0.12815	\$0.12815	\$0.12815	\$0.12815	\$0.00000	\$0.00000	\$0.00000	\$0.00000	\$0.00000	\$0.00000	\$0.00000			
			Monthly Demand Billing Determinant		-	\$22,990	\$40,423	\$40,423	\$05,557	\$40,423	-	-	-	-	-	-	2,649,816			
					\$0.00	\$67,021.17	\$69,255.21	\$69,255.21	\$64,787.13	\$69,255.21	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$339,573.92			
TR Res PSFT (Dec-Jan-Feb ONLY)	1005003	Demand	3,002		\$0.00000	\$0.00000	\$0.99100	\$0.99100	\$0.00000	\$0.00000	\$0.00000	\$0.00000	\$0.00000	\$0.00000	\$0.00000	\$0.00000	\$0.00000			
			Monthly Demand Billing Determinant		-	-	93,062	93,062	87,058	-	-	-	-	-	-	-	273,182			
					\$0.00	\$0.00	\$92,224.44	\$92,224.44	\$86,274.48	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$720,723.36			
TR FTS CNJEP	9032686	Demand	105,000		\$0.12815	\$0.12815	\$0.12815	\$0.12815	\$0.12815	\$0.12815	\$0.12815	\$0.12815	\$0.12815	\$0.12815	\$0.12815	\$0.12815	\$0.12790			
			Monthly Demand Billing Determinant		3,255,000	3,150,000	3,255,000	3,255,000	3,405,000	3,255,000	3,150,000	3,255,000	3,150,000	3,255,000	3,255,000	3,150,000	38,430,000			
					\$417,128.25	\$403,672.50	\$417,128.25	\$417,128.25	\$390,216.75	\$417,128.25	\$403,672.50	\$417,128.25	\$403,672.50	\$417,128.25	\$417,128.25	\$403,672.50	\$4,914,017.00			
			Subtotal Firm Transport Demand		\$5,962,819.17	\$6,197,991.48	\$6,393,016.63	\$6,393,016.63	\$6,181,465.24	\$6,300,792.19	\$5,962,252.50	\$5,962,819.17	\$5,862,252.50	\$5,962,819.17	\$5,962,819.17	\$5,861,465.00	\$72,903,528.87			
Other Demand Costs																				
Midstream Partners (Risk Management Consulting)					\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$60,000.00			
ABB SENDOUT Model License Fee					\$0.00	\$22,951.65	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$22,951.65			
PCE Analytics Annual Fee- Hedging Tool					\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$125,000.00	\$0.00	\$0.00	\$125,000.00			
ICAE US OTC Commodity Markets, LLC					\$2,146.00	\$2,146.00	\$2,146.00	\$2,146.00	\$2,146.00	\$2,146.00	\$2,146.00	\$2,146.00	\$2,146.00	\$2,146.00	\$2,146.00	\$2,146.00	\$25,752.00			
Harbourfront											\$50,000.00						\$50,000.00			
			Subtotal Other Demand Costs		\$7,146.00	\$30,097.65	\$7,146.00	\$7,146.00	\$7,146.00	\$7,146.00	\$7,146.00	\$7,146.00	\$7,146.00	\$132,146.00	\$7,146.00	\$7,146.00	\$283,703.65			
			TOTAL DEMAND COSTS		\$7,033,609.85	\$7,269,202.51	\$7,463,807.30	\$7,463,807.30	\$7,207,193.34	\$7,371,582.86	\$6,910,511.89	\$7,083,609.85	\$6,910,511.89	\$7,158,609.85	\$7,033,609.85	\$6,909,724.39	\$85,815,780.86			

South Jersey Gas Company
Projected Demand Charges and Storage Costs included in the June 1, 2023 BGSS Filing

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STORAGE SERVICES VARIABLE CHARGES

	Oct-2023	Nov-2023	Dec-2023	Jan-2024	Feb-2024	Mar-2024	Apr-2024	May-2024	Jun-2024	Jul-2024	Aug-2024	Sep-2024	TOTAL
COL FSS													
In Rate	\$0.01530	\$0.01530	\$0.01530	\$0.01530	\$0.01530	\$0.01530	\$0.01530	\$0.01530	\$0.01530	\$0.01530	\$0.01530	\$0.01530	
Out Rate	\$0.01530	\$0.01530	\$0.01530	\$0.01530	\$0.01530	\$0.01530	\$0.01530	\$0.01530	\$0.01530	\$0.01530	\$0.01530	\$0.01530	
In Vol.	314,797	150,368	121,519	114,217	111,375	122,441	398,666	398,669	398,669	398,669	398,669	398,669	3,326,728
Out Vol.	26,553	229,572	525,112	966,725	849,690	483,600	144,000	20,000	20,000	20,000	10,000	10,000	3,313,252
In Cost	\$4,816.39	\$2,300.63	\$1,859.24	\$1,740.52	\$1,704.04	\$1,873.35	\$6,099.59	\$6,099.64	\$6,099.64	\$6,099.64	\$6,099.64	\$6,099.64	\$50,898.94
Out Cost	\$406.26	\$3,512.45	\$8,034.21	\$14,790.89	\$13,000.26	\$7,399.08	\$2,203.20	\$428.40	\$306.00	\$306.00	\$153.00	\$153.00	\$50,692.76
COL SST													
In Rate	\$0.01320	\$0.01320	\$0.01320	\$0.01320	\$0.01320	\$0.01320	\$0.01320	\$0.01320	\$0.01320	\$0.01320	\$0.01320	\$0.01320	
Out Rate	\$0.01320	\$0.01320	\$0.01320	\$0.01320	\$0.01320	\$0.01320	\$0.01320	\$0.01320	\$0.01320	\$0.01320	\$0.01320	\$0.01320	
In Vol.	320,352	153,021	123,664	116,232	113,340	124,602	405,701	405,704	405,704	405,704	405,704	405,704	3,385,432
Out Vol.	26,553	229,572	525,112	966,725	849,690	483,600	144,000	20,000	20,000	20,000	10,000	10,000	3,313,252
In Cost	\$4,228.65	\$2,019.88	\$1,632.36	\$1,534.26	\$1,496.09	\$1,644.75	\$5,355.25	\$5,355.29	\$5,355.29	\$5,355.29	\$5,355.29	\$5,355.29	\$44,087.70
Out Cost	\$350.50	\$3,030.35	\$6,931.48	\$12,760.77	\$11,215.91	\$6,383.52	\$1,900.80	\$369.60	\$264.00	\$264.00	\$132.00	\$132.00	\$43,734.93
EGTS GSS													
In Rate	\$0.03960	\$0.03960	\$0.03960	\$0.03960	\$0.03960	\$0.03960	\$0.03960	\$0.03960	\$0.03960	\$0.03960	\$0.03960	\$0.03960	
IT In Rate	\$0.02620	\$0.02620	\$0.02620	\$0.02620	\$0.02620	\$0.02620	\$0.02620	\$0.02620	\$0.02620	\$0.02620	\$0.02620	\$0.02620	
Out Rate	\$0.02620	\$0.02620	\$0.02620	\$0.02620	\$0.02620	\$0.02620	\$0.02620	\$0.02620	\$0.02620	\$0.02620	\$0.02620	\$0.02620	
In Vol.	51,243	0	0	0	0	0	65,658	65,653	65,653	65,653	65,653	65,653	
IT In Vol.	51,243	0	0	0	0	0	65,658	65,653	65,653	65,653	65,653	65,653	
Out Vol.	0	0	0	182,166	187,600	75,400	0	0	0	0	0	0	
In Cost	\$2,029.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2,600.06	\$2,599.86	\$2,599.86	\$2,599.86	\$2,599.86	\$2,599.86	\$17,628.57
IT In Cost	\$1,342.57	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,720.24	\$1,720.11	\$1,720.11	\$1,720.11	\$1,720.11	\$1,720.11	\$11,663.35
Out Cost	\$0.00	\$0.00	\$0.00	\$4,772.75	\$4,915.12	\$1,975.48	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$11,663.35
TR GSS													
In Rate	\$0.06143	\$0.06143	\$0.06143	\$0.06143	\$0.06143	\$0.06143	\$0.06143	\$0.06143	\$0.06143	\$0.06143	\$0.06143	\$0.06143	
Out Rate	\$0.05935	\$0.05935	\$0.05935	\$0.05935	\$0.05935	\$0.05935	\$0.05935	\$0.05935	\$0.05935	\$0.05935	\$0.05935	\$0.05935	
In Vol.	48,945	49,771	35,966	42,814	53,708	42,777	148,308	148,307	148,307	148,307	148,307	148,307	
Out Vol.	21,752	135,219	122,824	142,395	312,971	243,608	165,248	800	0	3,000	16,000	6	
In Cost	\$3,006.66	\$3,057.43	\$2,209.39	\$2,630.06	\$3,299.28	\$2,627.78	\$9,110.56	\$9,110.50	\$9,110.50	\$9,110.50	\$9,110.50	\$9,110.50	\$71,493.65
Out Cost	\$1,290.98	\$8,025.25	\$7,289.60	\$8,451.14	\$18,574.83	\$14,458.13	\$47.48	\$0.00	\$0.00	\$178.05	\$949.60	\$0.36	\$69,077.90
TR LSS													
In Rate	\$0.05106	\$0.05106	\$0.05106	\$0.05106	\$0.05106	\$0.05106	\$0.05106	\$0.05106	\$0.05106	\$0.05106	\$0.05106	\$0.05106	
Out Rate	\$0.04412	\$0.04412	\$0.04412	\$0.04412	\$0.04412	\$0.04412	\$0.04412	\$0.04412	\$0.04412	\$0.04412	\$0.04412	\$0.04412	
In Vol.	177,320	0	0	0	0	0	175,395	175,401	175,401	175,401	175,401	175,401	
Out Vol.	0	89,997	373,147	364,302	248,569	153,705	0	0	0	0	0	0	
In Cost	\$9,053.96	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$8,955.67	\$8,955.98	\$8,955.98	\$8,955.98	\$8,955.98	\$8,955.98	\$62,789.50
Out Cost	\$0.00	\$3,970.67	\$16,463.25	\$16,079.00	\$10,966.86	\$6,781.46	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$54,255.25
TR S-2													
In Rate	\$0.03575	\$0.03575	\$0.03575	\$0.03575	\$0.03575	\$0.03575	\$0.03575	\$0.03575	\$0.03575	\$0.03575	\$0.03575	\$0.03575	
Out Rate	\$0.07397	\$0.07397	\$0.07397	\$0.07397	\$0.07397	\$0.07397	\$0.07397	\$0.07397	\$0.07397	\$0.07397	\$0.07397	\$0.07397	
In Vol.	8,592	0	0	55	0	82	21,834	21,913	21,912	21,912	21,912	21,912	
Out Vol.	54	11,137	49,222	44,408	35,142	158	0	0	0	0	0	0	
In Cost	\$307.16	\$0.00	\$0.00	\$1.97	\$0.00	\$2.93	\$780.57	\$783.35	\$783.35	\$783.35	\$783.35	\$783.35	\$5,009.43
Out Cost	\$3.99	\$823.80	\$3,640.95	\$3,284.86	\$2,599.45	\$11.69	\$0.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$10,364.97
TR LNG													
In Rate	\$0.06892	\$0.06892	\$0.06892	\$0.06892	\$0.06892	\$0.06892	\$0.06892	\$0.06892	\$0.06892	\$0.06892	\$0.06892	\$0.06892	
Out Rate	\$0.06892	\$0.06892	\$0.06892	\$0.06892	\$0.06892	\$0.06892	\$0.06892	\$0.06892	\$0.06892	\$0.06892	\$0.06892	\$0.06892	
In Vol.	0	0	0	0	0	0	0	0	0	0	0	0	
Out Vol.	0	0	0	0	0	0	0	0	0	0	0	0	
In Cost	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Out Cost	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
TR SS-2													
In Rate	\$0.04627	\$0.04627	\$0.04627	\$0.04627	\$0.04627	\$0.04627	\$0.04627	\$0.04627	\$0.04627	\$0.04627	\$0.04627	\$0.04627	
Out Rate	\$0.04627	\$0.04627	\$0.04627	\$0.04627	\$0.04627	\$0.04627	\$0.04627	\$0.04627	\$0.04627	\$0.04627	\$0.04627	\$0.04627	
In Vol.	185,283	0	0	0	0	0	263,232	263,232	263,232	263,232	263,232	263,232	
Out Vol.	0	113,358	468,558	485,820	415,638	281,301	0	0	0	0	0	0	
In Cost	\$8,573.04	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$12,179.74	\$12,179.74	\$12,179.74	\$12,179.74	\$12,179.74	\$12,179.74	\$81,651.51
Out Cost	\$0.00	\$5,245.07	\$21,680.18	\$22,478.89	\$19,231.57	\$13,015.80	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$81,651.51
TR ESS													
In Rate	\$0.05005	\$0.05005	\$0.05005	\$0.05005	\$0.05005	\$0.05005	\$0.05005	\$0.05005	\$0.05005	\$0.05005	\$0.05005	\$0.05005	
Out Rate	\$0.05005	\$0.05005	\$0.05005	\$0.05005	\$0.05005	\$0.05005	\$0.05005	\$0.05005	\$0.05005	\$0.05005	\$0.05005	\$0.05005	
In Vol.	13,530	0	0	0	13	0	18,666	18,666	18,666	18,666	18,666	18,666	
Out Vol.	0	439	0	0	104,044	31	20,674	100	250	0	0	0	
In Cost	\$677.18	\$0.00	\$0.00	\$0.00	\$0.65	\$0.00	\$934.23	\$934.23	\$934.23	\$934.23	\$934.23	\$934.23	\$6,283.18
Out Cost	\$0.00	\$21.97	\$0.00	\$0.00	\$5,207.40	\$1.55	\$1,034.73	\$5.01	\$12.51	\$0.00	\$0.00	\$0.00	\$6,283.18
TOTAL STORAGE SERVICES VARIABLE CHARGES	\$36,086.57	\$32,007.50	\$69,740.66	\$88,526.12	\$92,211.46	\$56,175.53	\$62,682.29	\$48,589.22	\$48,321.21	\$48,486.75	\$48,979.30	\$48,024.06	\$679,824.67
TOTAL DEMAND AND STORAGE SERVICES VARIABLE CHARGES	\$7,069,696.42	\$7,301,210.01	\$7,533,547.97	\$7,552,333.42	\$7,299,404.79	\$7,427,758.39	\$6,973,194.17	\$7,132,199.07	\$6,958,833.10	\$7,207,096.60	\$7,082,583.15	\$6,957,748.44	\$86,495,605.53

South Jersey Gas Company
Statement of Injections and Withdrawals - LNG Inventory
For the period October 1, 2023 through September 30, 2024

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Period	Injections		Liquefier Costs	Inventory (Dth)		Withdrawals			Ending Inventory	
	Amount	Dth	Amount	Beginning	Ending	Sendout (Dth)	Average Relief Rate	Cost of Sendout from Storage	Ending Inventory (Dth)	Ending Inventory (\$)
Beginning Inventory									353,492	\$2,979,445
Oct 2023	\$ 210,331	80,000	\$200,000	353,492	428,492	5,000	\$8.4286	\$39,098	428,492	\$3,350,678
Nov 2023	\$ -	-	\$40,000	428,492	420,492	8,000	\$7.8197	\$63,304	420,492	\$3,327,373
Dec 2023	\$ -	-	\$50,000	420,492	390,492	30,000	\$7.9130	\$240,959	390,492	\$3,136,415
Jan 2024	\$ -	-	\$80,000	390,492	320,492	70,000	\$8.0320	\$576,578	320,492	\$2,639,837
Feb 2024	\$ -	-	\$28,000	320,492	295,492	25,000	\$8.2368	\$208,105	295,492	\$2,459,732
Mar 2024	\$ -	-	\$31,000	295,492	278,492	17,000	\$8.3242	\$143,295	278,492	\$2,347,437
Apr 2024	\$ 379,797	120,000	\$298,764	278,492	393,392	5,100	\$6.8439	\$38,727	393,392	\$2,987,271
May 2024	\$ -	-	\$32,000	393,392	385,492	7,900	\$7.5936	\$60,632	385,492	\$2,958,638
Jun 2024	\$ -	-	\$32,000	385,492	377,592	7,900	\$7.6750	\$61,288	377,592	\$2,929,350
Jul 2024	\$ -	-	\$32,000	377,592	369,492	8,100	\$7.7580	\$63,526	369,492	\$2,897,824
Aug 2024	\$ -	-	\$32,000	369,492	361,592	7,900	\$7.8427	\$62,642	361,592	\$2,867,183
Sep 2024	\$ -	-	\$32,000	361,592	353,492	8,100	\$7.9293	\$64,944	353,492	\$2,834,238

SOUTH JERSEY GAS COMPANY
ACTUAL ANNUAL REQUIREMENTS AND SUPPLIES
NOVEMBER 2020 THROUGH OCTOBER 2022

Quantities in MDts

	1	2	3	5	6	7
	Nov 2020 through Oct 2021			Nov 2021 through Oct 2022		
	Actual	Actual	Actual	Actual	Actual	Actual
	Annual	Heating Season	Non-Heat Season	Annual	Heating Season	Non-Heat Season
16 FIRM REQUIREMENTS						
17 Residential	25,490	20,004	5,486	19,849	19,849	6,284
18 Commercial	9,295	6,434	2,861	9,840	6,652	3,189
19 GSG Ind	285	228	58	305	227	77
20 GSG Com- Ind LV	2,813	1,815	997	2,944	1,925	1,019
22 TOTAL FIRM SENDOUT EXCLUDING TRANSPORTATION (lines 17 thru 20)	37,883	28,481	9,402	32,938	28,653	10,569
24 Firm Transportation (FT)	<u>13,889</u>	<u>5,982</u>	<u>7,907</u>	<u>14,498</u>	<u>5,954</u>	<u>8,544</u>
26 TOTAL FIRM SENDOUT AND TRANSPORTATION (lines 22+24)	51,772	34,463	17,309	47,436	34,607	19,112
28 Interruptible Sales, Interruptible Transportation and Off-System Sales	<u>15,995</u>	<u>11,653</u>	<u>4,342</u>	<u>19,597</u>	<u>10,687</u>	<u>8,910</u>
30 TOTAL SENDOUT, TRANSPORTATION AND OFF-SYSTEM SALES (line 26+28)	67,767	46,117	21,651	73,316	45,294	28,022
32 Storage Injections	<u>8,392</u>	<u>837</u>	<u>7,556</u>	<u>8,774</u>	<u>904</u>	<u>7,870</u>
34 TOTAL REQUIREMENTS (lines 30+32)	76,160	46,953	29,206	82,090	46,198	35,892
36 AVAILABLE SUPPLIES						
37 Spot Direct Purchases - Transco & Columbia FT & City Gate	27,781	16,984	10,797	85,537	34,938	50,599
38 LNG	174	137	38	157	117	39
39 PSE&G Net Exchange	0	0	0	0	0	0
40 Peaking Supply	0	0	0	250	250	0
41 Columbia FT ESEP	16,922	10,287	6,635	17,828	10,570	7,258
42 Transportation Gas (Firm & Interruptible)	<u>22,966</u>	<u>11,654</u>	<u>11,313</u>	<u>23,644</u>	<u>11,943</u>	<u>11,700</u>
44 TOTAL SUPPLIES EXCLUDING STORAGE (lines 37 thru 42)	67,844	39,061	28,782	127,416	57,819	69,597
46 Storage Withdrawals	<u>8,490</u>	<u>8,029</u>	<u>462</u>	<u>8,731</u>	<u>8,031</u>	<u>700</u>
48 TOTAL SUPPLIES AND STORAGE (lines 44+46)	76,334	47,090	29,244	136,147	65,850	70,297

SOUTH JERSEY GAS COMPANY
ANNUAL REQUIREMENTS AND SUPPLIES
NOVEMBER 2022 THROUGH OCTOBER 2023
ACTUAL HEATING SEASON - ESTIMATED NON-HEATING SEASON

Schedule MCM-4
Page 2 of 3

Quantities in MDts			
	1	2	3
	Nov 2022 through Oct 2023		
	Estimated	Actual	Estimated
	Annual	Heating Season	Non-Heat Season
FIRM REQUIREMENTS			
Residential	18,061	18,061	0
Commercial	6,173	6,173	0
Commercial LV	210	210	0
Industrial	1,810	1,810	0
Total HF Sendout - Normal	10,523	0	10,523
TOTAL FIRM SENDOUT REQUIREMENTS (lines 19 thru 23)	36,776	26,253	10,523
Firm Transportation (FT) (WS = Actual SS)	6,356	6,356	0
TOTAL FIRM SENDOUT AND TRANSPORTATION (lines 25+27)	43,132	32,609	10,523
Available For Interruptible and Off-System Sales	44,806	7,234	37,572
TOTAL SENDOUT, TRANSPORTATION AND OFF-SYSTEM SALES (line 29+31)	87,938	39,843	48,095
Storage Injections	8,819	1,728	7,090
TOTAL REQUIREMENTS - NORMAL WEATHER (lines 33+35)	96,757	41,572	55,185
AVAILABLE SUPPLIES			
Spot Direct Purchases - Transco & Columbia FT & City Gate	52,110	11,905	40,205
LNG	66,639	139	66,500
Peaking Supply	0	0	0
Columbia ESEP	25,550	10,570	14,980
Transportation Gas (WS Actual - SS up to 105,000 dts/d)	34,547	12,077	22,470
TOTAL SUPPLIES EXCLUDING STORAGE (lines 40 thru 44)	178,847	34,692	144,155
Storage Withdrawals	7,870	7,870	0
TOTAL SUPPLIES PLUS STORAGE (lines 46+48)	186,717	42,562	144,155

SOUTH JERSEY GAS COMPANY
ANNUAL REQUIREMENTS AND SUPPLIES
NOVEMBER 2023 THROUGH OCTOBER 2025
EXCLUDES OPT-OUT CUSTOMERS

Schedule MCM-4
Page 3 of 3

	Quantities in MDts			Quantities in MDts		
	1	2	3	1	2	3
	Nov 2023 through Oct 2024			Nov 2024 through Oct 2025		
	Estimated	Estimated	Estimated	Estimated	Estimated	Estimated
	Annual	Heating Season	Non-Heat Season	Annual	Heating Season	Non-Heat Season
TOTAL FIRM SENDOUT AND TRANSPORTATION REQUIREMENTS (EXCLUDES OPT-OUT)	43,048	32,286	10,763	43,754	32,784	10,970
Storage Injections Based on Full Contract Quantities	<u>8,819</u>	<u>0</u>	<u>8,819</u>	<u>8,819</u>	<u>0</u>	<u>8,819</u>
TOTAL SENDOUT, STORAGE INJ. AND TRANS. REQ. - NORMAL WEATHER (lines 18+20)	51,867	32,286	19,581	52,572	32,784	19,789
Available For Non-Firm Sales (NFS) - Normal Weather	<u>68,117</u>	<u>18,672</u>	<u>49,445</u>	<u>80,954</u>	<u>24,158</u>	<u>56,797</u>
TOTAL SENDOUT - STORAGE INJ. - TRANS. REQ. & AVAIL. NFS - NORMAL WEATHER (lines 22+24)	119,984	50,958	69,026	133,527	56,942	76,585
Firm Sendout and Transportation Requirements Added for Design Weather	<u>7,038</u>	<u>7,038</u>	<u>0</u>	<u>7,147</u>	<u>7,147</u>	<u>0</u>
TOTAL SENDOUT - STORAGE INJ. - TRANS. REQ. & AVAIL. NFS - DESIGN WEATHER (lines 26+28)	127,022	57,996	69,026	134,581	57,996	76,585
AVAILABLE SUPPLIES						
Spot Purchases Based on Transco & Col. FT & City Gate Supplies - Cap. Red.For AMA & CIP Releases	94,434	40,388	54,046	107,977	46,372	61,605
LNG Withdrawals	434	368	67	434	368	67
Peaking Service	3,150	3,150	0	3,150	3,150	0
Columbia East Side Expansion Project	25,550	10,570	14,980	25,550	10,570	14,980
Transportation Gas (105,000 Dts per day)	38,325	15,855	22,470	30,084	10,351	19,732
TOTAL SUPPLIES EXCLUDING STORAGE (lines 33 thru 37)	161,893	70,331	91,563	167,195	70,811	96,384
Storage Withdrawals Full Contract Quantities	<u>8,819</u>	<u>8,819</u>	<u>0</u>	<u>8,819</u>	<u>8,819</u>	<u>0</u>
TOTAL SUPPLIES PLUS STORAGE (lines 39+41)	170,712	79,149	91,563	176,013	79,629	96,384
WINTER RESERVE - NORMAL WEATHER (lines 43-22)		46,863			46,846	
WINTER RESERVE - DESIGN WEATHER (lines 45-28)		39,825			39,698	
Amount in Storage November 1	8,819			8,819		

CONFIDENTIAL

SOUTH JERSEY GAS COMPANY
DESIGN DAY FORECAST
2023-24 THROUGH 2027-28

		2023-24	2024-25	2025-26	2026-27	2027-28
Summary of Requirements vs Supplies						
Total Design Day Requirements		599,659	610,821	621,114	632,776	643,520
Total Design Day Supplies		650,987	675,987	675,987	685,987	695,987
Excess / (Shortfall)		51,328	65,166	54,873	53,211	52,467
Design Day Degree Days						
		63.0	63.0	63.0	63.0	63.0
Quantity in Dts						
		2023-24	2024-25	2025-26	2026-27	2027-28
Total Design Day Sendout Requirements		599,659	610,821	621,114	632,776	643,520
Design Day Capacity Entitlements						
Pipeline City Gate Long-Term Capacity						
	Contract #					
Transco FT (Long-haul)	1003902	128,651	128,651	128,651	128,651	128,651
Transco FT (Long-haul)	1002231	2,264	2,264	2,264	2,264	2,264
Transco (PSFT) (Long-haul)	1005003	3,002	3,002	3,002	3,002	3,002
Transco FT (Leidy Line)	1013599	41,608	41,608	41,608	41,608	41,608
Transco FT (Leidy Line)	1044825	17,433	17,433	17,433	17,433	17,433
Adelphia/Columbia FTS		75,000	75,000	75,000	75,000	75,000
Columbia NTS	39305	22,511	22,511	22,511	22,511	22,511
Columbia FTS	38099	22,511	22,511	22,511	22,511	22,511
Columbia FTS	156147	9,000	9,000	9,000	9,000	9,000
Columbia FTS (ESEP)	161135	70,000	70,000	70,000	70,000	70,000
Transco REA FT		0	25,000	25,000	25,000	25,000
Total Pipeline Services (lines 23 thru 32)		391,980	416,980	416,980	416,980	416,980
Underground Storage Services						
Transco S-2		1,557	1,557	1,557	1,557	1,557
Transco GSS		27,314	27,314	27,314	27,314	27,314
Transco LSS		12,000	12,000	12,000	12,000	12,000
Transco LG-A		15,670	15,670	15,670	15,670	15,670
Transco SS-2		16,043	16,043	16,043	16,043	16,043
Columbia FSS		52,891	52,891	52,891	52,891	52,891
Total Underground Storage (lines 37 thru 42)		125,475	125,475	125,475	125,475	125,475
Company Sources						
City Gate Supplies - (Peaking)		-	-	-	10,000	20,000
Company LNG (110,000 Mcf pro-rated @ 20 hours - converted to Dts)		75,000	75,000	75,000	75,000	75,000
Total Company Entitlement Sources (lines 34+44+47+48)		592,455	617,455	617,455	627,455	637,455
Company Entitlement Deficiency Before Transportation (50-18)		(7,204)	6,634	(3,659)	(5,321)	(6,065)
Transportation Sources						
RSG-FT @ 100% of Jan 2023 Average Daily Load		4,475	4,475	4,475	4,475	4,475
GSG-FT & GSG-LV-FT @ 100% of Jan 2023 Average Daily Load		29,716	29,716	29,716	29,716	29,716
Total Transportation Sources (lines 55+56)		34,191	34,191	34,191	34,191	34,191
Incremental Capacity Available From Transco CNJEP (105,000-line 58)		70,809	70,809	70,809	70,809	70,809
Total Transco CNJEP Capacity (lines 58+60)		105,000	105,000	105,000	105,000	105,000
Assets Released as Part of The Conservation Incentive Program						
Transco FT (Long Haul)*		(10,000)	(10,000)	(10,000)	(10,000)	(10,000)
Transco FT (Leidy Line)*		(20,000)	(20,000)	(20,000)	(20,000)	(20,000)
Columbia FTS*		(16,468)	(16,468)	(16,468)	(16,468)	(16,468)
Total Assets Released as Part of the CIP (lines 65 thru 67)		(46,468)	(46,468)	(46,468)	(46,468)	(46,468)
Total Net Design Day Supplies (lines 50+62+69)		650,987	675,987	675,987	685,987	695,987
Excess / (Shortfall) Between Requirements & Entitlements (lines 71 -18)		51,328	65,166	54,873	53,211	52,467
Excess / (Shortfall) as a Percent of Sendout (lines 73/18)		8.6%	10.7%	8.8%	8.4%	8.2%

* The Company acknowledges that Rate Counsel and BPU Staff have not stipulated to the capacity to be included in the BGSS Savings Test beyond 3/31/2025.

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

WINTER SEASON	DATE OF HIGHEST DEMAND	SUPPLY SOURCES				TOTAL SENDOUT	FIRM SENDOUT	INTERR SENDOUT	TOTAL SENDOUT	DEGREE DAYS
		TRANSCO	COLUMBIA	PSE&G	LNG					
2022-2023	December 24, 2022	214,624	187,561	0	63,836	466,021	464,934	1,087	466,021	49.50
	February 3, 2023	223,885	195,350	0	16,897	436,132	436,127	5	436,132	43.00
	December 23, 2022	230,594	198,786	0	2,944	432,324	430,778	1,546	432,324	46.00
	December 25, 2022	202,962	175,710	0	7,469	386,141	385,130	1,011	386,141	43.00
	January 14, 2023	144,402	222,326	0	199	366,927	364,711	2,216	366,927	34.00
2021-2022	January 29, 2022	210,520	200,282	0	40,451	451,253	450,677	576	451,253	48.00
	January 15, 2022	214,615	224,613	0	6,965	446,193	445,584	609	446,193	42.00
	February 14, 2022	180,589	243,760	0	6,827	431,176	430,473	703	431,176	44.10
	January 21, 2022	198,460	223,756	0	887	423,103	422,610	493	423,103	47.00
	January 11, 2022	195,444	210,851	0	4,323	410,618	410,256	362	410,618	43.00
2020-2021	January 29, 2021	195,295	211,232	0	74	406,601	406,561	40	406,601	42.12
	January 28, 2021	186,832	203,782	0	50	390,664	390,327	337	390,664	40.06
	February 20, 2021	155,419	211,125	0	146	366,690	366,661	29	366,690	37.71
	February 12, 2021	146,993	211,939	0	104	359,036	358,825	211	359,036	36.60
	February 13, 2021	144,455	213,947	0	255	358,657	358,629	28	358,657	35.99

South Jersey Gas Company
Statement of Actual and Estimated Supplier Refunds
For the Period October 1, 2022 through September 30, 2023

Period	Suppliers	Docket Number	Refund Amounts	Total
Oct-22	Transcontinental Gas Pipe Line Company, LLC Revenue			
Nov-22	Sharing of Penalty	RP23-79-000	\$3,368	\$3,368
Dec-22			\$0	\$0
Jan-23	Columbia Gas Transmission, LLC Penalty Refund 2022	RP23-318-000	\$24,357	\$24,357
Jan-23	Transcontinental Gas Pipe Line Company, LLC OFO Penalty			
	Sharing to S-2 Customers	RP22-1144-000	\$208	\$208
Feb-23	Eastern Gas Transmission and Storage Refund	RP21-1187	\$93,711	\$93,711
Mar-23			\$0	\$0
Apr-23	Transcontinental Gas Pipe Line Company, LLC Flow Through			
	Refund from Eastern Gas	RP21-1187	\$220,843	\$220,843
Apr-23	Transcontinental Gas Pipe Line Company, LLC Flow Through			
	OFO Penalty Sharing S-2	RP23-451-000	\$231	\$231
	Transcontinental Gas Pipe Line Company, LLC S-2 Flow	RP21-1188		
May-23	* Through Texas Eastern's General Rate Refund	RP23-759-000	\$61,631	\$61,631
Jun-23	*		\$0	\$0
Jul-23	*		\$0	\$0
Aug-23	*		\$0	\$0
Sep-23	*		\$0	\$0
			<u>\$404,348</u>	<u>\$404,348</u>

* Forecast

South Jersey Gas Company
Statement of Estimated Supplier Refunds
For the period October 1, 2023 through September 30, 2024

Period	Suppliers	Docket Number	Refund Amounts	Total
Oct 2023			\$0	\$0
Nov 2023			\$0	\$0
Dec 2023			\$0	\$0
Jan 2024			\$0	\$0
Feb 2024			\$0	\$0
Mar 2024			\$0	\$0
Apr 2024			\$0	\$0
May 2024			\$0	\$0
Jun 2024			\$0	\$0
Jul 2024			\$0	\$0
Aug 2024			\$0	\$0
Sep 2024			\$0	\$0
			Total	\$0

**South Jersey Gas Company
Summary of Hedging Activity
October 2022 - September 2023
As of March 31, 2023**

Supply Month	BGSS Sendout* (000)	Total Hedged (000)	Program Hedges			
			Non-Discr (000)	Planalytics (000)	Sim (000)	Disc (000)
October-22	1,285	850	450	400	-	-
November-22	3,026	1,970	450	400	1,120	-
December-22	4,978	2,390	450	820	1,120	-
January-23	6,344	2,610	450	1,040	1,120	-
February-23	5,471	2,810	450	1,240	1,120	-
March-23	4,201	2,020	450	450	1,120	-
April-23	2,107	1,040	450	590	-	-
May-23	1,097	450	450	-	-	-
June-23	694	450	450	-	-	-
July-23	682	450	450	-	-	-
August-23	692	450	450	-	-	-
September-23	695	450	450	-	-	-
Total	31,273	15,940	5,400	4,940	5,600	-
Total % Hedged		51.0%	17.3%	15.8%	17.9%	0.0%

*Based on Sendout in 2022 BGSS Filing

**South Jersey Gas Company
Non Discretionary Hedging Strategy
As of March 31, 2023**

Month	Quantity	Average Price
October-22	450,000	\$ 3.276
November-22	450,000	\$ 3.401
December-22	450,000	\$ 3.564
January-23	450,000	\$ 3.695
February-23	450,000	\$ 3.831
March-23	450,000	\$ 3.999
April-23	450,000	\$ 4.119
May-23	450,000	\$ 4.230
June-23	450,000	\$ 4.355
July-23	450,000	\$ 4.422
August-23	450,000	\$ 4.453
September-23	450,000	\$ 4.477

[illegible]

South Jersey Gas Company
Planalytics Hedging Strategy
As of March 31, 2023

Month	Quantity	Average Price
October-22	400,000	\$ 7.428
November-22	400,000	\$ 7.560
December-22	820,000	\$ 7.862
January-23	1,040,000	\$ 8.032
February-23	1,240,000	\$ 7.671
March-23	450,000	\$ 6.569
April-23	590,000	\$ 5.190
May-23	-	\$ -
June-23	-	\$ -
July-23	-	\$ -
August-23	-	\$ -
September-23	-	\$ -

South Jersey Gas Company
Storage Incentive Mechanism
Benchmark Cost Calculation, Actual Results & Sharing (Proforma)
Actual April - October 2022

Component of Benchmark	For Deliveries During									
	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Total		
Volumes (Bcf)	0.80	0.80	0.80	0.80	0.80	0.80	0.80	5.60		
Financial Hedges										
Commodity Cost (\$000)	\$ 3,821	\$ 3,857	\$ 3,888	\$ 3,844	\$ 3,884	\$ 3,896	\$ 3,850	\$ 27,041		
Average Cost	\$ 4.776	\$ 4.822	\$ 4.860	\$ 4.805	\$ 4.855	\$ 4.870	\$ 4.812			
Total Benchmark	\$ 3,821	\$ 3,857	\$ 3,888	\$ 3,844	\$ 3,884	\$ 3,896	\$ 3,850	\$ 27,041		
Storage Benchmark Per Dt								4.829		
Actual/Est Injection Volumes	0.70	0.80	0.80	0.80	0.80	0.80	0.90	5.60		
Financial Hedges										
Cost (\$000)	\$ 3,480	\$ 5,173	\$ 6,221	\$ 4,886	\$ 6,348	\$ 6,481	\$ 4,903			
Net (Gains) / Losses	\$ (506)	\$ (2,050)	\$ (3,363)	\$ (1,478)	\$ (3,186)	\$ (3,719)	\$ (1,731)			
Total	\$ 2,974	\$ 3,122	\$ 2,858	\$ 3,408	\$ 3,162	\$ 2,762	\$ 3,172	\$ 21,459		
Actual Average Cost Before Sharing								3.832		
Difference between Benchmark and Actual	\$ (847)	\$ (735)	\$ (1,030)	\$ (436)	\$ (722)	\$ (1,134)	\$ (678)	\$ (5,581)		
BGSS Share 80%							\$	(4,465)		
SJG Share							\$	(1,116)		
Actual Average Cost Before Sharing							\$	3.832		
SJG Sharing Per Dt							\$	0.1993		
Actual Average Cost After Sharing							\$	4.031		

**South Jersey Gas Company
Discretionary Hedging Strategy
As of March 31, 2023**

Financial Fixed Priced				Physical Fixed Price			
Month	Quantity	Average Price		Month	Quantity	Average Price	
October-22	-	\$	-	October-22	-	\$	-
November-22	-	\$	-	November-22	-	\$	-
December-22	-	\$	-	December-22	-	\$	-
January-23	-	\$	-	January-23	-	\$	-
February-23	-	\$	-	February-23	-	\$	-
March-23	-	\$	-	March-23	-	\$	-
April-23	-	\$	-	April-23	-	\$	-
May-23	-	\$	-	May-23	-	\$	-
June-23	-	\$	-	June-23	-	\$	-
July-23	-	\$	-	July-23	-	\$	-
August-23	-	\$	-	August-23	-	\$	-
September-23	-	\$	-	September-23	-	\$	-

**South Jersey Gas Company
Summary of Hedging Activity
October 2023 - September 2024
As of March 31, 2023**

Supply Month	BGSS Sendout* (000)	Total Hedged (000)	Program Hedges			
			Non-Discr (000)	Planalytics (000)	Sim (000)	Disc (000)
October-23	1,285	700	450	250	-	-
November-23	3,026	1,785	425	240	1,120	-
December-23	4,978	1,970	400	450	1,120	-
January-24	6,344	1,955	375	460	1,120	-
February-24	5,471	2,030	350	560	1,120	-
March-24	4,201	1,715	325	270	1,120	-
April-24	2,107	640	300	340	-	-
May-24	1,097	275	275	-	-	-
June-24	694	250	250	-	-	-
July-24	682	225	225	-	-	-
August-24	692	200	200	-	-	-
September-24	695	175	175	-	-	-
Total	31,273	11,920	3,750	2,570	5,600	-
Total % Hedged		38.1%	12.0%	8.2%	17.9%	0.0%

*Based on Sendout in 2022 BGSS Filing

**South Jersey Gas Company
Non Discretionary Hedging Strategy
As of March 31, 2023**

Month	Quantity	Average Price
October-23	450,000	\$ 4.478
November-23	425,000	\$ 4.517
December-23	400,000	\$ 4.568
January-24	375,000	\$ 4.637
February-24	350,000	\$ 4.677
March-24	325,000	\$ 4.728
April-24	300,000	\$ 4.743
May-24	275,000	\$ 4.706
June-24	250,000	\$ 4.607
July-24	225,000	\$ 4.563
August-24	200,000	\$ 4.487
September-24	175,000	\$ 4.305

South Jersey Gas Company
Non Discretionary Hedging Strategy
As of March 31, 2023

INS_TYPE	(Multiple Items)
PFOLIO	SJG_Financial_Trading_NonDiscr
PARAM_SEQ_NUM	1

Average of RATE	Column Labels	10/1/2023	11/1/2023	12/1/2023	1/1/2024	2/1/2024	3/1/2024	4/1/2024	5/1/2024	6/1/2024	7/1/2024	8/1/2024	9/1/2024
Row Labels													
10/29/2021	\$	3.811											
11/30/2021	\$	3.700	\$ 3.700										
12/30/2021	\$	3.535	\$ 3.535	\$ 3.535									
1/31/2022	\$	4.085	\$ 4.085	\$ 4.085	\$ 4.085								
2/28/2022	\$	4.009	\$ 4.009	\$ 4.009	\$ 4.009	\$ 4.009							
3/31/2022	\$	4.550	\$ 4.550	\$ 4.550	\$ 4.550	\$ 4.550	\$ 4.550						
4/29/2022	\$	5.145	\$ 5.145	\$ 5.145	\$ 5.145	\$ 5.145	\$ 5.145	\$ 5.145					
5/31/2022	\$	5.700	\$ 5.700	\$ 5.700	\$ 5.700	\$ 5.700	\$ 5.700	\$ 5.700	\$ 5.700				
6/30/2022	\$	5.005	\$ 5.005	\$ 5.005	\$ 5.005	\$ 5.005	\$ 5.005	\$ 5.005	\$ 5.005	\$ 5.005			
7/29/2022	\$	5.170	\$ 5.170	\$ 5.170	\$ 5.170	\$ 5.170	\$ 5.170	\$ 5.170	\$ 5.170	\$ 5.170	\$ 5.170		
8/31/2022	\$	5.760	\$ 5.760	\$ 5.760	\$ 5.760	\$ 5.760	\$ 5.760	\$ 5.760	\$ 5.760	\$ 5.760	\$ 5.760	\$ 5.760	
9/30/2022	\$	4.840	\$ 4.840	\$ 4.840	\$ 4.840	\$ 4.840	\$ 4.840	\$ 4.840	\$ 4.840	\$ 4.840	\$ 4.840	\$ 4.840	\$ 4.840
10/31/2022	\$	4.785	\$ 4.785	\$ 4.785	\$ 4.785	\$ 4.785	\$ 4.785	\$ 4.785	\$ 4.785	\$ 4.785	\$ 4.785	\$ 4.785	\$ 4.785
11/30/2022	\$	5.055	\$ 5.055	\$ 5.055	\$ 5.055	\$ 5.055	\$ 5.055	\$ 5.055	\$ 5.055	\$ 5.055	\$ 5.055	\$ 5.055	\$ 5.055
12/30/2022	\$	4.285	\$ 4.285	\$ 4.285	\$ 4.285	\$ 4.285	\$ 4.285	\$ 4.285	\$ 4.285	\$ 4.285	\$ 4.285	\$ 4.285	\$ 4.285
1/31/2023	\$	3.768	\$ 3.768	\$ 3.768	\$ 3.768	\$ 3.768	\$ 3.768	\$ 3.768	\$ 3.768	\$ 3.768	\$ 3.768	\$ 3.768	\$ 3.768
2/28/2023	\$	3.727	\$ 3.727	\$ 3.727	\$ 3.727	\$ 3.727	\$ 3.727	\$ 3.727	\$ 3.727	\$ 3.727	\$ 3.727	\$ 3.727	\$ 3.727
3/31/2023	\$	3.675	\$ 3.675	\$ 3.675	\$ 3.675	\$ 3.675	\$ 3.675	\$ 3.675	\$ 3.675	\$ 3.675	\$ 3.675	\$ 3.675	\$ 3.675
Average Cost per Dth	\$	4.478	\$ 4.517	\$ 4.568	\$ 4.637	\$ 4.677	\$ 4.728	\$ 4.743	\$ 4.706	\$ 4.607	\$ 4.563	\$ 4.487	\$ 4.305
Dth Purchased		450,000	425,000	400,000	375,000	350,000	325,000	300,000	275,000	250,000	225,000	200,000	175,000

South Jersey Gas Company
Planalytics Hedging Strategy
As of March 31, 2023

Month	Quantity	Average Price
October-23	250,000	\$ 3.735
November-23	240,000	\$ 4.031
December-23	450,000	\$ 4.193
January-24	460,000	\$ 4.361
February-24	560,000	\$ 4.305
March-24	270,000	\$ 4.209
April-24	340,000	\$ 3.672
May-24	-	\$ -
June-24	-	\$ -
July-24	-	\$ -
August-24	-	\$ -
September-24	-	\$ -

Component of Benchmark	For Deliveries During											
	Apr-23	May-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Total				
Volumes (Bcf)	0.80	0.80	0.80	0.80	0.80	0.80	0.80	5.60				
Financial Hedges												
Commodity Cost (\$000)	\$ 2,876	\$ 2,876	\$ 2,876	\$ 2,876	\$ 2,876	\$ 2,876	\$ 2,876	\$ 20,135				
Average Cost	\$ 3.596	\$ 3.596	\$ 3.596	\$ 3.596	\$ 3.596	\$ 3.596	\$ 3.596					
Total Benchmark	\$ 2,876	\$ 2,876	\$ 2,876	\$ 2,876	\$ 2,876	\$ 2,876	\$ 2,876	\$ 20,135				
	Storage Benchmark Per Dt							3.596				
Actual/Est Injection Volumes	0.80	0.80	0.80	0.80	0.80	0.80	0.80	5.60				
Financial Hedges												
Cost (\$000)	\$ 2,876	\$ 2,876	\$ 2,876	\$ 2,876	\$ 2,876	\$ 2,876	\$ 2,876					
Net (Gains) / Losses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -					
Total	\$ 2,876	\$ 2,876	\$ 2,876	\$ 2,876	\$ 2,876	\$ 2,876	\$ 2,876	\$ 20,135				
	Actual Average Cost Before Sharing							3.596				
Difference between Benchmark and Actual	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
	BGSS Share 80%							\$ -				

**South Jersey Gas Company
Discretionary Hedging Strategy
As of March 31, 2023**

Financial Fixed Priced				Physical Fixed Price			
Month	Quantity	Average Price		Month	Quantity	Average Price	
October-23	-	\$	-	October-23	-	\$	-
November-23	-	\$	-	November-23	-	\$	-
December-23	-	\$	-	December-23	-	\$	-
January-24	-	\$	-	January-24	-	\$	-
February-24	-	\$	-	February-24	-	\$	-
March-24	-	\$	-	March-24	-	\$	-
April-24	-	\$	-	April-24	-	\$	-
May-24	-	\$	-	May-24	-	\$	-
June-24	-	\$	-	June-24	-	\$	-
July-24	-	\$	-	July-24	-	\$	-
August-24	-	\$	-	August-24	-	\$	-
September-24	-	\$	-	September-24	-	\$	-

**South Jersey Gas Company
Summary of Hedging Activity
October 2022 - September 2023
As of December 31, 2022**

Supply Month	BGSS Sendout* (000)	Total Hedged (000)	Program Hedges			
			Non-Discr (000)	Planalytics (000)	Sim (000)	Disc (000)
October-22	1,285	850	450	400	-	-
November-22	3,026	1,970	450	400	1,120	-
December-22	4,978	2,390	450	820	1,120	-
January-23	6,344	2,610	450	1,040	1,120	-
February-23	5,471	2,810	450	1,240	1,120	-
March-23	4,201	2,010	450	440	1,120	-
April-23	2,107	1,030	450	580	-	-
May-23	1,097	450	450	-	-	-
June-23	694	450	450	-	-	-
July-23	682	450	450	-	-	-
August-23	692	425	425	-	-	-
September-23	695	400	400	-	-	-
Total	31,273	15,845	5,325	4,920	5,600	-
Total % Hedged		50.7%	17.0%	15.7%	17.9%	0.0%

*Based on Sendout in 2022 BGSS Filing

**South Jersey Gas Company
Non Discretionary Hedging Strategy
As of December 31, 2022**

Month	Quantity	Average Price
October-22	450,000	\$ 3.276
November-22	450,000	\$ 3.401
December-22	450,000	\$ 3.564
January-23	450,000	\$ 3.695
February-23	450,000	\$ 3.831
March-23	450,000	\$ 3.999
April-23	450,000	\$ 4.119
May-23	450,000	\$ 4.230
June-23	450,000	\$ 4.355
July-23	450,000	\$ 4.422
August-23	425,000	\$ 4.493
September-23	400,000	\$ 4.568

[illegible]

South Jersey Gas Company
Planalytics Hedging Strategy
As of December 31, 2022

Month	Quantity	Average Price
October-22	400,000	\$ 7.428
November-22	400,000	\$ 7.560
December-22	820,000	\$ 7.862
January-23	1,040,000	\$ 8.032
February-23	1,240,000	\$ 7.671
March-23	440,000	\$ 6.595
April-23	580,000	\$ 5.199
May-23	-	\$ -
June-23	-	\$ -
July-23	-	\$ -
August-23	-	\$ -
September-23	-	\$ -

**South Jersey Gas Company
Storage Incentive Mechanism
Benchmark Cost Calculation, Actual Results & Sharing (Proforma)
Actual April - October 2022**

Component of Benchmark	For Deliveries During									
	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Total		
Volumes (Bcf)	0.80	0.80	0.80	0.80	0.80	0.80	0.80	5.60		
Financial Hedges										
Commodity Cost (\$000)	\$ 3,821	\$ 3,857	\$ 3,888	\$ 3,844	\$ 3,884	\$ 3,896	\$ 3,850	\$ 27,041		
Average Cost	\$ 4.776	\$ 4.822	\$ 4.860	\$ 4.805	\$ 4.855	\$ 4.870	\$ 4.812			
Total Benchmark	\$ 3,821	\$ 3,857	\$ 3,888	\$ 3,844	\$ 3,884	\$ 3,896	\$ 3,850	\$ 27,041		
Storage Benchmark Per Dt								4.829		
Actual/Est Injection Volumes	0.70	0.80	0.80	0.80	0.80	0.80	0.90	5.60		
Financial Hedges										
Cost (\$000)	\$ 3,480	\$ 5,173	\$ 6,221	\$ 4,886	\$ 6,348	\$ 6,481	\$ 4,903			
Net (Gains) / Losses	\$ (506)	\$ (2,050)	\$ (3,363)	\$ (1,478)	\$ (3,186)	\$ (3,719)	\$ (1,731)			
Total	\$ 2,974	\$ 3,122	\$ 2,858	\$ 3,408	\$ 3,162	\$ 2,762	\$ 3,172	\$ 21,459		
Actual Average Cost Before Sharing								3.832		
Difference between Benchmark and Actual	\$ (847)	\$ (735)	\$ (1,030)	\$ (436)	\$ (722)	\$ (1,134)	\$ (678)	\$ (5,581)		
BGSS Share 80%							\$	(4,465)		
SJG Share							\$	(1,116)		
Actual Average Cost Before Sharing							\$	3.832		
SJG Sharing Per Dt							\$	0.1993		
Actual Average Cost After Sharing							\$	4.031		

**South Jersey Gas Company
Discretionary Hedging Strategy
As of December 31, 2022**

Financial Fixed Priced				Physical Fixed Price			
Month	Quantity	Average Price		Month	Quantity	Average Price	
October-22	-	\$	-	October-22	-	\$	-
November-22	-	\$	-	November-22	-	\$	-
December-22	-	\$	-	December-22	-	\$	-
January-23	-	\$	-	January-23	-	\$	-
February-23	-	\$	-	February-23	-	\$	-
March-23	-	\$	-	March-23	-	\$	-
April-23	-	\$	-	April-23	-	\$	-
May-23	-	\$	-	May-23	-	\$	-
June-23	-	\$	-	June-23	-	\$	-
July-23	-	\$	-	July-23	-	\$	-
August-23	-	\$	-	August-23	-	\$	-
September-23	-	\$	-	September-23	-	\$	-

**South Jersey Gas Company
Summary of Hedging Activity
October 2023 - September 2024
As of December 31, 2022**

Supply Month	BGSS Sendout* (000)	Total Hedged (000)	Program Hedges			
			Non-Discr (000)	Planalytics (000)	Sim (000)	Disc (000)
October-23	1,285	455	375	80	-	-
November-23	3,026	420	350	70	-	-
December-23	4,978	385	325	60	-	-
January-24	6,344	340	300	40	-	-
February-24	5,471	345	275	70	-	-
March-24	4,201	360	250	110	-	-
April-24	2,107	365	225	140	-	-
May-24	1,097	200	200	-	-	-
June-24	694	175	175	-	-	-
July-24	682	150	150	-	-	-
August-24	692	125	125	-	-	-
September-24	695	100	100	-	-	-
Total	31,273	3,420	2,850	570	-	-
Total % Hedged		10.9%	9.1%	1.8%	0.0%	0.0%

*Based on Sendout in 2022 BGSS Filing

**South Jersey Gas Company
Non Discretionary Hedging Strategy
As of December 31, 2022**

Month	Quantity	Average Price
October-23	375,000	\$ 4.629
November-23	350,000	\$ 4.687
December-23	325,000	\$ 4.763
January-24	300,000	\$ 4.866
February-24	275,000	\$ 4.937
March-24	250,000	\$ 5.030
April-24	225,000	\$ 5.083
May-24	200,000	\$ 5.075
June-24	175,000	\$ 4.986
July-24	150,000	\$ 4.983
August-24	125,000	\$ 4.945
September-24	100,000	\$ 4.741

South Jersey Gas Company
Non Discretionary Hedging Strategy
As of December 31, 2022

INS_TYPE	(Multiple Items)
PFOLIO	SJG_Financial_Trading_NonDiscr
PARAM_SEQ_NUM	1

Average of RATE	Column Labels	10/1/2023	11/1/2023	12/1/2023	1/1/2024	2/1/2024	3/1/2024	4/1/2024	5/1/2024	6/1/2024	7/1/2024	8/1/2024	9/1/2024
Row Labels													
10/29/2021	\$	3.811											
11/30/2021	\$	3.700	\$ 3.700										
12/30/2021	\$	3.535	\$ 3.535	\$ 3.535									
1/31/2022	\$	4.085	\$ 4.085	\$ 4.085	\$ 4.085								
2/28/2022	\$	4.009	\$ 4.009	\$ 4.009	\$ 4.009	\$ 4.009							
3/31/2022	\$	4.550	\$ 4.550	\$ 4.550	\$ 4.550	\$ 4.550	\$ 4.550						
4/29/2022	\$	5.145	\$ 5.145	\$ 5.145	\$ 5.145	\$ 5.145	\$ 5.145	\$ 5.145					
5/31/2022	\$	5.700	\$ 5.700	\$ 5.700	\$ 5.700	\$ 5.700	\$ 5.700	\$ 5.700	\$ 5.700				
6/30/2022	\$	5.005	\$ 5.005	\$ 5.005	\$ 5.005	\$ 5.005	\$ 5.005	\$ 5.005	\$ 5.005	\$ 5.005			
7/29/2022	\$	5.170	\$ 5.170	\$ 5.170	\$ 5.170	\$ 5.170	\$ 5.170	\$ 5.170	\$ 5.170	\$ 5.170	\$ 5.170		
8/31/2022	\$	5.760	\$ 5.760	\$ 5.760	\$ 5.760	\$ 5.760	\$ 5.760	\$ 5.760	\$ 5.760	\$ 5.760	\$ 5.760	\$ 5.760	
9/30/2022	\$	4.840	\$ 4.840	\$ 4.840	\$ 4.840	\$ 4.840	\$ 4.840	\$ 4.840	\$ 4.840	\$ 4.840	\$ 4.840	\$ 4.840	\$ 4.840
10/31/2022	\$	4.785	\$ 4.785	\$ 4.785	\$ 4.785	\$ 4.785	\$ 4.785	\$ 4.785	\$ 4.785	\$ 4.785	\$ 4.785	\$ 4.785	\$ 4.785
11/30/2022	\$	5.055	\$ 5.055	\$ 5.055	\$ 5.055	\$ 5.055	\$ 5.055	\$ 5.055	\$ 5.055	\$ 5.055	\$ 5.055	\$ 5.055	\$ 5.055
12/30/2022	\$	4.285	\$ 4.285	\$ 4.285	\$ 4.285	\$ 4.285	\$ 4.285	\$ 4.285	\$ 4.285	\$ 4.285	\$ 4.285	\$ 4.285	\$ 4.285
Average Cost per Dth	\$	4.629	\$ 4.687	\$ 4.763	\$ 4.866	\$ 4.937	\$ 5.030	\$ 5.083	\$ 5.075	\$ 4.986	\$ 4.983	\$ 4.945	\$ 4.741
Dth Purchased		375,000	350,000	325,000	300,000	275,000	250,000	225,000	200,000	175,000	150,000	125,000	100,000

South Jersey Gas Company
Planalytics Hedging Strategy
As of December 31, 2022

Month	Quantity	Average Price	
October-23	80,000	\$	4.738
November-23	70,000	\$	4.937
December-23	60,000	\$	4.920
January-24	40,000	\$	5.081
February-24	70,000	\$	5.030
March-24	110,000	\$	4.844
April-24	140,000	\$	4.114
May-24	-	\$	-
June-24	-	\$	-
July-24	-	\$	-
August-24	-	\$	-
September-24	-	\$	-

**South Jersey Gas Company
Discretionary Hedging Strategy
As of December 31, 2022**

Financial Fixed Priced				Physical Fixed Price			
Month	Quantity	Average Price		Month	Quantity	Average Price	
October-23	-	\$	-	October-23	-	\$	-
November-23	-	\$	-	November-23	-	\$	-
December-23	-	\$	-	December-23	-	\$	-
January-24	-	\$	-	January-24	-	\$	-
February-24	-	\$	-	February-24	-	\$	-
March-24	-	\$	-	March-24	-	\$	-
April-24	-	\$	-	April-24	-	\$	-
May-24	-	\$	-	May-24	-	\$	-
June-24	-	\$	-	June-24	-	\$	-
July-24	-	\$	-	July-24	-	\$	-
August-24	-	\$	-	August-24	-	\$	-
September-24	-	\$	-	September-24	-	\$	-

**South Jersey Gas Company
Summary of Hedging Activity
October 2021 - September 2022
As of September 30, 2022**

Supply Month	BGSS Sendout* (000)	Total Hedged (000)	Program Hedges			
			Non-Discr (000)	Planalytics (000)	Sim (000)	Disc (000)
October-21	1,318	850	450	400	-	-
November-21	2,814	2,000	450	430	1,120	-
December-21	4,966	2,220	450	650	1,120	-
January-22	6,248	2,370	450	800	1,120	-
February-22	5,336	2,550	450	980	1,120	-
March-22	4,054	1,900	450	330	1,120	-
April-22	2,061	880	450	430	-	-
May-22	1,035	650	450	200	-	-
June-22	653	620	450	170	-	-
July-22	654	540	450	90	-	-
August-22	655	530	450	80	-	-
September-22	694	650	450	200	-	-
Total	30,489	15,760	5,400	4,760	5,600	-
Total % Hedged		51.7%	17.7%	15.6%	18.4%	0.0%

*Based on Sendout in 2021 BGSS Filing

**South Jersey Gas Company
Non Discretionary Hedging Strategy
As of September 30, 2022**

Month	Quantity	Average Price
October-21	450,000	\$ 2.607
November-21	450,000	\$ 2.625
December-21	450,000	\$ 2.646
January-22	450,000	\$ 2.683
February-22	450,000	\$ 2.733
March-22	450,000	\$ 2.789
April-22	450,000	\$ 2.853
May-22	450,000	\$ 2.912
June-22	450,000	\$ 2.971
July-22	450,000	\$ 3.025
August-22	450,000	\$ 3.105
September-22	450,000	\$ 3.174

Average of RATE	Column Labels													
Row Labels		10/1/2021	11/1/2021	12/1/2021	1/1/2022	2/1/2022	3/1/2022	4/1/2022	5/1/2022	6/1/2022	7/1/2022	8/1/2022	9/1/2022	
10/31/2019	\$	2.444												
11/26/2019	\$	2.435	\$ 2.435											
12/31/2019	\$	2.408	\$ 2.408	\$ 2.408										
1/31/2020	\$	2.317	\$ 2.317	\$ 2.317	\$ 2.317									
2/28/2020	\$	2.292	\$ 2.292	\$ 2.292	\$ 2.292	\$ 2.292								
3/31/2020	\$	2.495	\$ 2.495	\$ 2.495	\$ 2.495	\$ 2.495	\$ 2.495							
4/30/2020	\$	2.758	\$ 2.758	\$ 2.758	\$ 2.758	\$ 2.758	\$ 2.758	\$ 2.758						
5/29/2020	\$	2.628	\$ 2.628	\$ 2.628	\$ 2.628	\$ 2.628	\$ 2.628	\$ 2.628	\$ 2.628					
6/30/2020	\$	2.571	\$ 2.571	\$ 2.571	\$ 2.571	\$ 2.571	\$ 2.571	\$ 2.571	\$ 2.571	\$ 2.571				
7/31/2020	\$	2.644	\$ 2.644	\$ 2.644	\$ 2.644	\$ 2.644	\$ 2.644	\$ 2.644	\$ 2.644	\$ 2.644	\$ 2.644			
8/31/2020	\$	2.756	\$ 2.756	\$ 2.756	\$ 2.756	\$ 2.756	\$ 2.756	\$ 2.756	\$ 2.756	\$ 2.756	\$ 2.756	\$ 2.756		
9/30/2020	\$	2.730	\$ 2.730	\$ 2.730	\$ 2.730	\$ 2.730	\$ 2.730	\$ 2.730	\$ 2.730	\$ 2.730	\$ 2.730	\$ 2.730	\$ 2.730	\$ 2.730
10/30/2020	\$	2.885	\$ 2.885	\$ 2.885	\$ 2.885	\$ 2.885	\$ 2.885	\$ 2.885	\$ 2.885	\$ 2.885	\$ 2.885	\$ 2.885	\$ 2.885	\$ 2.885
11/30/2020	\$	2.773	\$ 2.773	\$ 2.773	\$ 2.773	\$ 2.773	\$ 2.773	\$ 2.773	\$ 2.773	\$ 2.773	\$ 2.773	\$ 2.773	\$ 2.773	\$ 2.773
12/31/2020	\$	2.637	\$ 2.637	\$ 2.637	\$ 2.637	\$ 2.637	\$ 2.637	\$ 2.637	\$ 2.637	\$ 2.637	\$ 2.637	\$ 2.637	\$ 2.637	\$ 2.637
1/29/2021	\$	2.729	\$ 2.729	\$ 2.729	\$ 2.729	\$ 2.729	\$ 2.729	\$ 2.729	\$ 2.729	\$ 2.729	\$ 2.729	\$ 2.729	\$ 2.729	\$ 2.729
2/26/2021	\$	2.736	\$ 2.736	\$ 2.736	\$ 2.736	\$ 2.736	\$ 2.736	\$ 2.736	\$ 2.736	\$ 2.736	\$ 2.736	\$ 2.736	\$ 2.736	\$ 2.736
3/31/2021	\$	2.680	\$ 2.680	\$ 2.680	\$ 2.680	\$ 2.680	\$ 2.680	\$ 2.680	\$ 2.680	\$ 2.680	\$ 2.680	\$ 2.680	\$ 2.680	\$ 2.680
4/30/2021			\$ 2.782	\$ 2.782	\$ 2.782	\$ 2.782	\$ 2.782	\$ 2.782	\$ 2.782	\$ 2.782	\$ 2.782	\$ 2.782	\$ 2.782	\$ 2.782
5/28/2021				\$ 2.805	\$ 2.805	\$ 2.805	\$ 2.805	\$ 2.805	\$ 2.805	\$ 2.805	\$ 2.805	\$ 2.805	\$ 2.805	\$ 2.805
6/30/2021					\$ 3.078	\$ 3.078	\$ 3.078	\$ 3.078	\$ 3.078	\$ 3.078	\$ 3.078	\$ 3.078	\$ 3.078	\$ 3.078
7/30/2021						\$ 3.214	\$ 3.214	\$ 3.214	\$ 3.214	\$ 3.214	\$ 3.214	\$ 3.214	\$ 3.214	\$ 3.214
8/31/2021							\$ 3.294	\$ 3.294	\$ 3.294	\$ 3.294	\$ 3.294	\$ 3.294	\$ 3.294	\$ 3.294
9/30/2021								\$ 3.656	\$ 3.656	\$ 3.656	\$ 3.656	\$ 3.656	\$ 3.656	\$ 3.656
10/29/2021									\$ 3.811	\$ 3.811	\$ 3.811	\$ 3.811	\$ 3.811	\$ 3.811
11/30/2021										\$ 3.700	\$ 3.700	\$ 3.700	\$ 3.700	\$ 3.700
12/30/2021											\$ 3.535	\$ 3.535	\$ 3.535	\$ 3.535
1/31/2022												\$ 4.085	\$ 4.085	\$ 4.085
2/28/2022													\$ 4.009	\$ 4.009
Average Cost per Dth	\$	2.607	\$ 2.625	\$ 2.646	\$ 2.683	\$ 2.733	\$ 2.789	\$ 2.853	\$ 2.912	\$ 2.971	\$ 3.025	\$ 3.105	\$ 3.174	
Dth Purchased		450.000	450.000	450.000	450.000	450.000	450.000	450.000	450.000	450.000	450.000	450.000	450.000	450.000

**South Jersey Gas Company
Planalytics Hedging Strategy
As of September 30, 2022**

Month	Quantity	Average Price
October-21	400,000	\$ 4.393
November-21	430,000	\$ 4.586
December-21	650,000	\$ 4.260
January-22	800,000	\$ 4.269
February-22	980,000	\$ 4.334
March-22	330,000	\$ 4.105
April-22	430,000	\$ 3.425
May-22	200,000	\$ 3.701
June-22	170,000	\$ 3.761
July-22	90,000	\$ 4.155
August-22	80,000	\$ 3.798
September-22	200,000	\$ 3.764

[illegible]

**South Jersey Gas Company
Discretionary Hedging Strategy
As of September 30, 2022**

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

**South Jersey Gas Company
Summary of Hedging Activity
October 2022 - September 2023
As of September 30, 2022**

Supply Month	BGSS Sendout* (000)	Total Hedged (000)	Program Hedges			
			Non-Discr (000)	Planalytics (000)	Sim (000)	Disc (000)
October-22	1,285	850	450	400	-	-
November-22	3,026	1,970	450	400	1,120	-
December-22	4,978	2,390	450	820	1,120	-
January-23	6,344	2,610	450	1,040	1,120	-
February-23	5,471	2,810	450	1,240	1,120	-
March-23	4,201	2,010	450	440	1,120	-
April-23	2,107	1,030	450	580	-	-
May-23	1,097	425	425	-	-	-
June-23	694	400	400	-	-	-
July-23	682	375	375	-	-	-
August-23	692	350	350	-	-	-
September-23	695	325	325	-	-	-
Total	31,273	15,545	5,025	4,920	5,600	-
Total % Hedged		49.7%	16.1%	15.7%	17.9%	0.0%

*Based on Sendout in 2022 BGSS Filing

**South Jersey Gas Company
Non Discretionary Hedging Strategy
As of September 30, 2022**

Month	Quantity	Average Price
October-22	450,000	\$ 3.276
November-22	450,000	\$ 3.401
December-22	450,000	\$ 3.564
January-23	450,000	\$ 3.695
February-23	450,000	\$ 3.831
March-23	450,000	\$ 3.999
April-23	450,000	\$ 4.119
May-23	425,000	\$ 4.197
June-23	400,000	\$ 4.285
July-23	375,000	\$ 4.365
August-23	350,000	\$ 4.447
September-23	325,000	\$ 4.536

South Jersey Gas Company
Non Discretionary Hedging Strategy
As of September 30, 2022

INS_TYPE	(Multiple Items)
PFOLIO	SJG_Financial_Trading_NonDiscr
PARAM_SEQ_NUM	1

Average of RATE	Column Labels	10/1/2022	11/1/2022	12/1/2022	1/1/2023	2/1/2023	3/1/2023	4/1/2023	5/1/2023	6/1/2023	7/1/2023	8/1/2023	9/1/2023
Row Labels													
10/30/2020	\$	2.885											
11/30/2020	\$	2.773	\$ 2.773										
12/31/2020	\$	2.637	\$ 2.637	\$ 2.637									
1/29/2021	\$	2.729	\$ 2.729	\$ 2.729	\$ 2.729								
2/26/2021	\$	2.736	\$ 2.736	\$ 2.736	\$ 2.736	\$ 2.736							
3/31/2021	\$	2.680	\$ 2.680	\$ 2.680	\$ 2.680	\$ 2.680	\$ 2.680						
4/30/2021	\$	2.782	\$ 2.782	\$ 2.782	\$ 2.782	\$ 2.782	\$ 2.782	\$ 2.782					
5/28/2021	\$	2.805	\$ 2.805	\$ 2.805	\$ 2.805	\$ 2.805	\$ 2.805	\$ 2.805	\$ 2.805				
6/30/2021	\$	3.078	\$ 3.078	\$ 3.078	\$ 3.078	\$ 3.078	\$ 3.078	\$ 3.078	\$ 3.078	\$ 3.078			
7/30/2021	\$	3.214	\$ 3.214	\$ 3.214	\$ 3.214	\$ 3.214	\$ 3.214	\$ 3.214	\$ 3.214	\$ 3.214	\$ 3.214		
8/31/2021	\$	3.294	\$ 3.294	\$ 3.294	\$ 3.294	\$ 3.294	\$ 3.294	\$ 3.294	\$ 3.294	\$ 3.294	\$ 3.294	\$ 3.294	
9/30/2021	\$	3.656	\$ 3.656	\$ 3.656	\$ 3.656	\$ 3.656	\$ 3.656	\$ 3.656	\$ 3.656	\$ 3.656	\$ 3.656	\$ 3.656	\$ 3.656
10/29/2021	\$	3.811	\$ 3.811	\$ 3.811	\$ 3.811	\$ 3.811	\$ 3.811	\$ 3.811	\$ 3.811	\$ 3.811	\$ 3.811	\$ 3.811	\$ 3.811
11/30/2021	\$	3.700	\$ 3.700	\$ 3.700	\$ 3.700	\$ 3.700	\$ 3.700	\$ 3.700	\$ 3.700	\$ 3.700	\$ 3.700	\$ 3.700	\$ 3.700
12/30/2021	\$	3.535	\$ 3.535	\$ 3.535	\$ 3.535	\$ 3.535	\$ 3.535	\$ 3.535	\$ 3.535	\$ 3.535	\$ 3.535	\$ 3.535	\$ 3.535
1/31/2022	\$	4.085	\$ 4.085	\$ 4.085	\$ 4.085	\$ 4.085	\$ 4.085	\$ 4.085	\$ 4.085	\$ 4.085	\$ 4.085	\$ 4.085	\$ 4.085
2/28/2022	\$	4.009	\$ 4.009	\$ 4.009	\$ 4.009	\$ 4.009	\$ 4.009	\$ 4.009	\$ 4.009	\$ 4.009	\$ 4.009	\$ 4.009	\$ 4.009
3/31/2022	\$	4.550	\$ 4.550	\$ 4.550	\$ 4.550	\$ 4.550	\$ 4.550	\$ 4.550	\$ 4.550	\$ 4.550	\$ 4.550	\$ 4.550	\$ 4.550
4/29/2022			\$ 5.145	\$ 5.145	\$ 5.145	\$ 5.145	\$ 5.145	\$ 5.145	\$ 5.145	\$ 5.145	\$ 5.145	\$ 5.145	\$ 5.145
5/31/2022				\$ 5.700	\$ 5.700	\$ 5.700	\$ 5.700	\$ 5.700	\$ 5.700	\$ 5.700	\$ 5.700	\$ 5.700	\$ 5.700
6/30/2022					\$ 5.005	\$ 5.005	\$ 5.005	\$ 5.005	\$ 5.005	\$ 5.005	\$ 5.005	\$ 5.005	\$ 5.005
7/29/2022						\$ 5.170	\$ 5.170	\$ 5.170	\$ 5.170	\$ 5.170	\$ 5.170	\$ 5.170	\$ 5.170
8/31/2022							\$ 5.760	\$ 5.760	\$ 5.760	\$ 5.760	\$ 5.760	\$ 5.760	\$ 5.760
9/30/2022								\$ 4.840	\$ 4.840	\$ 4.840	\$ 4.840	\$ 4.840	\$ 4.840
Average Cost per Dth	\$	3.276	\$ 3.401	\$ 3.564	\$ 3.695	\$ 3.831	\$ 3.999	\$ 4.119	\$ 4.197	\$ 4.285	\$ 4.365	\$ 4.447	\$ 4.536
Dth Purchased		450,000	450,000	450,000	450,000	450,000	450,000	450,000	425,000	400,000	375,000	350,000	325,000

**South Jersey Gas Company
Planalytics Hedging Strategy
As of September 30, 2022**

Month	Quantity	Average Price
October-22	400,000	\$ 7.428
November-22	400,000	\$ 7.560
December-22	820,000	\$ 7.862
January-23	1,040,000	\$ 8.032
February-23	1,240,000	\$ 7.671
March-23	440,000	\$ 6.595
April-23	580,000	\$ 5.199
May-23	-	\$ -
June-23	-	\$ -
July-23	-	\$ -
August-23	-	\$ -
September-23	-	\$ -

**South Jersey Gas Company
Storage Incentive Mechanism
Benchmark Cost Calculation, Actual Results & Sharing (Proforma)
Actual April - September; Estimated October 2022**

Component of Benchmark	For Deliveries During								Total
	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22		
Volumes (Bcf)	0.80	0.80	0.80	0.80	0.80	0.80	0.80	5.60	
Financial Hedges									
Commodity Cost (\$000)	\$ 3,886	\$ 3,922	\$ 3,952	\$ 3,908	\$ 3,948	\$ 3,961	\$ 3,874	\$ 27,451	
Average Cost	\$ 4.857	\$ 4.902	\$ 4.941	\$ 4.885	\$ 4.935	\$ 4.951	\$ 4.842		
Total Benchmark	\$ 3,886	\$ 3,922	\$ 3,952	\$ 3,908	\$ 3,948	\$ 3,961	\$ 3,874	\$ 27,451	

**South Jersey Gas Company
Discretionary Hedging Strategy
As of September 30, 2022**

Financial Fixed Priced				Physical Fixed Price			
Month	Quantity	Average Price		Month	Quantity	Average Price	
October-22	-	\$	-	October-22	-	\$	-
November-22	-	\$	-	November-22	-	\$	-
December-22	-	\$	-	December-22	-	\$	-
January-23	-	\$	-	January-23	-	\$	-
February-23	-	\$	-	February-23	-	\$	-
March-23	-	\$	-	March-23	-	\$	-
April-23	-	\$	-	April-23	-	\$	-
May-23	-	\$	-	May-23	-	\$	-
June-23	-	\$	-	June-23	-	\$	-
July-23	-	\$	-	July-23	-	\$	-
August-23	-	\$	-	August-23	-	\$	-
September-23	-	\$	-	September-23	-	\$	-

**South Jersey Gas Company
Summary of Hedging Activity
October 2021 - September 2022
As of June 30, 2022**

Supply Month	BGSS Sendout* (000)	Total Hedged (000)	Program Hedges			
			Non-Discr (000)	Planalytics (000)	Sim (000)	Disc (000)
October-21	1,318	850	450	400	-	-
November-21	2,814	2,000	450	430	1,120	-
December-21	4,966	2,220	450	650	1,120	-
January-22	6,248	2,370	450	800	1,120	-
February-22	5,336	2,550	450	980	1,120	-
March-22	4,054	1,900	450	330	1,120	-
April-22	2,061	880	450	430	-	-
May-22	1,035	650	450	200	-	-
June-22	653	620	450	170	-	-
July-22	654	540	450	90	-	-
August-22	655	530	450	80	-	-
September-22	694	650	450	200	-	-
Total	30,489	15,760	5,400	4,760	5,600	-
Total % Hedged		51.7%	17.7%	15.6%	18.4%	0.0%

*Based on Sendout in 2021 BGSS Filing

**South Jersey Gas Company
Non Discretionary Hedging Strategy
As of June 30, 2022**

Month	Quantity	Average Price
October-21	450,000	\$ 2.607
November-21	450,000	\$ 2.625
December-21	450,000	\$ 2.646
January-22	450,000	\$ 2.683
February-22	450,000	\$ 2.733
March-22	450,000	\$ 2.789
April-22	450,000	\$ 2.853
May-22	450,000	\$ 2.912
June-22	450,000	\$ 2.971
July-22	450,000	\$ 3.025
August-22	450,000	\$ 3.105
September-22	450,000	\$ 3.174

[illegible]

South Jersey Gas Company
Planalytics Hedging Strategy
As of June 30, 2022

Month	Quantity	Average Price
October-21	400,000	\$ 4.393
November-21	430,000	\$ 4.586
December-21	650,000	\$ 4.260
January-22	800,000	\$ 4.269
February-22	980,000	\$ 4.334
March-22	330,000	\$ 4.105
April-22	430,000	\$ 3.425
May-22	200,000	\$ 3.701
June-22	170,000	\$ 3.761
July-22	90,000	\$ 4.155
August-22	80,000	\$ 3.798
September-22	200,000	\$ 3.764

**South Jersey Gas Company
Discretionary Hedging Strategy
As of June 30, 2022**

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

**South Jersey Gas Company
Summary of Hedging Activity
October 2022 - September 2023
As of June 30, 2022**

Supply Month	BGSS Sendout* (000)	Total Hedged (000)	Program Hedges			
			Non-Discr (000)	Planalytics (000)	Sim (000)	Disc (000)
October-22	1,285	590	450	140	-	-
November-22	3,026	1,710	450	140	1,120	-
December-22	4,978	1,870	450	300	1,120	-
January-23	6,344	2,080	450	510	1,120	-
February-23	5,471	2,175	425	630	1,120	-
March-23	4,201	1,610	400	90	1,120	-
April-23	2,107	455	375	80	-	-
May-23	1,097	350	350	-	-	-
June-23	694	325	325	-	-	-
July-23	682	300	300	-	-	-
August-23	692	275	275	-	-	-
September-23	695	250	250	-	-	-
Total	31,273	11,990	4,500	1,890	5,600	-
Total % Hedged		38.3%	14.4%	6.0%	17.9%	0.0%

*Based on Sendout in 2022 BGSS Filing

South Jersey Gas Company
Non Discretionary Hedging Strategy
As of June 30, 2022

Month	Quantity	Average Price
October-22	450,000	\$ 3.276
November-22	450,000	\$ 3.401
December-22	450,000	\$ 3.564
January-23	450,000	\$ 3.695
February-23	425,000	\$ 3.752
March-23	400,000	\$ 3.816
April-23	375,000	\$ 3.891
May-23	350,000	\$ 3.971
June-23	325,000	\$ 4.060
July-23	300,000	\$ 4.142
August-23	275,000	\$ 4.226
September-23	250,000	\$ 4.320

South Jersey Gas Company
Non Discretionary Hedging Strategy
As of June 30, 2022

INS_TYPE (Multiple Items)
PFOLIO SJG_Financial_Trading_NonDiscr
PARAM_SEQ_NUM 1

Average of RATE	Column Labels	10/1/2022	11/1/2022	12/1/2022	1/1/2023	2/1/2023	3/1/2023	4/1/2023	5/1/2023	6/1/2023	7/1/2023	8/1/2023	9/1/2023
Row Labels													
10/30/2020	\$	2.885											
11/30/2020	\$	2.773	\$ 2.773										
12/31/2020	\$	2.637	\$ 2.637	\$ 2.637									
1/29/2021	\$	2.729	\$ 2.729	\$ 2.729	\$ 2.729								
2/26/2021	\$	2.736	\$ 2.736	\$ 2.736	\$ 2.736	\$ 2.736							
3/31/2021	\$	2.680	\$ 2.680	\$ 2.680	\$ 2.680	\$ 2.680	\$ 2.680						
4/30/2021	\$	2.782	\$ 2.782	\$ 2.782	\$ 2.782	\$ 2.782	\$ 2.782	\$ 2.782					
5/28/2021	\$	2.805	\$ 2.805	\$ 2.805	\$ 2.805	\$ 2.805	\$ 2.805	\$ 2.805	\$ 2.805				
6/30/2021	\$	3.078	\$ 3.078	\$ 3.078	\$ 3.078	\$ 3.078	\$ 3.078	\$ 3.078	\$ 3.078	\$ 3.078			
7/30/2021	\$	3.214	\$ 3.214	\$ 3.214	\$ 3.214	\$ 3.214	\$ 3.214	\$ 3.214	\$ 3.214	\$ 3.214	\$ 3.214		
8/31/2021	\$	3.294	\$ 3.294	\$ 3.294	\$ 3.294	\$ 3.294	\$ 3.294	\$ 3.294	\$ 3.294	\$ 3.294	\$ 3.294	\$ 3.294	
9/30/2021	\$	3.656	\$ 3.656	\$ 3.656	\$ 3.656	\$ 3.656	\$ 3.656	\$ 3.656	\$ 3.656	\$ 3.656	\$ 3.656	\$ 3.656	\$ 3.656
10/29/2021	\$	3.811	\$ 3.811	\$ 3.811	\$ 3.811	\$ 3.811	\$ 3.811	\$ 3.811	\$ 3.811	\$ 3.811	\$ 3.811	\$ 3.811	\$ 3.811
11/30/2021	\$	3.700	\$ 3.700	\$ 3.700	\$ 3.700	\$ 3.700	\$ 3.700	\$ 3.700	\$ 3.700	\$ 3.700	\$ 3.700	\$ 3.700	\$ 3.700
12/30/2021	\$	3.535	\$ 3.535	\$ 3.535	\$ 3.535	\$ 3.535	\$ 3.535	\$ 3.535	\$ 3.535	\$ 3.535	\$ 3.535	\$ 3.535	\$ 3.535
1/31/2022	\$	4.085	\$ 4.085	\$ 4.085	\$ 4.085	\$ 4.085	\$ 4.085	\$ 4.085	\$ 4.085	\$ 4.085	\$ 4.085	\$ 4.085	\$ 4.085
2/28/2022	\$	4.009	\$ 4.009	\$ 4.009	\$ 4.009	\$ 4.009	\$ 4.009	\$ 4.009	\$ 4.009	\$ 4.009	\$ 4.009	\$ 4.009	\$ 4.009
3/31/2022	\$	4.550	\$ 4.550	\$ 4.550	\$ 4.550	\$ 4.550	\$ 4.550	\$ 4.550	\$ 4.550	\$ 4.550	\$ 4.550	\$ 4.550	\$ 4.550
4/29/2022			\$ 5.145	\$ 5.145	\$ 5.145	\$ 5.145	\$ 5.145	\$ 5.145	\$ 5.145	\$ 5.145	\$ 5.145	\$ 5.145	\$ 5.145
5/31/2022				\$ 5.700	\$ 5.700	\$ 5.700	\$ 5.700	\$ 5.700	\$ 5.700	\$ 5.700	\$ 5.700	\$ 5.700	\$ 5.700
6/30/2022					\$ 5.005	\$ 5.005	\$ 5.005	\$ 5.005	\$ 5.005	\$ 5.005	\$ 5.005	\$ 5.005	\$ 5.005
Average Cost per Dth	\$	3.276	\$ 3.401	\$ 3.564	\$ 3.695	\$ 3.752	\$ 3.816	\$ 3.891	\$ 3.971	\$ 4.060	\$ 4.142	\$ 4.226	\$ 4.320
Dth Purchased		450,000	450,000	450,000	450,000	425,000	400,000	375,000	350,000	325,000	300,000	275,000	250,000

South Jersey Gas Company
Planalytics Hedging Strategy
As of June 30, 2022

Month	Quantity	Average Price
October-22	140,000	\$ 6.635
November-22	140,000	\$ 6.988
December-22	300,000	\$ 7.177
January-23	510,000	\$ 7.782
February-23	630,000	\$ 7.565
March-23	90,000	\$ 5.991
April-23	80,000	\$ 4.771
May-23	-	\$ -
June-23	-	\$ -
July-23	-	\$ -
August-23	-	\$ -
September-23	-	\$ -

**South Jersey Gas Company
Storage Incentive Mechanism
Benchmark Cost Calculation, Actual Results & Sharing (Proforma)
Actual April - June; Estimated July - October 2022**

[illegible]

South Jersey Gas Company
Discretionary Hedging Strategy
As of June 30, 2022

Financial Fixed Priced				Physical Fixed Price			
Month	Quantity	Average Price		Month	Quantity	Average Price	
October-22	-	\$	-	October-22	-	\$	-
November-22	-	\$	-	November-22	-	\$	-
December-22	-	\$	-	December-22	-	\$	-
January-23	-	\$	-	January-23	-	\$	-
February-23	-	\$	-	February-23	-	\$	-
March-23	-	\$	-	March-23	-	\$	-
April-23	-	\$	-	April-23	-	\$	-
May-23	-	\$	-	May-23	-	\$	-
June-23	-	\$	-	June-23	-	\$	-
July-23	-	\$	-	July-23	-	\$	-
August-23	-	\$	-	August-23	-	\$	-
September-23	-	\$	-	September-23	-	\$	-

CONFIDENTIAL

FEDERAL REGULATORY FILINGS OF INTEREST TO THE COMPANY

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

Columbia Gas Transmission, LLC (Docket RP23-524-000)

On March 01, 2023 Columbia Gas Transmission, LLC submits revised tariff sections to implement Section 52, Capital Cost Recovery Mechanism ("CCRM") of the General Terms and Conditions ("GT&C") of Columbia's Tariff.³ Columbia requests that the Commission accept the proposed tariff sections to become effective April 1, 2023.

Columbia Gas Transmission, LLC (Docket RP23-501-000)

On February 28, 2023 Columbia Gas Transmission, LLC ("Columbia") submits for filing certain tariff sections to be part of its FERC Gas Tariff, Fourth Revised Volume No. 1 ("Tariff").² Pursuant to Section 443 of Columbia's Tariff, the tariff sections are being submitted to set Columbia's Electric Power Costs Adjustment ("EPCA") for the annual period beginning April 1, 2023. Columbia requests that the Commission accept the tariff sections, filed herein as Attachment A, to become effective April 1, 2023.

Columbia Gas Transmission, LLC (Docket RP23-502-000)

On February 28, 2023 Columbia Gas Transmission, LLC submits the filing for certain tariff sections to be part of its FERC Gas Tariff, Fourth Revised Volume No. 1 ("Tariff").² Pursuant to Section 363 of Columbia's Tariff, the tariff sections are being submitted to set Columbia's Transportation Cost Rate Adjustment ("TCRA") for the annual period beginning April 1, 2023. Columbia requests that the Commission accept the tariff sections, filed herein as Attachment A, to become effective April 1, 2023.

Columbia Gas Transmission, LLC Penalty Refund 2022 (Docket RP23-318-000)

On December 30, 2022 Columbia Gas Transmission, LLC submits tariff filing with Penalty Revenue Credit Report 2022 showing penalty revenues collected, eligible incurred costs netted against those penalty revenues, if any, and the resulting penalty revenue credits for each month of the twelve-month period ending October 31, 2022.

Rate Schedule S-2 Tracker Filing (Docket No. RP23-676-000)

On April 5, 2023, Transco submitted a filing to track rate changes attributable to storage service purchased from Texas Eastern Transmission, LP under its Rate Schedule X-28, the costs of which are included in the rates and charges payable under Transco's Rate Schedule S-2. On January 30, 2023, Texas Eastern made a filing to comply with the Commission's November 30, 2022, order approving the Stipulation and Agreement ("Settlement") filed on September 8, 2022, in Docket No. RP21-1188-005 ("Compliance Filing"). The Compliance Filing included revised tariff records effective January 1, 2023, and February 1, 2023.

Regional Energy Access Requests for Notices to Proceed (Docket No. CP21-94-000)

On February 14, 2023, Transco submitted a limited notice to proceed related to tree felling activities regarding the Regional Energy Access Expansion Project. Supplemental information to the limited NTP was submitted to the Commission on February 22, 2023. On March 16, 2023, the Commission issued a letter order granting Transco's request. On March 16, 2023, Transco submitted a request for written

authorization to proceed with construction of all components of the Project, and on March 23, 2023, the Commission granted Transco's request and issued a full notice to proceed with construction.

Annual Fuel Tracker Filing (Docket No. RP23-488-000)

On February 28, 2023, Transco submitted revised tariff records pursuant to Section 38 of Transco's General Terms and Conditions of its FERC Gas Tariff ("GT&C") showing the redetermination of its fuel retention percentages applicable to transportation and storage rate schedules. The derivation of the revised fuel retention percentages included herein is based on Transco's estimate of gas required for operations ("GRO") for the forthcoming annual period April 2023 through March 2024 plus the balance accumulated in the Deferred GRO Account at January 31, 2023, the end of the annual deferral period. On March 22, 2023, the Commission accepted the tariff records effective April 1, 2023.

Rate Schedule S-2 Tracker Filing (Docket No. RP23-588-000)

On March 24, 2023, Transco filed a revised tariff record to track rate changes attributable to storage service purchased from Texas Eastern Transmission, LP, under its Rate Schedule X-28 which are included in the rates and charges payable under Transco's Rate Schedule S-2. The tariff records are proposed to be effective February 1, 2023.

Fuel Retention Tracker Filing for Rate Schedules LSS and SS-2, and for the Clermont Receipt Point (Docket No. RP23-575-000)

On March 16, 2023, Transco filed revised tariff records to track fuel retention percentage changes attributable to (1) storage service purchased from National Fuel Gas Supply Corporation ("National Fuel") under its Rate Schedule SS-1, which Transco uses to render service to its customers under its Rate Schedules LSS and SS_2 and (2) the lease by Transco of firm capacity from National Fuel under the terms of a Capacity Lease Agreement, which is applicable to quantities scheduled from the point of interconnection between National Fuel's pipeline system and the northern terminus of National Fuel Gas Midstream LLC's gathering system known as the Clermont NFG receipt point under Transco's Rate Schedules FT and IT. On March 31, 2023, the tariff records were accepted, as proposed, to be effective April 1, 2023.

Annual Electric Power Tracker Filing (Docket No. RP23-523-000)

On March 1, 2023, Transco submitted revised tariff records pursuant to Section 41 of Transco's GT&C to reflect net changes in the Transmission Electric Power ("TEP") rates. The TEP rates are designed to recover transmission electric power costs for electric compressors and gas coolers located at Transco's compressor station locations. On March 24, 2023, the Commission accepted the tariff records effective April 1, 2023.

Regional Energy Access – Order Issuing Certificate (Docket No. CP21-94-000)

On March 26, 2021, Transco filed an application requesting authorization to construct and operate the Regional Energy Access Expansion (REAE or project). The proposed REAE project consists of the abandonment and replacement of existing, less energy-efficient compression facilities and the construction of new pipeline facilities in Luzerne and Monroe Counties, Pennsylvania, and a new compressor station in Gloucester County, New Jersey; the expansion of existing compressor stations in Somerset County, New Jersey, and Luzerne County, Pennsylvania; modifications to the certified capacity

of compressor stations in York and Chester Counties, Pennsylvania, and Middlesex County New Jersey; and modifications to various tie-ins, regulators, and delivery meter stations in Pennsylvania, New Jersey, and Maryland. The purpose of the REAE project is to provide an additional 829,400 dekatherms per day (Dth/d) of firm transportation service for its shippers. As discussed in the January 11, 2023, order, FERG grants the requested certificate and abandonment authorizations subject to conditions.

Cash-Out OUB True-Up Surcharge Filing (Docket No. RP23-315-000)

On December 29, 2022, Transco submitted a filing showing the calculation of its annual True-Up Surcharge pursuant to Section 15 – “Refund of Cash-Out Revenues” of the General Terms and Conditions (“GT&C”) of Transco’s FERC Gas Tariff, Fifth Revised Volume No. 1. The calculation shown in Appendix A to the filing results in a True-Up Surcharge of \$0.00000. The True-Up Surcharge is summed with the OUB Base Surcharge (\$0.00068) and applied to the Applicable Quantities for the remainder of the annual period, i.e., February 1, 2023 through October 31, 2023. Because the True-Up Surcharge is \$0.00000, no adjustment is required to the currently effective Cash-Out OUB Surcharge reflected in Transco’s Tariff and no tariff records were submitted. The filing was submitted for informational purposes only.

Rate Schedule S-2 Tracker Filing (Docket No. RP23-253-000)

On December 1, 2022, Transco filed a revised tariff record in order to track rate changes attributable to storage service purchased from Texas Eastern Transmission, LP under its Rate Schedule X-28 which are included in the rates and charges payable under Transco’s Rate Schedule S-2. On December 19, 2022, the Commission approved Transco’s filing effective December 1, 2022.

OFO Penalty Disbursement Report (Docket No. RP23-175-000)

On November 8, 2022, Transco submitted its Flow Through of Texas Eastern OFO Penalty Sharing report. On August 24, 2022, Texas Eastern filed an OFO Penalty Disbursement Report under Docket No. RP22-1144-000. On October 10, 2022, Transco received its portion of the penalty disbursement for storage service purchased under Texas Eastern’s Rate Schedule X-28 which is used by Transco to provide service to its customers under its Rate Schedule S-2. Transco refunded the amount received from Texas Eastern, with interest, to its Rate Schedule S-2 customers on November 8, 2022.

Rate Schedules GSS, LSS, and SS-2 Tracking Filing (Docket No. RP23-87-000)

On October 28, 2022, Transco submitted revised tariff sheets to track rate changes attributable to storage services purchased from Eastern Gas Transmission and Storage under its Rate Schedule GSS and rate changes attributable to storage services purchased from National Fuel under its Rate Schedule SS-1. The Commission accepted the tariff records effective November 1, 2022, as requested.

2022 ACA Tracker Filing (Docket No. RP22-1147-000)

On August 25, 2022, Transco submitted revised tariff records to track rate changes resulting from an increase in the Annual Charge Adjustment rate from \$0.0012 to \$0.0015.

Eastern Gas Transmission and Storage (AKA Dominion)

On September 30, 2021, in Docket No. RP21-1187, EGTS initiated a general rate case by filing tariff records pursuant to Section 4 of the Natural Gas Act (“NGA”),¹ to be effective April 1, 2022. On September 30, 2022, EGTS filed an uncontested Stipulation resolving all issues in the docket listed

above. The Settlement was approved by the Federal Energy Regulatory Commission ("Commission") in a letter order dated November 30, 2022 ("Order").² Section 5.01 of Article V of the Stipulation required EGTS to issue refunds within sixty (60) days after Effective Date.³ In compliance with the requirements of Article V of the Stipulation and Section 154.501(a) of the Commission's Regulations, ⁴ EGTS issued refunds by check or electronic transfer (wire or ACH) on or before February 28, 2023 and by bill credits to customer invoices for February 2023 service.

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

		\$000
1	<u>Balancing Charge Related to Inventory</u>	
2	12 month average Inventory balance, including LNG	\$13,541
3	Rate of Return	9.07%
4		<hr/>
5		
6	Storage Carrying Costs	\$1,229
7	% of Balancing compared to Single Coldest January Day (3 year average) (see calc, line 39-43)	25.2%
8		<hr/>
9	Balancing Costs related to Inventory	\$310
10	Annual Firm Therms (000)	157,240
11		<hr/>
12	Pre-tax Balancing Charge Related to Inventory	\$0.001972
13		
14		
15	<u>Proposed BSC Charges (Rider I)</u>	
16		
17	<u>1. Opt-Out Customer Charge</u>	
18	Pre-tax proposed Opt-Out Balancing Charge	\$0.001972
19		
20	After-tax proposed Opt-Out Balancing Charge	\$0.002103
21		
22	Current After-tax Opt-Out Balancing Charge	\$0.002718
23		
24	Opt-Out Customer Charge Increase/(Decrease) to After-tax Balancing Charge	(\$0.000615)
25		
26	<u>2. Non-Opt-Out Customer Charge</u>	
27	The Company is proposing to use the after-tax BSC rate of \$0.088685, which is its proposed Rider "J" rate (see	
28	Schedule TWR-12, pg. 2), as the applicable rate for those customers under Rider "I" who do not Opt-Out.	
29		
30	Pre-tax proposed Non-Opt-Out Balancing Charge (same as Rider J proposed rate)	\$0.076761
31		
32	After-tax proposed Non-Opt-Out Balancing Charge (same as Rider J proposed rate)	\$0.081846
33		
34	Current After-tax Non-Opt-Out Balancing Charge	\$0.086180
35		
36	Non-Opt-Out Customer Charge Increase/(Decrease) to After-tax Balancing Charge	(\$0.004334)
37		
38		
39	<u>Calculation of % of Balancing compared to Single Coldest January Day (3 year average)</u>	Therms in (000)
40	Average of the 5 coldest January days of the past 3 years	3,249
41	Less: Average January days (3 years)	2,429
42	Balancing Therms	819
43	Balancing Therms as a % of coldest January days; average of 3 years	25.2%

South Jersey Gas Company
Calculation of Balancing Service Clause Charge - General Service ("BSC-GS")
Rider "J"

\$000

1	<u>Balancing Charge Related to Inventory</u>	
2	12 month average Inventory balance, including LNG	\$13,541
3	Rate of Return	<u>9.0738%</u>
4		
5		
6	Storage Carrying Costs	\$1,229
7	% of Balancing compared to Single Coldest January Day (3 year average) (see calc, line 39-43)	<u>25.2%</u>
8		
9	Balancing Costs related to Inventory	\$310
10	Annual Firm Therms (excluding FT) (000)	<u>351,366</u>
11		
12	Pre-tax Balancing Charge Related to Inventory	<u>\$0.000882</u>
13		
14	<u>Balancing Charge Related to Demand and Commodity Charges</u>	
15	Commodity Charges	\$80,453
16	Pipeline Demand Charges	\$83,164
17	Less: Adjustments (BGSS Incentive Credits)	<u>\$48,943</u>
18		
19	Total	\$114,674
20	% of Balancing compared to Single Coldest January Day (3 year average) (see calc, line 39-43)	<u>25.2%</u>
21		
22	Balancing Costs related to Demand & Commodity Charges	\$28,919
23	Annual Firm Therms (000)	381,119
24		
25	Pre-tax Balancing Charge Related to Demand and Commodity Charges	<u>\$0.075879</u>
26		
27		
28	<u>Total Proposed BSC Charges (Rider J)</u>	
29	Pre-tax proposed Balancing Charge related to Inventory	\$0.000882
30	Pre-tax proposed Balancing Charge related to Demand and Commodity Charges	<u>\$0.075879</u>
31		
32	Pre-tax total proposed Balancing Charge	\$0.076761
33		
34	After-tax total proposed Balancing Charge	<u>\$0.081846</u>
35		
36	Current After-tax total Balancing Charge	\$0.086180
37		
38	Total Increase/(Decrease) to After-tax Balancing Charge	(\$0.004334)
39		
40	<u>Calculation of % of Balancing compared to Single Coldest January Day (3 year average)</u>	(Therms in 000)
41	Average of the 5 coldest January days of the past 3 years	3,249
42	Less: Average January days (3 years)	<u>2,429</u>
43	Balancing Therms	<u>819</u>
44	Balancing Therms as a % of coldest January days; average of 3 years	25.2%

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

Pipeline	Rate Schedule	Contract Number	MDQ Dths/d	MSQ Dth	Days Available	Contract Expiration Date	Evergreen (Y or N)	Recent Action to be Taken
Transco	FT	1003902	128,651			365 Evergreen	Y	Term Extended Per Evergreen -Production Turn Back effective 10/20
Transco	FT	1002231	2,264			365 Evergreen	Y	Term Extended Per Evergreen -Production Turn Back effective 10/20
Transco	FT	1013599	21,608			365 Evergreen	Y	Term Extended Per Evergreen
Transco	FT	TBD	20,000			365 Evergreen	Y	Term Extended Per Evergreen
Transco	PSFT	1005003	3,002			90 Evergreen	Y	Term Extended Per Evergreen
Transco	FT	1044825	17,433			151 Evergreen	Y	Term Extended Per Evergreen
Transco	FT	9032686	105,000			365 10/31/2025	N	No Change
Transco	S-2	1000814		139,967		Evergreen	Y	Term Extended Per Evergreen
Transco	LSS	1000818		1,224,000		3/31/2028	N	No Change
Transco	SS-2	1003971		1,764,675		3/31/2028	N	No Change
Transco	GSS	1000813		1,346,482		3/31/2028	N	No Change
Transco	LNG (LGA)	9011431		215,042		Evergreen	Y	Term Extended Per Evergreen
Transco	ESS	9050779		232,314		Evergreen	Y	Term Extended Per Evergreen
Columbia Gas	NTS	39305	22,511			10/31/2027	N	No Change
Columbia Gas	FTS	38099	22,511			10/31/2027	N	No Change
Columbia Gas	FTS	156147	9,000			10/31/2027	N	No Change
Columbia Gas	FTS	161135	70,000			10/31/2030	N	No Change
Columbia Gas	SST	38086	52,891			10/31/2027	N	No Change
			26,446					
Columbia Gas	FSS	53000		3,473,022		182 10/31/2027	N	No Change
Dominion	GSS	300002		423,000		183 3/31/2028	N	No Change
Tennessee	FT-A	337061	78,000			365 5/31/2033	N	No Change
Adelphia	FT	FTS-SJG 0028	75,000			365 9/30/2027	N	

South Jersey Gas Company
Calculation of Spot and Natural Gas Purchase Commodity Price

For the period October 1, 2023 through September 30, 2024

	Oct 2023	Nov 2023	Dec 2023	Jan 2024	Feb 2024	Mar 2024	Apr 2024	May 2024	Jun 2024	Jul 2024	Aug 2024	Sep 2024	Total
NYMEX Settle/Futures (\$/dth)	\$2.520	\$2.974	\$3.470	\$3.719	\$3.635	\$3.323	\$3.004	\$2.998	\$3.147	\$3.288	\$3.329	\$3.293	
NYMEX to Pipeline Rcpt Pt Basis (\$/dth)													
Spot Purchases - Columbia ESEP	(\$0.3600)	(\$0.3470)	(\$0.3330)	(\$0.3260)	(\$0.3290)	(\$0.3370)	(\$0.3460)	(\$0.3460)	(\$0.3420)	(\$0.3380)	(\$0.3370)	(\$0.3380)	
Spot Purchases - Tenn FT & Columbia ESEP	(\$0.8800)	(\$0.8800)	(\$0.8800)	(\$0.8800)	(\$0.8800)	(\$0.8800)	(\$0.8800)	(\$0.8800)	(\$0.8800)	(\$0.8800)	(\$0.8800)	(\$0.8800)	
Spot Purchases - Columbia	(\$0.2420)	(\$0.2960)	(\$0.2850)	(\$0.2790)	(\$0.2810)	(\$0.2880)	(\$0.2720)	(\$0.2730)	(\$0.2690)	(\$0.2660)	(\$0.2650)	(\$0.2660)	
Spot Purchases - Transco	\$0.2400	\$0.3190	\$0.3330	\$0.3400	\$0.3380	\$0.3290	\$0.2890	\$0.2890	\$0.2930	\$0.2970	\$0.2980	\$0.2970	
Spot Purchases - Transco Leidy	(\$0.4717)	(\$0.4351)	(\$0.4314)	(\$0.4296)	(\$0.4302)	(\$0.4325)	(\$0.4595)	(\$0.4596)	(\$0.4585)	(\$0.4574)	(\$0.4571)	(\$0.4574)	
Spot Purchases - FES & Monthly BGSS	\$0.2400	\$0.3190	\$0.3330	\$0.3400	\$0.3380	\$0.3290	\$0.2890	\$0.2890	\$0.2930	\$0.2970	\$0.2980	\$0.2970	
Spot Purchases on Transco PSFT	\$0.2400	\$0.3190	\$0.3330	\$0.3400	\$0.3380	\$0.3290	\$0.2890	\$0.2890	\$0.2930	\$0.2970	\$0.2980	\$0.2970	
Purchase Point Commodity (\$/dth)													
Spot Purchases - Columbia ESEP	\$2.1600	\$2.6270	\$3.1370	\$3.3930	\$3.3060	\$2.9860	\$2.6580	\$2.6520	\$2.8050	\$2.9500	\$2.9920	\$2.9550	
Spot Purchases - Tenn FT & Columbia ESEP	\$1.6400	\$2.0940	\$2.5900	\$2.8390	\$2.7550	\$2.4430	\$2.1240	\$2.1180	\$2.2670	\$2.4080	\$2.4490	\$2.4130	
Spot Purchases - Columbia	\$2.2780	\$2.6780	\$3.1850	\$3.4400	\$3.3540	\$3.0350	\$2.7320	\$2.7250	\$2.8780	\$3.0220	\$3.0640	\$3.0270	
Spot Purchases - Transco	\$2.7600	\$3.2930	\$3.8030	\$4.0590	\$3.9730	\$3.6520	\$3.2930	\$3.2870	\$3.4400	\$3.5850	\$3.6270	\$3.5900	
Spot Purchases - Transco Leidy	\$2.0483	\$2.5389	\$3.0386	\$3.2048	\$3.2048	\$2.8905	\$2.5445	\$2.5384	\$2.6885	\$2.8306	\$2.8719	\$2.8356	
Spot Purchases - FES & Monthly BGSS	\$2.7600	\$3.2930	\$3.8030	\$4.0590	\$3.9730	\$3.6520	\$3.2930	\$3.2870	\$3.4400	\$3.5850	\$3.6270	\$3.5900	
Spot Purchases on Transco PSFT	\$2.7600	\$3.2930	\$3.8030	\$4.0590	\$3.9730	\$3.6520	\$3.2930	\$3.2870	\$3.4400	\$3.5850	\$3.6270	\$3.5900	
Off-System COG per DT	\$2.2780	\$2.6780	\$3.1850	\$3.4400	\$3.3540	\$3.0350	\$2.7320	\$2.7250	\$2.8780	\$3.0220	\$3.0640	\$3.0270	
LNG Rates	\$2.6291	\$3.0351	\$3.3885	\$3.7665	\$3.6252	\$3.1110	\$3.1650	\$3.1610	\$3.2503	\$3.5158	\$3.5956	\$3.5614	
SPOT Purchases/Natural Gas Purchases (dth)													
Spot Purchases - Columbia ESEP	0	0	0	0	0	0	0	0	0	0	0	0	0
Spot Purchases - Tenn FT & Columbia ESEP	775,000	1,200,000	2,170,000	2,170,000	1,960,000	2,170,000	750,000	465,000	450,000	465,000	465,000	450,000	13,490,000
Spot Purchases - Columbia	100,000	150,000	150,000	150,000	150,000	150,000	428,310	265,552	214,155	221,294	221,294	299,817	2,500,422
Spot Purchases - Transco	1,109,952	1,034,236	778,167	1,100,238	845,680	449,029	1,121,878	804,161	525,306	745,069	812,620	805,710	10,132,046
Spot Purchases - Transco Leidy	133,970	351,369	605,136	1,089,244	765,204	468,894	648,240	669,848	648,240	401,909	334,924	291,708	6,408,684
Spot Purchases - FES & Monthly BGSS	229,762	428,536	544,047	695,902	582,737	489,622	290,013	193,256	145,282	234,759	301,452	201,663	4,337,032
Spot Purchases on Transco PSFT	0	0	9,306	46,531	8,406	0	0	0	0	0	0	0	64,243
Liquefied Natural Gas (LNG)	80,000	0	0	0	0	0	120,000	0	0	0	0	0	200,000
Total SPOT Purchases/Natural Gas Purchases (dth)	2,428,684	3,164,141	4,256,656	5,251,916	4,312,026	3,727,544	3,238,441	2,397,817	1,982,983	2,068,031	2,135,289	2,048,898	37,132,426
SPOT Purchases/Natural Gas Purchases (\$)													
Spot Purchases - Columbia ESEP	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Spot Purchases - Tenn FT & Columbia ESEP	\$1,271,000	\$2,512,800	\$5,620,300	\$6,160,630	\$5,399,800	\$5,301,310	\$1,593,000	\$984,870	\$1,020,150	\$1,119,720	\$1,138,785	\$1,085,850	\$33,208,215
Spot Purchases - Columbia	\$227,800	\$401,700	\$477,750	\$516,000	\$503,100	\$455,250	\$1,170,143	\$723,629	\$616,338	\$668,750	\$678,045	\$907,546	\$7,346,052
Spot Purchases - Transco	\$3,063,467	\$3,405,740	\$2,959,370	\$4,465,867	\$3,359,886	\$1,639,853	\$3,694,346	\$2,643,278	\$1,807,052	\$2,671,073	\$2,947,372	\$2,892,498	\$35,549,799
Spot Purchases - Transco Leidy	\$274,415	\$892,098	\$1,838,746	\$3,582,959	\$2,452,311	\$1,355,331	\$1,649,422	\$1,700,354	\$1,742,802	\$1,137,623	\$961,852	\$827,163	\$18,415,078
Spot Purchases - FES & Monthly BGSS	\$634,144	\$1,411,169	\$2,069,012	\$2,824,668	\$2,315,213	\$1,788,099	\$955,012	\$635,232	\$499,770	\$841,611	\$1,093,365	\$723,972	\$15,791,268
Spot Purchases on Transco PSFT	\$0	\$0	\$35,391	\$188,869	\$33,395	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$257,656
Marcus Hook - Woodbury Lateral	\$7,614	\$7,614	\$7,614	\$7,614	\$7,614	\$7,614	\$7,614	\$7,614	\$7,614	\$7,614	\$7,614	\$7,614	\$91,374
Total SPOT Purchases/Natural Gas Purchases (\$)	\$5,478,440	\$8,631,121	\$13,008,184	\$17,746,608	\$14,071,319	\$10,547,458	\$9,069,537	\$6,694,978	\$5,693,727	\$6,446,392	\$6,827,033	\$6,444,644	\$110,659,441
SPOT/NGP WACOG at Purchase Point													
Unit Cost (before Hedging Impact)	\$2.2557	\$2.7278	\$3.0560	\$3.3791	\$3.2633	\$2.8296	\$2.8006	\$2.7921	\$2.8713	\$3.1172	\$3.1972	\$3.1454	\$2.9801
Hedging Program													
Hedged Volume (dth)													
Volume Non Discr	450,000	450,000	425,000	400,000	375,000	350,000	325,000	300,000	275,000	250,000	225,000	200,000	4,025,000
Volume Planalytics	330,000	320,000	580,000	710,000	810,000	330,000	410,000	0	0	0	0	0	3,490,000
Volume SIM	800,000	0	0	0	0	0	0	0	0	0	0	0	800,000
Total Hedged Volumes	1,580,000	770,000	1,005,000	1,110,000	1,185,000	680,000	735,000	300,000	275,000	250,000	225,000	200,000	8,315,000
Hedged Volume (\$)													
Hedged (Gain)/Loss- Non Discr	\$847,191	\$640,615	\$412,755	\$313,040	\$336,134	\$436,988	\$510,033	\$457,009	\$345,538	\$262,167	\$203,288	\$187,900	\$4,952,657
Hedged (Gain)/Loss - Planalytics	\$315,810	\$389,024	\$337,154	\$312,826	\$390,177	\$242,154	\$235,832	\$0	\$0	\$0	\$0	\$0	\$2,222,977
(Gain)/Loss SIM	\$859,280	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$859,280
Total Hedging (Gain)/Loss	\$2,022,281	\$1,029,639	\$749,909	\$625,866	\$726,311	\$679,142	\$745,865	\$457,009	\$345,538	\$262,167	\$203,288	\$187,900	\$8,034,914
Weighted Avg. Unit Cost	\$1.2799	\$1.3372	\$0.7462	\$0.5638	\$0.6129	\$0.9987	\$1.0148	\$1.5234	\$1.2565	\$1.0487	\$0.9035	\$0.9395	\$0.9663
WACOG vs. NYMEX Diff.	(\$1.2401)	(\$1.6368)	(\$2.7238)	(\$3.1552)	(\$3.0221)	(\$2.3243)	(\$1.9892)	(\$1.4746)	(\$1.8905)	(\$2.2393)	(\$2.4255)	(\$2.3535)	
Total \$ Impact	(\$1,959,319)	(\$1,260,341)	(\$2,737,441)	(\$3,502,224)	(\$3,581,164)	(\$1,580,498)	(\$1,462,075)	(\$442,391)	(\$519,888)	(\$559,833)	(\$545,738)	(\$470,700)	(\$18,621,611)
Total Spot Purchases	\$5,478,440	\$8,631,121	\$13,008,184	\$17,746,608	\$14,071,319	\$10,547,458	\$9,069,537	\$6,694,978	\$5,693,727	\$6,446,392	\$6,827,033	\$6,444,644	\$110,659,441
Total Hedging Program Impact	(\$1,959,319)	(\$1,260,341)	(\$2,737,441)	(\$3,502,224)	(\$3,581,164)	(\$1,580,498)	(\$1,462,075)	(\$442,391)	(\$519,888)	(\$559,833)	(\$545,738)	(\$470,700)	(\$18,621,611)
Total Spot Purchases adj. for Hedging	\$3,519,122	\$7,370,780	\$10,270,743	\$14,244,384	\$10,490,155	\$8,966,961	\$7,607,462	\$6,252,587	\$5,173,839	\$5,886,559	\$6,281,295	\$5,973,944	\$92,037,830
SPOT WACOG at Purchase Point													
Unit Cost (after Hedging Impact)	\$1.4490	\$2.3295	\$2.4129	\$2.7122	\$2.4328	\$2.4056	\$2.3491	\$2.6076	\$2.6091	\$2.8465	\$2.9417	\$2.9157	\$2.4786

South Jersey Gas Company
Calculation of Spot and Natural Gas Purchase Commodity Price
For the period October 1, 2022 through September 30, 2023

	Oct 2022	Nov 2022	Dec 2022	Jan 2023	Feb 2023	Mar 2023	Apr 2023	May 2023	Jun 2023	Jul 2023	Aug 2023	Sep 2023	Total
NYMEX Settle/Futures (\$/dth)	\$6.868	\$5.186	\$6.712	\$4.709	\$3.109	\$2.451	\$1.991	\$2.117	\$2.191	\$2.336	\$2.419	\$2.415	
NYMEX to Pipeline Rcpt Pt Basis (\$/dth)													
Spot Purchases - Columbia ESEP	(\$0.2450)	(\$0.2920)	(\$0.2500)	(\$0.3050)	(\$0.3500)	(\$0.3680)	(\$0.3810)	(\$0.3770)	(\$0.3750)	(\$0.3710)	(\$0.3690)	(\$0.3690)	
Spot Purchases - Tenn FT & Columbia ESEP	(\$0.8800)	(\$0.8800)	(\$0.8800)	(\$0.8800)	(\$0.8800)	(\$0.8800)	(\$0.8800)	(\$0.8800)	(\$0.8800)	(\$0.8800)	(\$0.8800)	(\$0.8800)	
Spot Purchases - Columbia	(\$0.1470)	(\$0.1660)	(\$0.1330)	(\$0.1760)	(\$0.2110)	(\$0.2260)	(\$0.3200)	(\$0.3170)	(\$0.3160)	(\$0.3120)	(\$0.3110)	(\$0.3110)	
Spot Purchases - Transco	\$0.5250	\$0.4770	\$0.5210	\$0.4640	\$0.4190	\$0.4000	\$0.2250	\$0.2290	\$0.2310	\$0.2350	\$0.2370	\$0.2370	
Spot Purchases - Transco Leidy	(\$0.3651)	(\$0.4521)	(\$0.4408)	(\$0.4556)	(\$0.4673)	(\$0.4722)	(\$0.4010)	(\$0.4001)	(\$0.3995)	(\$0.3985)	(\$0.3979)	(\$0.3979)	
Spot Purchases - FES & Monthly BGSS	\$0.5250	\$0.4770	\$0.5210	\$0.4640	\$0.4190	\$0.4000	\$0.2250	\$0.2290	\$0.2310	\$0.2350	\$0.2370	\$0.2370	
Spot Purchases on Transco PSFT													
Purchase Point Commodity (\$/dth)													
Spot Purchases - Columbia ESEP	\$6.6230	\$4.8940	\$6.4620	\$4.4040	\$2.7590	\$2.0830	\$1.6100	\$1.7400	\$1.8160	\$1.9650	\$2.0500	\$2.0460	
Spot Purchases - Tenn FT & Columbia ESEP	\$5.9880	\$4.3060	\$5.8320	\$3.8290	\$2.2290	\$1.5710	\$1.2370	\$1.1110	\$1.3110	\$1.4560	\$1.5390	\$1.5350	
Spot Purchases - Columbia	\$6.7210	\$5.0200	\$6.5790	\$4.5330	\$2.8980	\$2.2250	\$1.6710	\$1.8000	\$1.8750	\$2.0240	\$2.1080	\$2.1040	
Spot Purchases - Transco	\$7.3930	\$5.6630	\$7.2330	\$5.1730	\$3.5280	\$2.8510	\$2.2160	\$2.3460	\$2.4220	\$2.5710	\$2.6560	\$2.6520	
Spot Purchases - Transco Leidy	\$6.5029	\$4.7339	\$6.2712	\$4.2534	\$2.6417	\$1.9788	\$1.5900	\$1.7169	\$1.7915	\$1.9375	\$2.0211	\$2.0171	
Spot Purchases - FES & Monthly BGSS	\$7.3930	\$5.6630	\$7.2330	\$5.1730	\$3.5280	\$2.8510	\$2.2160	\$2.3460	\$2.4220	\$2.5710	\$2.6560	\$2.6520	
Spot Purchases on Transco PSFT	\$7.3930	\$5.6630	\$7.2330	\$5.1730	\$3.5280	\$2.8510	\$2.2160	\$2.3460	\$2.4220	\$2.5710	\$2.6560	\$2.6520	
Off-System COG per DT	\$6.7210	\$5.0200	\$6.5790	\$4.5330	\$2.8980	\$2.2250	\$1.6710	\$1.8000	\$1.8750	\$2.0240	\$2.1080	\$2.1040	
LNG Rates	\$7.8108	\$5.6207	\$7.1304	\$4.9413	\$3.0329	\$1.9382	\$2.0393	\$2.2049	\$2.1529	\$2.4080	\$2.5583	\$2.5475	
SPOT Purchases/Natural Gas Purchases (dth)													
Spot Purchases - Columbia ESEP	0	0	0	0	0	0	0	0	0	0	0	0	0
Spot Purchases - Tenn FT & Columbia ESEP	775,000	1,200,000	2,170,000	2,170,000	1,960,000	2,170,000	750,000	465,000	450,000	465,000	465,000	450,000	13,490,000
Spot Purchases - Columbia	100,000	150,000	150,000	150,000	150,000	150,000	428,310	265,552	214,155	221,294	221,294	299,817	2,500,422
Spot Purchases - Transco	1,100,455	934,059	660,882	1,116,668	833,873	18,972	1,472,275	1,105,811	539,265	769,950	939,040	892,013	10,383,264
Spot Purchases - Transco Leidy	133,970	351,369	605,136	1,089,244	765,204	468,894	648,240	669,848	648,240	401,909	334,924	291,708	6,408,684
Spot Purchases - FES & Monthly BGSS	240,459	502,836	605,225	695,614	580,206	489,918	286,930	191,735	142,940	235,647	300,817	200,663	4,472,989
Spot Purchases on Transco PSFT	0	0	9,306	46,531	8,406	0	0	0	0	0	0	0	64,243
Liquefied Natural Gas (LNG)	71,288	0	0	0	0	0	85,658	42,000	0	0	0	0	198,946
Total SPOT Purchases/Natural Gas Purchases (dth)	2,421,172	3,138,263	4,200,549	5,268,057	4,297,688	3,297,783	3,671,414	2,739,945	1,994,600	2,093,800	2,261,075	2,134,201	37,518,548
SPOT Purchases/Natural Gas Purchases (\$)													
Spot Purchases - Columbia ESEP	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Spot Purchases - Tenn FT & Columbia ESEP	\$4,640,700	\$5,167,200	\$12,655,440	\$8,308,930	\$4,368,840	\$3,409,070	\$833,250	\$575,205	\$589,950	\$677,040	\$715,635	\$690,750	\$42,632,010
Spot Purchases - Columbia	\$672,100	\$753,000	\$986,850	\$679,950	\$434,700	\$333,750	\$715,706	\$477,994	\$401,541	\$447,899	\$466,488	\$630,815	\$7,000,792
Spot Purchases - Transco	\$8,135,664	\$5,289,574	\$4,780,161	\$5,776,526	\$2,941,905	\$54,089	\$3,262,562	\$2,594,231	\$1,306,100	\$1,979,542	\$2,494,091	\$2,365,619	\$40,980,065
Spot Purchases - Transco Leidy	\$871,185	\$1,663,362	\$3,794,906	\$4,633,031	\$2,021,417	\$927,862	\$1,030,698	\$1,150,076	\$1,161,299	\$778,711	\$676,929	\$588,408	\$19,297,883
Spot Purchases - FES & Monthly BGSS	\$1,777,714	\$2,847,559	\$4,377,591	\$3,598,409	\$2,046,966	\$1,396,756	\$635,838	\$449,810	\$346,202	\$605,848	\$798,969	\$532,158	\$19,413,819
Spot Purchases on Transco PSFT	\$0	\$0	\$67,312	\$240,705	\$29,655	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$337,672
Marcus Hook - Woodbury Lateral	\$7,614	\$7,614	\$7,614	\$7,614	\$7,614	\$7,614	\$7,614	\$7,614	\$7,614	\$7,614	\$7,614	\$7,614	\$91,374
Total SPOT Purchases/Natural Gas Purchases (\$)	\$16,104,978	\$15,728,310	\$26,669,874	\$23,245,165	\$11,851,097	\$6,129,141	\$6,485,668	\$5,254,931	\$3,812,706	\$4,496,655	\$5,159,726	\$4,815,364	\$129,753,614
SPOT/NGP WACOG at Purchase Point													
Unit Cost (before Hedging Impact)	\$6.6517	\$5.0118	\$6.3491	\$4.4125	\$2.7576	\$1.8586	\$1.7665	\$1.9179	\$1.9115	\$2.1476	\$2.2820	\$2.2563	\$3.4584
Hedging Program													
Hedged Volume (dth)													
Volume Non Discr	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	5,400,000
Volume Planalytics	400,000	400,000	820,000	1,040,000	1,240,000	450,000	590,000	0	0	0	0	0	4,940,000
Volume SIM	800,000	0	0	0	0	0	800,000	800,000	800,000	800,000	800,000	800,000	5,600,000
Total Hedged Volumes	1,650,000	850,000	1,270,000	1,490,000	1,690,000	900,000	1,840,000	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000	15,940,000
Hedged Volume (\$)													
Hedged (Gain)/Loss- Non Discr	(\$1,616,775)	(\$803,375)	(\$1,416,900)	(\$456,350)	\$324,675	\$649,747	\$913,924	\$910,244	\$936,503	\$903,203	\$880,518	\$893,779	\$2,119,193
Hedged (Gain)/Loss - Planalytics	\$223,880	\$949,480	\$942,590	\$3,455,400	\$5,656,260	\$1,853,010	\$1,887,292	\$0	\$0	\$0	\$0	\$0	\$14,967,912
(Gain)/Loss SIM	(\$1,731,120)	\$0	\$0	\$0	\$0	\$0	\$1,282,480	\$1,181,680	\$1,122,480	\$1,006,480	\$940,080	\$943,280	\$4,745,360
Total Hedging (Gain)/Loss	(\$3,124,015)	\$146,105	(\$474,310)	\$2,999,050	\$5,980,935	\$2,502,757	\$4,083,696	\$2,091,924	\$2,058,983	\$1,909,683	\$1,820,598	\$1,837,059	\$21,832,465
Weighted Avg. Unit Cost	(\$1.8933)	\$0.1719	(\$0.3735)	\$2.0128	\$3.5390	\$2.7808	\$2.2194	\$1.6735	\$1.6472	\$1.5277	\$1.4666	\$1.4696	\$1.3697
WACOG vs. NYMEX Diff.	(\$8.7613)	(\$5.0141)	(\$7.0855)	(\$2.6962)	\$0.4300	\$0.3298	\$0.2284	(\$0.4435)	(\$0.5438)	(\$0.8083)	(\$0.9625)	(\$0.9454)	
Total \$ Impact	(\$14,456,215)	(\$4,261,995)	(\$8,998,550)	(\$4,017,360)	\$726,725	\$296,857	\$420,256	(\$554,326)	(\$679,767)	(\$1,010,317)	(\$1,203,152)	(\$1,181,691)	(\$34,919,535)
Total Spot Purchases	\$16,104,978	\$15,728,310	\$26,669,874	\$23,245,165	\$11,851,097	\$6,129,141	\$6,485,668	\$5,254,931	\$3,812,706	\$4,496,655	\$5,159,726	\$4,815,364	\$129,753,614
Total Hedging Program Impact	(\$14,456,215)	(\$4,261,995)	(\$8,998,550)	(\$4,017,360)	\$726,725	\$296,857	\$420,256	(\$554,326)	(\$679,767)	(\$1,010,317)	(\$1,203,152)	(\$1,181,691)	(\$34,919,535)
Total SPOT Purchases adj. for Hedging	\$1,648,763	\$11,466,315	\$17,671,324	\$19,227,805	\$12,577,822	\$6,425,998	\$6,905,923	\$4,700,605	\$3,132,939	\$3,486,337	\$3,956,574	\$3,633,674	\$94,834,079
SPOT WACOG at Purchase Point													
Unit Cost (after Hedging Impact)	\$0.6810	\$3.6537	\$4.2069	\$3.6499	\$2.9266	\$1.9486	\$1.8810	\$1.7156	\$1.5707	\$1.6651	\$1.7499	\$1.7026	\$2.5277

AMA Valuation

To the extent the Company enters into baseload Asset Management Agreements (“AMAs”) (defined as a transaction with a fixed gas purchase obligation for any day of the term of the AMA), the Company will prepare an analysis produced at the time the AMA is executed that will set forth how much, if any, of the AMA management fee will be excluded from the formula used to determine AMA management fee sharing between the Company and its Periodic BGSS customers because the excluded portion of the fee is the product of an agreement by the Company to provide the Asset Manager with a benefit under the AMA that is forecasted to increase the commodity costs to Periodic BGSS customers. The analysis will calculate a) the lowest estimated delivered price on the contract capacity path up to and including the Company city gate compared to b) the estimated commodity cost per month under the contract price of the AMA. The result of this comparison or c) delta, represents an excess in commodity cost that will be subtracted from d) the AMA management fee arriving at e) the net amount that will be subject to the sharing formula over the term of the AMA.

In response to the RFP distributed by the company on March 6, 2023 for an AMA on Transco Zone 3 – Zone 6; SJG awarded a volume of 10,000 dth/day for the term of April 01, 2023 through March 31, 2024, with a fixed gas purchase obligation for the term of the AMA at a seasonal price as follows:

- 1) Summer Period (April-Oct) Monthly - IFERC Transco Zone 6
- 2) Winter Period (Nov- March) Monthly - IFERC Transco Zone 3 plus applicable fuel and variables
- 3) Asset manager fee \$3,210,000

The following illustrative table sets forth the calculation for a baseload AMA at the conditions described above.

AMA Applying Seasonal Pricing Summer NNYN and Winter Z3		
AMA Example Analysis	Volume (Dth/d)	Total Cost
a) Estimated Baseload at the least Commodity Cost*	10,000	\$10,568,203.59
b) Estimated Baseload Commodity Costs with AMA**	10,000	\$10,568,203.59
c) Delta or Additional Commodity Costs		\$0.00
d) AMA Fee (100 %)		\$ 3,210,000.00
Less Delta or additional Commodity Costs		\$ -
e) Remaining Asset Mangement Fee subject to sharing formula		\$ 3,210,000.00
<u>Estimated Annual Cost to BGSS:</u>		
Commodity Costs		\$10,568,203.59
AMA Fee Not subject to Sharing		\$ -
85% Sharing from AMA Fee		(\$2,728,500.00)
Total Estimated Cost of Supply		\$7,839,703.59
* Assumes least possible cost of either Z-6 or Z-3 plus variables		
** Assumes Seasonal Summer Zone Z-3 Pricing plus variables/Winter Zone Z-6		

The evaluation of a seasonal priced AMA deal at the current market conditions of when the transaction was awarded on March 21, 2023, or using the latest available Nymex close and seasonal basis data

indicate that this transaction will not represent any additional commodity cost to the BGSS customers, therefore, it is no reduction to the sharing formula that needs to be applied.

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

SOUTH JERSEY GAS COMPANY

**Direct Testimony
of
W. Peter Druckenmiller
Program Manager, Residential Energy Efficiency**

**On Behalf of
South Jersey Gas Company**

1 **I. INTRODUCTION**

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

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

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

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

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

20 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS**
21 **PROCEEDING?**

22 **A.** The purpose of my testimony is to provide information about the various
23 conservation-oriented initiatives that South Jersey has launched since the

1 Conservation Incentive Program (“CIP”) was originally approved by the Board of
2 Public Utilities (“Board” or “BPU”) on October 12, 2006 in BPU Docket No.
3 GR0512019, and further extended on January 20, 2010 and May 21, 2014. My
4 testimony will also discuss how South Jersey has or will spend five hundred
5 thousand (\$500,000) ¹ to fund CIP programs that 1) aid customers in reducing their
6 natural gas costs, 2) reduces the Company’s peak winter and design day system
7 demand (as detailed in the Direct Testimony of Maria C. Mendoza), and 3) do not
8 replicate existing programs offered through the Board’s Office of Clean Energy. I
9 will also provide actual cost information for the CIP initiatives.

10 **Q. DO YOU SPONSOR ANY SCHEDULES AS PART OF YOUR**
11 **TESTIMONY?**

12 **A.** Yes. My testimony includes the following schedules which were prepared under
13 my supervision:

- 14 (i) Schedule WPD-1 contains the Company’s CIP Quarterly Report for the
15 prior CIP period from October 2021 through September 2022 (“2021-22
16 CIP Year”); and
17 (ii) Schedule WPD-2 contains the Company’s CIP Quarterly Report for the
18 current CIP period from October 2022 through March 2023. The entire
19 current CIP period is from October 2022 through September 2023 (“2022-
20 23 CIP Year”).

¹ In re the Petition of New Jersey Natural Gas Company and South Jersey Gas Company for Authorization to Continue the Conservation Incentive Program, Docket No. GR13030185, Order dated May 21, 2014 (“May 2014 Order”).

1 (iii) Schedule WPD-3 contains the annual Conserve website content calendar for
2 the 2022-23 CIP Year.

3 **Q. HOW IS THE BALANCE OF YOUR TESTIMONY ORGANIZED?**

4 **A.** The balance of my testimony is organized as follows:

5 Section II: CIP Background

6 Section III: Current Programs

7 Section IV: Current CIP Year Program Expenses

8 Section V: Future CIP Initiatives

9

10 **II. BACKGROUND**

11 **Q. PLEASE DESCRIBE THE COMPANY'S APPROACH TO**
12 **CONSERVATION SINCE INCEPTION OF THE CIP?**

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

20 South Jersey has begun to tie together the themes of energy efficiency,
21 comfort and savings. In 2016, the Company made the decision to create a separate
22 and distinct Energy Efficiency Department, the purpose of which is to create a
23 sustainable business model that will be applied to our various markets for years to
24 come. To that point, in September 2020, the Company filed a petition in Docket

1 No. GO20090618 seeking approval of a three (3) year \$166.9 million energy
2 efficiency program (the “EEP V”), targeting more aggressive energy efficiency
3 programming for both residential and commercial customers. In its April 2021
4 Order², the Board approved the Company’s EEP V for a three (3) year \$133.3
5 million program, consisting of the following programs: (1) Efficient Products; (2)
6 Existing Homes, Home Performance with Energy Star; (3) Commercial and
7 Industrial with Direct install and Energy Solutions for Business: Prescriptive and
8 Custom; (4) Multi-Family; (5) Utility led subprograms, Home Energy Reports,
9 Quick Home Energy Checkup (QHEC), Existing Homes Moderate Income
10 Weatherization; and (6) Commercial and Industrial, Engineered Solutions and
11 Energy Management. The EEP V enables South Jersey to promote energy
12 efficiency through better technology, energy education, and sensible energy
13 consumption patterns through targeted presentations and partnerships with public
14 entities and nonprofit organizations.

15 Relatedly, South Jersey remains committed to supporting the State’s energy
16 efficiency goals and we appreciate the key role we play in achieving the targets
17 contained in the New Jersey Clean Energy Act of 2018 (the “Act”). We will
18 continue to support programs that encourage energy efficiency in a manner
19 consistent with the Act, which will help make energy bills more affordable for our
20 customers.

21

² In re the Matter of the Implementation of L. 2018, c. 17 Regarding the Establishment of Energy Efficiency and Peak Demand Reduction Programs, BPU Docket No. QO19010040, and in re the Matter of the Petition of South Jersey Gas Company for Approval of New Energy Efficiency Programs and Associated Cost Recovery Pursuant to the Clean Energy Act, Docket No. GO20090618, Order dated April 7, 2021 (“April 2021 Order”).

1 **III. CURRENT PROGRAMS**

2 **Q. PLEASE PROVIDE A BRIEF OVERVIEW OF THE CURRENT**
3 **PROGRAMS.**

4 **A.** The current CIP programs consist of the following Company initiatives:

5 **Public Outreach**

6 To help customers increase their energy efficiency engagement, we offer customers
7 access to **Conserve** which is a free, online Energy Efficiency resource conveniently
8 located on the SJG website. Conserve offers tips and information to help customers
9 decrease their energy consumption, lower their energy bills and reduce their impact
10 on the environment. Conserve features new content monthly, within topic
11 categories that focus generally on saving energy and money (Go Green & Save),
12 home and family (Together at Home), community programs, including Sustainable
13 Jersey teacher features (Community), games, puzzles and other content to engage
14 children and families (Conserve Kids) and energy-saving products and services
15 (Energy Efficiency Programs).

16 Conserve articles are developed based on trends, seasonality, and general
17 consumer interest. Ongoing monitoring of article engagement informs future article
18 topics. Seasonality topics include holidays and seasons (clean windows in spring
19 and ways to celebrate the holidays with savings).

20 To celebrate Earth Day on April 22, 2023 and promote conservation, South
21 Jersey featured special banner ads on the Company's website and included energy
22 efficiency program information in the customer newsletter, emails and social
23 media. In addition, Conserve was promoted throughout the year on transit buses,

1 print, billboards, local radio, and digital advertising, including paid social media
2 and local events including Business at the Beach (April 19, 2023), and American
3 Heart Association Heart Walk (May 20, 2023). The Company also participated in
4 the Cape May County Zoo Earth Day Celebration on April 23, 2023 and ACUA's
5 Earth Day Festival on April 24, 2023.

6 **Sponsorships and Associations**

7 ***Sustainable Jersey and EDF Fellow***

8 In 2013, the Company engaged with Sustainable Jersey and made a
9 substantial contribution to foster its efforts to create a South Jersey Hub where
10 multiple towns were able to come together to join Hubs throughout the state,
11 including the Atlantic/Cape May Hub and Burlington/Camden/Gloucester Hub
12 within our service territory. Sustainable Jersey is a network of municipalities,
13 schools and school districts working collectively to bring about a sustainable New
14 Jersey. Acting with state agencies, non-profit organizations, foundations, academia
15 and industry, Sustainable Jersey research best practices for what communities could
16 and should do to contribute to a sustainable future. The program culminates in a
17 prestigious certification award to municipalities and schools that have documented
18 meeting a set of rigorous standards. South Jersey is also supporting the Sustainable
19 Jersey Digital Schools program. This program's focus is supporting schools in
20 address the digital divide and preparing digital learning for the next school year.

21 Sustainable Jersey provides financial resources and support for
22 sustainability programs and encourages participation in clean energy and energy

1 efficiency programs. With South Jersey’s contribution, Sustainable Jersey has
2 made considerable progress to advance initiatives throughout Southern New Jersey.

3 In the current 2022-23 CIP Year, the Company supported a municipal
4 sponsorship and digital school sponsorship. South Jersey funded an Environmental
5 Defense Fund (“EDF”) Climate Corps Fellow to work at the municipal and school
6 district level to help reduce their energy usage. Sustainable Jersey paired the EDF
7 Fellow with municipalities and school districts to provide expertise and support for
8 evaluation, planning and implementation of projects, which will help improve the
9 energy performance of their respective buildings. The Company supported the EDF
10 Fellow program through Sustainable Jersey to work with three (3) cities and two
11 (2) school districts in our service territory.

12 ***EmPowered Schools***

13 South Jersey has partnered with the Alliance to Save Energy’s EmPowered
14 Schools program, which is a year-long, STEM-based curriculum program that
15 teaches students about energy efficiency. The program also positions students to
16 lead energy-saving campaigns in their schools, homes and communities. Since the
17 introduction of Alliance to Save Energy’s Empowered Schools program in
18 February 2019, the Company has provided support and resources to thirty-six (36)
19 schools across Atlantic, Camden, Cape May, Cumberland, Gloucester and Salem
20 Counties.

21 **Q. DO ANY OF YOUR CIP INITIATIVES OR PROGRAMS COMPETE WITH**
22 **THE OFFICE OF CLEAN ENERGY PROGRAMS?**

1 A. As directed by the June 2020 Order³, administration of the following programs
2 transitioned from the Board’s Office of Clean Energy to the utilities: Efficient
3 Products, Home Performance with Energy, Multifamily, C&I Direct Install, C&I
4 Prescriptive and Custom. The Office of Clean Energy continues to administer New
5 Construction, Large Energy Users, Energy Savings Improvement Program, State
6 Facilities Initiative, Local Government Audits and Combined Heat and Pump and
7 Fuel Cell Programs. South Jersey also collaborates with the Board and other utilities
8 on program coordination and implementation. In addition, the Company
9 participates in the Board’s monthly Energy Efficiency stakeholder meeting.

10 **Q. PURSUANT TO THE BOARD’S APRIL 2023 ORDER, THE COMPANY**
11 **AGREED TO ANNUALLY REVIEW THE CIP PROGRAMS IT FUNDS,**
12 **COMPARE THEM TO OTHER AVAILABLE PROGRAMS, AND MAKE**
13 **CHANGES TO THE PROGRAMS IT CHOSE TO FUND IF IT**
14 **DETERMINES OTHER PROGRAMS ARE MORE EFFECTIVE IN**
15 **ACHIEVING THE CIP OBJECTIVES. WHEN WILL THE COMPANY**
16 **COMPLETE THE ANNUAL REVIEW?**

17 A. This is an annual requirement that will be addressed in the next annual BGSS/CIP
18 filing (“2024-25 BGSS/CIP Filing”) once the Company has had a full year to
19 complete the review. The Company will review the CIP initiatives in place during
20 the 2023-24 CIP Year and address any changes to the extent necessary to improve
21 the program. If changes are necessary, the Company will include testimony in the
22 2024-25 BGSS/CIP Filing that identifies any changes the Company will make to

³ In re the Implementation of P.L. 2018, c. 17 Regarding the Establishment of Energy Efficiency and Peak Demand Reduction Programs, Docket No. QO19010040, Order dated June 10, 2020 (“June 2020 Order”).

1 the list of programs it funds. The Company will also include testimony which
2 supports how the CIP programs it funds help to achieve the CIP objectives.

3 **Q. PURSUANT TO THE APRIL 2023 ORDER, THE COMPANY AGREED TO**
4 **REVIEW AND UPDATE SOUTH JERSEY'S CONSERVE WEBSITE AT**
5 **LEAST EVERY TWO MONTHS TO HELP ENSURE THAT THE**
6 **CONTENT AND LINKS TO OTHER WEBSITES ARE CURRENT, AND**
7 **ANNUALLY TO HELP ENSURE THAT THE CONTENT IS EFFECTIVE**
8 **IN HELPING TO MEET THE CIP OBJECTIVES. WHAT IS THE**
9 **COMPANY'S CONSERVE WEBSITE REVIEW PROCESS?**

10 **A.** South Jersey's Marketing team receives a monthly report and an annual report from
11 the Web Manager that includes pageviews and visited pages within the Conserve
12 site during the year. The most recent annual report insights included the following
13 information:

- 14 • Visitors were primarily leveraging the search box within the
15 Conserve site
- 16 • Top searches included Energy Assessment, Energy Efficiency,
17 Energy Report, Rebate, and Weatherization.

18 South Jersey's Marketing team reviewed the 2022 calendar annual report as
19 well as the April 2023 year-to-date report. These reports shows that, for the period
20 October 1, 2022 through April 30, 2023, there were 19,479 overall pageviews,
21 11,705 unique pageviews and 36 posted articles. The April 2023 year-to-date
22 Conserve data shows there were 7,022 page views, 4,265 unique page views and
23 10 posted articles. These metrics will be the baseline for comparing Conserve data

1 for 2023 versus 2022 and understanding trends related to website traffic. Schedule
2 WPD-3 provides further information with regards to Conserve data.

3

4 **IV: CURRENT CIP YEAR PROGRAM EXPENSES**

5 **Q. PLEASE PROVIDE AN OVERVIEW OF THE CURRENT CIP YEAR**
6 **PROGRAM EXPENSES.**

7 **A.** Quarterly expenses incurred for each of South Jersey's CIP programs are
8 summarized in SJG's CIP Quarterly Reports. The current 2022-2023 CIP Year
9 program expenses are attached hereto as Schedule WPD-2. During the first half of
10 the 2022-23 CIP Year, which is from October 2022 to March 2023, South Jersey
11 invested \$216,863 in CIP programs. With the Company's enhanced involvement in
12 Sustainable Jersey's increased targeted and cost-effective media promotions, South
13 Jersey projects that it will spend approximately \$500,000 by the conclusion of the
14 2022-23 CIP Year.

15

16 **V: FUTURE CIP INITIATIVES**

17 **Q. DOES THE COMPANY HAVE PLANS FOR ADDITIONAL CIP**
18 **INITIATIVES?**

19 **A.** SJG will continue to explore ideas for CIP programs, looking to identify new
20 services and offers that complement existing programs administered by both SJG
21 and the NJ Clean Energy Program.

22 **Q. PLEASE BRIEFLY SUMMARIZE YOUR TESTIMONY.**

1 **A.** My testimony has provided an overview of the programs in effect during the 2022-
2 23 CIP Year, and their related expenditures. All South Jersey's CIP programs are
3 designed to complement current energy policies articulated by the Board and the
4 State of New Jersey and are intended to motivate customers to efficiently use
5 energy and reduce their costs.

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

7 **A.** Yes.

Cindy Capozzoli
Director, Rates

November 7, 2022

Paul Lupo
Division of Energy
NJ Board of Public Utilities
44 South Clinton Street
P. O. Box 350
Trenton, NJ 08625-350

Brian Lipman
Division of Rate Counsel
140 East Front Street, 4th Floor
P.O. Box 003
Trenton, NJ 08625

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

Dear Mr. Lupo and Mr. Lipman:

Pursuant to the New Jersey Board of Public Utilities’ (“Board”) Order dated December 12, 2006, in Docket No. GR05121019, South Jersey Gas Company is filing its CIP Quarterly Report for the quarter ending September 30, 2022. The report is comprised of the following two components:

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

In accordance with the Board’s March 19, 2020 and June 10, 2020 Orders issued in Docket No. EO20030254, hard copies are not being submitted at this time, but can be provided at a later time, if needed.

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

Respectfully,



Cindy Capozzoli

CC:caj/f84
Attachments

cc: M. Minkel
S. Peterson
M. Caroselli

Exhibit 1

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

Report of Quarterly Activities as of September 30, 2022

Public Sector Outreach Program

South Jersey Gas (“SJG” or the “Company”) continues to promote energy efficiency through its own suite of programs approved in Docket No. G020090618 (the EEP V), as well as those offered by the Office of Clean Energy to our customers. SJG continues to support efforts to participated in outreach events to educate customers on energy conservation and create awareness of our energy efficiency programs.

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

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

Exhibit 1**Sponsorships and Associations**

SJG continues to sponsor and support Sustainable Jersey and Alliance to Save Energy's EmPowered Schools program, formerly PowerSave Schools. Through EmPowered Schools, SJG will support thirty schools in our service area. Through Sustainable Jersey, SJG is participating in the 2021 Environmental Defense Fund's Climate Corps Program. This program provides EDF Climate Corps Fellows for expertise and support for school districts and municipalities to take advantage of New Jersey's Clean Energy Program (NJCEP) and utility incentives (such as SJG's Smart Energy Partners program) for energy efficiency audits and facility and/or equipment upgrades to help save energy and money. Through Sustainable Jersey, SJG is also supporting the Sustainable Jersey Digital Schools program. This program's focus is supporting schools in address the digital divide and preparing digital learning for the next school year. SJG has joined the Consortium for Energy Efficiency (CEE), an non profit organization that collaborates with energy efficiency program administrators on market strategies enabling new levels of energy reduction and environmental benefit.

On-Going Energy Efficiency Messaging:

The Company continues its efforts to leverage its partnership approach with the NJ Clean Energy Program, to offer customers, both residential and commercial, the most energy value available to them through our enhanced energy efficiency website at www.southjerseygas.com/energyefficiencyprograms.

Exhibit 2

South Jersey Gas Company
Docket Number GR05121019

Quarterly CIP Report of Expenses

Program Name	1st Quarter 10/01/21 - 12/31/21	2nd Quarter 1/1/22 -3/31/22	3rd Quarter 4/1/22 - 6/30/22	4th Quarter 7/1/22 - 9/30/22	Annual Total
Direct Mail Campaign					\$0
Public Sector Outreach	\$57,683	\$40,890	\$71,460		\$170,033
Training					\$0
Sponsorships & Associations		\$200,974		\$131,999	\$332,973
Total CIP Expenses	\$57,683	\$241,864	\$71,460	\$131,999	\$503,006



Cindy Capozzoli
Director, Rates

May 4, 2023

Malike Cummings
Division of Energy
NJ Board of Public Utilities
44 South Clinton Street
P. O. Box 350
Trenton, NJ 08625-350

Brian Lipman
Division of Rate Counsel
140 East Front Street, 4th Floor
P.O. Box 003
Trenton, NJ 08625

Re: Conservation Incentive Program ("CIP") Quarterly Report

Dear Mr. Cummings and Mr. Lipman:

Pursuant to the New Jersey Board of Public Utilities' ("Board") Order dated December 12, 2006, in Docket No. GR05121019, South Jersey Gas Company is filing its CIP Quarterly Report for the quarter ending March 31, 2023. The report is comprised of the following two components:

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

In accordance with the Board's March 19, 2020 and June 10, 2020 Orders issued in Docket No. EO20030254, hard copies are not being submitted at this time, but can be provided at a later time, if needed.

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

Respectfully,

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

Cindy Capozzoli

CC:caj/f84
Attachments

cc: M. Minkel
S. Peterson
M. Kammer
M. Caroselli
C. Morrison

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

Report of Quarterly Activities as of March 31, 2023

Public Sector Outreach Program

South Jersey Gas (“SJG” or the “Company”) continues to promote energy efficiency through its own suite of programs approved in Docket No. G020090618 (the EEP V), as well as those offered by the Office of Clean Energy to our customers. SJG continues to support efforts to participated in outreach events to educate customers on energy conservation and create awareness of our energy efficiency programs.

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

To help customers increase their energy efficiency engagement, we continue to engage customers through Conserve, a free, online Energy Efficiency resource conveniently located on the SJG website (<https://southjerseygas.com/conserve>). Conserve offers tips and information to help customers decrease their energy consumption, lower their energy bills, and reduce their impact on the environment. Conserve will feature new content on an ongoing basis, within topic categories that focus generally on saving energy and

money (*Go Green & Save*), home and family (*Together at Home*), community programs and reader input (*Community*), tips and education for students (*Conserve Kids*) and energy-saving products and services (*Energy Efficiency Programs*). In addition to energy-saving tips, ideas and solutions, Conserve will provide games, puzzles, and other content to engage children and families. To create awareness of SJG's energy efficiency programs and the Conserve website, the Company includes bill messaging and advertisements in community newspapers, on local radio and in transit rail stations.

Sponsorships and Associations

SJG continues to sponsor and support Sustainable Jersey and Alliance to Save Energy's EmPowered Schools program, formerly PowerSave Schools. Sustainable Jersey is a network of municipalities, schools and school districts working collectively to bring about a sustainable New Jersey. Acting with state agencies, non-profit organizations, foundations, academia and industry, Sustainable Jersey researches best practices for what communities could and should do to contribute to a sustainable future. The program culminates in a prestigious certification award to municipalities and schools that have documented meeting a set of rigorous standards. SJG is also supporting the Sustainable Jersey Digital Schools program. This program's focus is supporting schools in address the digital divide and preparing digital learning for the next school year.

SJG has continued to partner with the Alliance to Save Energy's EmPowered Schools program, which is a year-long, STEM-based curriculum program that teaches students about energy efficiency. The program also positions students to lead energy-saving campaigns in their schools, homes, and communities. Since the introduction of Alliance

to Save Energy's Empowered Schools program in February 2019, the Company has provided support and resources to schools across Atlantic, Camden, Cape May, Cumberland, Gloucester, and Salem Counties. SJG will support thirty-four schools in our service area.

SJG has joined the Consortium for Energy Efficiency (CEE), a nonprofit organization that collaborates with energy efficiency program administrators on market strategies enabling new levels of energy reduction and environmental benefit.

On-Going Energy Efficiency Messaging:

The Company continues its efforts to leverage its partnership approach with the NJ Clean Energy Program, to offer customers, both residential and commercial, the most energy value available to them through our enhanced energy efficiency website at www.southjerseygas.com/energyefficiencyprograms.

Exhibit 2

South Jersey Gas Company
Docket Number GR05121019

Quarterly CIP Report of Expenses

Program Name	1st Quarter 10/01/22 - 12/31/22	2nd Quarter 1/1/23 -3/31/23	3rd Quarter 4/1/23 - 6/30/23	4th Quarter 7/1/23 - 9/30/23	Annual Total
Direct Mail Campaign					\$0
Public Sector Outreach	\$60,000	\$392			\$60,392
Training					\$0
Sponsorships & Associations		\$156,472			\$156,472
Total CIP Expenses	\$60,000	\$156,863	\$0	\$0	\$216,863

Conserve - Annual Content Calendar

Month	October	November	December
Quarterly Theme	Save Energy & Money; Grateful & Safe; Festive & Warm		
Theme Holidays	Halloween; EE Day	Day Lights Saving, Veterans' Day, Thanksgiving	Winter Holidays; New Years Eve
Conserve Articles			
	More Food, Less Fuss EE Quiz	Celebrate the Holidays with Savings Survey Says: Savings Potential	Energy Efficiency Helps Businesses Save Season of Saving & Support Water Savings that Make a Splash Winslow-Sustainable Jersey
Month	January	February	March
Quarterly Theme	Have a Happy and Safe New Year Understanding your bill and taking control of energy costs; Utility Assistance; Energy Efficiency; Safety, Community		
Theme Holidays	Preparing for the year ahead New Year's Day, Martin Luther King Jr Day	Fall In Love with the Savings Black History Month, Groundhog's Day, Valentine's Day, President's Day	Go Green Women's History Month, St Patrick's Day, Daylight Saving
Conserve Articles			
	Dive into Fun & Learn Easy EE Resolutions	Home Energy Audits	Refrigerator Facts Beauty Tips that Save Energy Room Sensor Daylight Savings/Fresh Batteries
Month	April	May	June
Quarterly Theme	Spring into Action Earth Day, Spring Beginnings, Safety, Small Business Week, Damage Prevention/811; AC tune up & savings		
Theme Holidays	Earth Month Safe Digging Month Easter 4.17; Earth Day 4.22; Conserve/Sustainability/Clean Energy Campaign	Get ready for an efficient summer Mother's Day; Memorial Day; May1-7:Small Business Week	Have a Safe Summer Flag Day; Juneteeth; Father's Day 6.19; Summer Solstice 6.21; National Safety Month
Conserve Articles			
	Keep Windows Clean & Save Energy	Get Ready for Summer & Savings	Save Energy & Money with Outdoor Living
Month	July	August	September
Quarterly Theme	Go out & enjoy the summer Summer Tips; Grilling; Get ready for cooler weather; Fall into savings; make sure your heater is ready; Back to school		
Theme Holidays	Celebrate Summer with Savings & Safety Independence Day 7.4	Get Ready for Fall	Fall Into Savings Labor Day 9.5; Back to School ; Autumnal Equinox 9.21
Conserve Articles			
	Hidden Costs of Summer & Solutions	Extreme Heat	Service HVAC equipment

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

SOUTH JERSEY GAS COMPANY

Direct Testimony

of

Daniel P. Yardley

Yardley Associates

**On Behalf of
South Jersey Gas Company**

1 **I. INTRODUCTION**

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

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

6 **Q. ON WHOSE BEHALF ARE YOU TESTIFYING?**

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

9 **Q. PLEASE SUMMARIZE YOUR PROFESSIONAL AND EDUCATIONAL**
10 **BACKGROUND.**

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

20 **Q. HAVE YOU PREVIOUSLY TESTIFIED BEFORE THE NEW JERSEY**
21 **BOARD OF PUBLIC UTILITIES?**

22 **A.** Yes. I testified before the New Jersey Board of Public Utilities (the “Board”) on
23 behalf of South Jersey Gas, Elizabethtown Gas Company and New Jersey Natural

1 Gas Company (“NJNG”) in a number of different proceedings. I sponsored
2 testimony in 2005 that supported the Company’s petition to implement an
3 innovative rate design that promoted customer conservation and energy efficiency,
4 which led to the development of the Company’s Conservation Incentive Program
5 (“CIP”), and in 2013 that supported continuation of the CIP. I have also testified
6 or sponsored pre-filed testimony in proceedings before a number of other State
7 utility regulatory commissions, the Federal Energy Regulatory Commission and the
8 Canada Energy Regulator on matters pertaining to cost of service, cost allocation,
9 rate design, revenue decoupling and upstream capacity planning.

10 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS**
11 **PROCEEDING?**

12 **A.** The purpose of my testimony is to describe South Jersey Gas’ CIP and present the
13 derivation of the associated tariff charges resulting from the operation of the
14 program for the annual period ending September 30, 2023.

15 **Q. ARE YOU SPONSORING ANY EXHIBITS THAT ACCOMPANY YOUR**
16 **PREPARED DIRECT TESTIMONY?**

17 **A.** Yes. I am sponsoring the following exhibits, each of which will be explained later
18 in my testimony:

19	Schedule DPY-1:	Comparison of 2021-22 Customer Usage to
20		Baseline;
21	Schedule DPY-2:	Comparison of 2022-23 Customer Usage to
22		Baseline;
23	Schedule DPY-3:	GSG and GSG-LV Large Customer Adjustment;
24	Schedule DPY-4:	Determination of Weather-Related Component of
25		CIP;

1 Schedule DPY-5: Basic Gas Supply Service (“BGSS”) Savings Test;
2 Schedule DPY-6: Calculation of Over/(Under) Recovered CIP
3 Balance;
4 Schedule DPY-7: Derivation of CIP Charge / Credit; and
5 Schedule DPY-8: Proposed Tariff Sheets.

6 **II. DESCRIPTION OF THE CIP**

7 **Q. HOW WAS THE COMPANY’S CIP DEVELOPED?**

8 **A.** Following a period of relatively low and stable prices throughout the 1990s, natural
9 gas commodity prices experienced increased volatility and higher market clearing
10 prices in the ensuing years as the growing demand for natural gas to fire electric
11 generation contributed to a significant tightening of the supply-demand balance.
12 Prices continued to rise following major hurricanes that damaged Gulf Coast
13 production in the summer of 2005. South Jersey Gas, together with NJNG,
14 developed and proposed an innovative program late in 2005 that would allow them
15 to aggressively promote energy efficiency and conservation to customers. A
16 necessary component of the proposal was the implementation of a tariff mechanism
17 that eliminated the link between throughput and margin recoveries.

18 South Jersey Gas and NJNG, together with Board Staff and the New Jersey
19 Division of Rate Counsel (“Rate Counsel”), worked diligently to agree on the terms
20 of a pilot program. On October 12, 2006, the Board, in combined Docket Nos.
21 GR05121019 and GR05121020, adopted a stipulation (“CIP Stipulation”)
22 implementing the CIP for South Jersey Gas on a three-year Pilot Program basis
23 effective October 1, 2006. In January 2010, the Board extended the CIP for an
24 additional three-to-four-year period. In May of 2014, the Board approved

1 continuation of the CIP with limited modifications as agreed to by the Company,
2 NJNG, Board Staff and Rate Counsel (“2014 CIP Stipulation”).

3 **Q. HOW DOES THE CIP PROMOTE ENERGY EFFICIENCY AND**
4 **CONSERVATION?**

5 **A.** The CIP is comprised of customer-oriented conservation programs and an
6 innovative tariff mechanism that normalizes South Jersey Gas’ margin recoveries
7 for the impact of conservation and other changes in customer use. The CIP tariff
8 more appropriately aligns South Jersey Gas’ interests with those of its customers as
9 any customer savings from conservation do not contribute negatively to the
10 Company’s financial performance. Elimination of the disincentives to pursue
11 customer conservation has enabled South Jersey Gas to implement new initiatives
12 that capitalize on various channels for promoting conservation by its customers.

13 **Q. IS THE CIP CONSISTENT WITH THE CURRENT PUBLIC POLICY**
14 **DIRECTION IN NEW JERSEY?**

15 **A.** Yes. The CIP promotes cost-effective energy choices by consumers by equipping
16 them with greater information concerning their consumption patterns. To the extent
17 that South Jersey Gas customers participate in programs to install or upgrade
18 existing equipment with high efficiency alternatives, the New Jersey economy and
19 the environment benefit. The CIP contributes to economic benefits through the
20 local jobs supported by the contractor activity and the lower cost of energy use to
21 customers. The CIP also contributes to environmental benefits as higher efficiency
22 equipment leads to reductions in greenhouse gas emissions. These benefits are
23 consistent with New Jersey energy policy objectives.

1 **Q. PLEASE SUMMARIZE THE IMPORTANT FEATURES OF THE CIP**
2 **TARIFF.**

3 **A.** Details of the CIP mechanism are set forth as Rider M of South Jersey Gas' tariff.
4 Rider M is applicable to all residential and general service customers. The CIP
5 tariff establishes a baseline monthly usage for four different groups of South Jersey
6 Gas customers: (i) residential non-heating, (ii) residential heating, (iii) general
7 service, and (iv) general service – large volume. Additionally, Rider M sets forth
8 the calculation method for establishing the charge or credit for each applicable
9 group based on a comparison of actual usage to the baseline usage and on class-
10 specific margin factors. Rider M also reflects features that potentially limit the
11 Company's recoveries in a given year. These include limitations upon the recovery
12 of the margin impact of non-weather-related changes in use, and a requirement that
13 total recoveries not contribute to the Company earning in excess of 9.60 percent
14 return on equity plus 50 basis points.

15 **Q. PLEASE DESCRIBE THE RECOVERY LIMITATIONS APPLICABLE TO**
16 **THE NON-WEATHER- RELATED CIP AMOUNT.**

17 **A.** The CIP incorporates a recovery limitation specifically applicable to changes in
18 average consumption that are not attributable to weather. This is referred to as the
19 non-weather component of the CIP amount and is determined by subtracting the
20 weather component from the total CIP amount. The non-weather component is
21 subject to a recovery limitation determined through the application of a two-
22 pronged test. The first prong of the recovery test limits recoveries of any amounts
23 whereby BGSS savings are less than 75 percent of the non-weather component. The

1 second prong of the recovery test limits recoveries of any amounts by which the
2 non-weather component exceeds 6.5 percent of variable margin revenues. The
3 amount of the non-weather component that does not pass both of these recovery
4 limits is deferred to the subsequent year and is included in the non-weather
5 component subject to the two-pronged test at that time.

6 **Q. ARE THERE ANY CHANGES IN THE RECOVERY LIMITATIONS**
7 **RESULTING FROM BOARD ACTIONS TAKEN IN RESPONSE TO THE**
8 **COVID-19 PANDEMIC?**

9 **A.** Yes. The Board reduced allowable non-weather-related CIP recoveries to four
10 percent of variable margin revenues during the period July 1, 2021 through June
11 30, 2022. Even with this reduced limitation, there were no non-weather amounts
12 deferred to the current CIP year which is the annual period beginning October 1,
13 2022 through September 30, 2023 (“2022-23 CIP Year”).

14 **Q. PLEASE EXPLAIN THE SOURCE OF BGSS SAVINGS THAT ARE**
15 **RELIED UPON FOR THE BGSS SAVINGS TEST.**

16 **A.** BGSS savings result from gas supply contract restructurings, avoided costs or other
17 purchasing practices that benefit customers by lowering BGSS costs. The 2014
18 CIP Stipulation specifies the categories of BGSS savings as well as an initial level
19 of verified BGSS savings. In the current filing, the Company is supporting total
20 BGSS savings of \$7.3 million as further described in the testimony of Maria
21 Mendoza. The \$7.3 million of BGSS savings includes \$2.2 million of permanent
22 capacity release savings, \$4.8 million of additional capacity release savings and
23 \$0.2 million of avoided cost BGSS savings.

1 **Q. WHAT STEPS ARE NECESSARY TO CALCULATE THE ANNUAL CIP**
2 **CHARGE OR CREDIT?**

3 **A.** The calculation of the Rider M adjustment is performed for each of the four
4 customer groups subject to the clause, resulting in a single credit or charge
5 applicable to all customers within each grouping. The calculation begins by
6 dividing the actual customers for each month into the actual booked volumes to
7 establish an actual average use per customer. An adjustment to the number of
8 general service and general service large volume customers is made to reflect any
9 large customers that have been added to the system.

10 Next, the monthly average use per customer value is compared to the
11 baseline usage per customer for the corresponding customer group. This difference
12 represents the average usage impact for all customers in the class for the month. In
13 order to determine the total volume impact for the class, the monthly differences
14 are multiplied by the corresponding actual number of customers.

15 The margin impact is simply the usage impact multiplied by the margin
16 revenue factor for the customer group set forth in Rider M. The charge or credit
17 for the group is the total margin adjustment divided by the forecasted sales for the
18 recovery period. Since the charge or credit is derived based on projected
19 throughput, any over or under-recovery from the prior recovery period is included
20 in the calculation of the charge or credit for the current period.

21 **Q. WHAT TIME PERIOD IS COVERED UNDER THIS CIP FILING?**

22 **A.** This filing addresses the 2022-23 CIP Year. The schedules supporting this filing
23 are based on seven (7) months of actual data and five (5) months of projected data

1 for the period. The resulting charge or credit, including any over or under recovery
2 for the prior period, is applied to customer bills beginning on October 1, 2023. The
3 timing of the CIP rate adjustments was agreed to in order to synchronize them with
4 the review and implementation of South Jersey Gas' annual BGSS filing.

5 **Q. HAVE YOU PREPARED A SUMMARY OF RESULTS FOR THE PRIOR**
6 **YEAR OF THE CIP PROGRAM COVERING THE TWELVE-MONTH**
7 **PERIOD ENDING SEPTEMBER 30, 2022?**

8 **A.** Yes. Now that the annual period covered by the previous year of the CIP is
9 complete, actual results for this time period can be calculated. Schedule DPY-1
10 provides the actual results for the 2021-22 CIP Year ending September 30, 2022
11 for each of the four groups, which reflect a combined total of \$11.4 million margin
12 revenue below the benchmark level, including both the weather and non-weather
13 impacts.

14 **Q. PLEASE PROVIDE A COMPARISON OF CUSTOMER USAGE TO THE**
15 **BENCHMARK FOR THE 2022-23 CIP YEAR.**

16 **A.** Actual average use per customer for October 2022 through April 2023 and
17 projections through September 2023 are provided for each of the customer groups
18 covered by the CIP tariff in Schedule DPY-2. Schedule DPY-2 also provides a
19 comparison of the actual values shown in column (d) to the baseline values set forth
20 in Rider M and shown in column (e). The margin impact of the difference in average
21 use per customer is calculated by multiplying the change in average use per
22 customer times the actual number of customers times the margin revenue factor.
23 The margin revenue factor for each customer group is also set forth in Rider M.

1 The total impact of changes in average use per customer for the period results in a
2 combined total of \$47.9 million margin revenue below the benchmark level,
3 including both the weather and non-weather impacts.

4 **Q. DOES THE COMPARISON REFLECTED IN SCHEDULE DPY-2**
5 **REFLECT THE LARGE CUSTOMER ADJUSTMENT AS PROVIDED**
6 **FOR IN RIDER M?**

7 **A.** Yes. The actual number of customers for the general service and general service
8 large volume customer groups shown in column (c) of Schedule DPY-2 reflects an
9 adjustment for large customer additions to South Jersey Gas' system. As specified
10 in Rider M, an adjustment is made for any incremental general service customer
11 that exceeds 1,200 cubic feet per hour of connected load and any general service
12 large volume customer that exceeds 50,000 cubic feet per hour of connected load.
13 The incremental load for these customers is converted into an equivalent number
14 of additional customers to be included in the Rider M calculations going forward.
15 This removes any potential disincentive to connecting beneficial, large customer
16 loads. The level of the monthly large customer adjustment applicable to the 2022-
17 23 CIP Year is provided as Schedule DPY-3.

18 **Q. HAVE YOU PERFORMED THE DUAL PRONGED ELIGIBILITY TEST**
19 **APPLICABLE TO THE NON-WEATHER COMPONENT OF THE CIP**
20 **FOR THE CURRENT YEAR?**

21 **A.** Yes. I determined the weather-related component of the CIP by calculating the
22 margin impact of weather consistent with the terms of South Jersey Gas' Rider F
23 Temperature Adjustment Clause. The calculation of the weather-related

1 component for each customer group is provided in Schedule DPY-4. The total
2 weather-related component, which equals \$30.4 million of revenue deficiency, is
3 subtracted from the total CIP revenue deficiency of \$47.9 million to establish the
4 non-weather-related component for the current period, which is a revenue
5 deficiency of \$17.5 million as shown in on Page 1 of Schedule DPY-5. The
6 modified BGSS Savings test and the variable margin revenue test are shown on
7 Schedule DPY-5. The test results show that \$9.7 million of the non-weather-related
8 deficiency pass the BGSS Savings test while \$17.5 million of the deficiency passes
9 the Variable Margin Revenue test. Application of the dual pronged test results in
10 the inclusion of \$9.7 million of the non-weather-related deficiency in the amount
11 to be recovered in the current filing and deferral of the remaining \$7.8 million non-
12 weather-related deficiency to next year's filing. The amount of the deferral will be
13 updated based on actual customer usage for May 2023 through September 2023.

14 **Q. PLEASE PROVIDE THE DERIVATION OF THE CIP CHARGE OR**
15 **CREDIT TO BE EFFECTIVE OCTOBER 1, 2023.**

16 **A.** The total amount of the CIP that is to be charged to customers through Rider M is
17 the combination of the recoverable weather and non-weather-related margin
18 impacts, or \$40.1 million. Recovery of this amount would not result in the
19 Company exceeding the ROE limitation set forth in Rider M and calculated on
20 Exhibit A to the Petition. The weather and non-weather-related CIP amounts are
21 collected through customer group-specific charges based on projected throughput
22 for the 2022-23 CIP Year. The throughput forecast is the same as that proposed to
23 be utilized to establish the Periodic BGSS Rate effective October 1, 2023. In

1 addition to the CIP amount for the current year, the calculated charges also include
2 the net under-collection of the CIP for the recovery period ending September 30,
3 2022 of \$1.4 million, which is shown in Schedule DPY-6. The derivation of the
4 resulting CIP charges is set forth in Schedule DPY-7. This schedule also shows the
5 application of state taxes in order to establish rates billed to customers.

6 **Q. ARE YOU SPONSORING REVISED TARIFF SHEETS THAT**
7 **IMPLEMENT THESE CHARGES?**

8 **A.** Yes. Schedule DPY-8 provides proposed tariff sheets that reflect the CIP charges
9 to be effective October 1, 2023.

10 **Q. GIVEN THAT THE CIP CHARGE OR CREDIT IS BASED IN PART ON**
11 **PROJECTED DATA, HOW WILL THESE PROJECTIONS BE TRUED UP**
12 **IN THE FUTURE?**

13 **A.** The actual CIP recoveries or credits to customers will be trued up in future filings.
14 The first element of the true-up will reflect any adjustment to the recoverable
15 amount based on actual data for the period May 1, 2023 through September 30,
16 2023, which represents the final five (5) months of the current year of the CIP. The
17 second element of the true-up relates to differences between actual and projected
18 throughput for the annual period beginning October 1, 2023, which is the period
19 over which the CIP charge or credit is collected. The true-up of these elements for
20 actual experience will be reflected in the docket addressing the Company's CIP
21 filing to be made on or before June 1, 2024.

22 **Q. DOES THIS CONCLUDE YOUR PREPARED DIRECT TESTIMONY?**

23 **A.** Yes, it does.

Line No.		Month	Total Class Throughput	Number of Customers	Average Use / Cust.	Baseline Use / Cust.	Difference Per Cust.	Margin Revenue Factor	Margin Excess / (Deficiency)
		(a)	(b)	(c)	(d) = (b) / (c)	(e)	(f) = (d) - (e)	(g)	(h) = (f) * (c) * (g)
1									
2									
3	Actual	October-21	154,445	11,357	13.6	13.2	0.4	\$0.816156	\$ 3,699
4	Actual	November-21	246,171	10,736	22.9	23.2	(0.3)	\$0.816156	\$ (2,371)
5	Actual	December-21	285,589	10,388	27.5	40.7	(13.2)	\$0.816156	\$ (111,979)
6	Actual	January-22	369,096	10,350	35.7	37.9	(2.2)	\$0.833891	\$ (19,320)
7	Actual	February-22	392,761	10,330	38.0	35.2	2.8	\$0.833891	\$ 24,304
8	Actual	March-22	258,490	10,303	25.1	26.6	(1.5)	\$0.833891	\$ (12,984)
9	Actual	April-22	166,624	10,286	16.2	19.4	(3.2)	\$0.833891	\$ (27,455)
10	Actual	May-22	143,228	10,273	13.9	17.6	(3.7)	\$0.833891	\$ (31,328)
11	Actual	June-22	99,539	10,250	9.7	11.8	(2.1)	\$0.833891	\$ (17,855)
12	Actual	July-22	105,784	10,260	10.3	9.7	0.6	\$0.833891	\$ 5,219
13	Actual	August-22	94,763	10,211	9.3	8.7	0.58	\$0.833891	\$ 4,939
14	Actual	September-22	98,088	10,173	9.6	9.9	(0.3)	\$0.833891	\$ (2,189)
15					231.8	253.8			
16									
17		Total Group 1 Margin Excess / (Deficiency)							\$ (187,320)
18									
19									
20									
21									
22									
23									
24									
25									
26									
27									
28									
29									
30									
31									
32									
33									
34	Actual	October-21	7,882,046	371,480	21.2	28.7	(7.5)	\$0.816156	\$ (2,268,448)
35	Actual	November-21	29,346,643	372,752	78.7	72.3	6.4	\$0.816156	\$ 1,956,059
36	Actual	December-21	35,035,010	373,670	93.8	124.6	(30.8)	\$0.816156	\$ (9,405,604)
37	Actual	January-22	60,577,710	374,297	161.8	143.5	18.3	\$0.833891	\$ 5,725,571
38	Actual	February-22	41,952,984	374,672	112.0	122.2	(10.2)	\$0.833891	\$ (3,195,416)
39	Actual	March-22	31,574,000	374,981	84.2	89.2	(5.0)	\$0.833891	\$ (1,562,966)
40	Actual	April-22	19,172,108	375,152	51.1	48.7	2.4	\$0.833891	\$ 752,341
41	Actual	May-22	9,337,946	375,267	24.9	26.7	(1.8)	\$0.833891	\$ (568,450)
42	Actual	June-22	5,040,042	375,244	13.4	17.8	(4.4)	\$0.833891	\$ (1,366,990)
43	Actual	July-22	5,087,361	375,192	13.6	13.3	0.3	\$0.833891	\$ 81,146
44	Actual	August-22	5,825,231	374,914	15.5	14.2	1.3	\$0.833891	\$ 418,153
45	Actual	September-22	6,092,921	374,952	16.2	13.5	2.7	\$0.833891	\$ 859,809
46					686.4	714.6			
47									
48									
49		Total Group 2 Margin Excess / (Deficiency)							\$ (8,574,795)

South Jersey Gas Company
2023-24 Conservation Incentive Program Filing
Comparison of 2021-22 Customer Usage to Baseline

Line No.		Month (a)	Total Class Throughput (b)	Number of Customers (c)	Average Use / Cust. (d) = (b) / (c)	Baseline Use / Cust. (e)	Difference Per Cust. (f) = (d) - (e)	Margin Revenue Factor (g)	Margin Excess / (Deficiency) (h) = (f) * (c) * (g)
1									
2									
3									
4	Actual	October-21	3,699,202	27,002	137.0	178.3	(41.3)	\$0.669171	\$ (746,296)
5	Actual	November-21	9,762,233	27,165	359.4	361.9	(2.5)	\$0.669171	\$ (46,026)
6	Actual	December-21	11,513,123	27,320	421.4	582.0	(160.6)	\$0.669171	\$ (2,935,731)
7	Actual	January-22	20,052,766	27,425	731.2	660.5	70.7	\$0.683240	\$ 1,324,497
8	Actual	February-22	14,393,888	27,530	522.8	584.3	(61.5)	\$0.683240	\$ (1,155,968)
9	Actual	March-22	11,681,220	27,596	423.3	441.8	(18.5)	\$0.683240	\$ (348,926)
10	Actual	April-22	7,744,702	27,696	279.6	247.5	32.1	\$0.683240	\$ 608,044
11	Actual	May-22	4,599,576	27,636	166.4	135.9	30.5	\$0.683240	\$ 576,548
12	Actual	June-22	3,014,334	27,472	109.7	83.0	26.7	\$0.683240	\$ 501,605
13	Actual	July-22	2,961,097	27,464	107.8	112.8	(5.0)	\$0.683240	\$ (93,496)
14	Actual	August-22	3,316,993	27,523	120.5	125.3	(4.8)	\$0.683240	\$ (89,934)
15	Actual	September-22	3,519,098	27,566	127.7	119.3	8.4	\$0.683240	\$ 157,473
16					3,506.8	3,632.5			
17									
18									
19		Total Group 3 Margin Excess / (Deficiency)							\$ (2,248,210)
20									
21									
22									
23									
24									
25									
26									
27									
28									
29									
30									
31									
32	Actual	October-21	1,420,204	174	8,162.1	11,646.8	(3,484.7)	\$0.332312	\$ (201,494)
33	Actual	November-21	3,626,430	174	20,841.5	17,762.3	3,079.2	\$0.332312	\$ 178,049
34	Actual	December-21	2,620,782	174	15,062.0	24,096.3	(9,034.3)	\$0.332312	\$ (522,386)
35	Actual	January-22	5,965,134	174	34,282.4	30,224.7	4,057.7	\$0.340340	\$ 240,292
36	Actual	February-22	3,497,203	176	19,870.5	22,589.5	(2,719.0)	\$0.340340	\$ (162,869)
37	Actual	March-22	3,542,370	178	19,901.0	21,861.4	(1,960.4)	\$0.340340	\$ (118,765)
38	Actual	April-22	2,813,328	180	15,629.6	14,830.2	799.4	\$0.340340	\$ 48,972
39	Actual	May-22	1,603,993	182	8,813.1	6,519.7	2,293.4	\$0.340340	\$ 142,058
40	Actual	June-22	941,808	182	5,174.8	4,346.1	828.7	\$0.340340	\$ 51,331
41	Actual	July-22	845,660	183	4,621.1	4,920.5	(299.4)	\$0.340340	\$ (18,647)
42	Actual	August-22	1,121,052	181	6,193.7	6,053.4	140.3	\$0.340340	\$ 8,645
43	Actual	September-22	1,015,892	182	5,581.8	5,394.8	187.0	\$0.340340	\$ 11,586
44					164,133.5	170,245.6			
45									
46									
47		Total Group 4 Margin Excess / (Deficiency)							\$ (343,228)
48									
49									
50		Total Groups 1 through 4							\$ (11,353,553)

Line No.		Month	Total Class Throughput	Number of Customers	Average Use / Cust.	Baseline Use / Cust.	Difference Per Cust.	Margin Revenue Factor	Margin Excess / (Deficiency)
		(a)	(b)	(c)	(d) = (b) / (c)	(e)	(f) = (d) - (e)	(g)	(h) = (f) * (c) * (g)
1									
2									
3	Actual	October-22	176,276	10,131	17.4	13.2	4.2	\$0.833891	\$ 35,479
4	Actual	November-22	145,938	10,114	14.4	23.2	(8.8)	\$0.833891	\$ (73,972)
5	Actual	December-22	349,070	10,112	34.5	40.7	(6.2)	\$0.833891	\$ (52,109)
6	Actual	January-23	344,799	10,065	34.3	35.7	(1.4)	\$0.897170	\$ (13,028)
7	Actual	February-23	324,933	10,072	32.3	38.0	(5.7)	\$0.897170	\$ (51,859)
8	Actual	March-23	241,610	10,055	24.0	25.1	(1.1)	\$0.897170	\$ (9,663)
9	Actual	April-23	146,298	10,043	14.6	16.5	(1.9)	\$0.897170	\$ (17,415)
10	Projected	May-23	91,071	10,119	9.0	13.9	(4.9)	\$0.897170	\$ (44,484)
11	Projected	June-23	101,360	10,136	10.0	9.7	0.3	\$0.897170	\$ 2,728
12	Projected	July-23	91,350	10,150	9.0	10.3	(1.3)	\$0.897170	\$ (11,838)
13	Projected	August-23	101,700	10,170	10.0	9.3	0.70	\$0.897170	\$ 6,387
14	Projected	September-23	132,405	10,185	13.0	11.4	1.6	\$0.897170	\$ 14,620
15					222.5	247.0			
16									
17		Total Group 1 Margin Excess / (Deficiency)							\$ (215,154)
18									
19									
20									
21									
22									
23									
24									
25									
26									
27									
28									
29									
30									
31									
32									
33									
34	Actual	October-22	12,194,124	375,478	32.5	28.7	3.8	\$0.833891	\$ 1,182,378
35	Actual	November-22	25,801,397	376,518	68.5	72.3	(3.8)	\$0.833891	\$ (1,184,838)
36	Actual	December-22	47,209,307	377,608	125.0	124.6	0.4	\$0.833891	\$ 132,880
37	Actual	January-23	38,942,304	378,408	102.9	150.2	(47.3)	\$0.897170	\$ (16,054,478)
38	Actual	February-23	35,830,985	378,972	94.5	123.0	(28.5)	\$0.897170	\$ (9,673,799)
39	Actual	March-23	32,826,390	379,586	86.5	97.7	(11.2)	\$0.897170	\$ (3,821,192)
40	Actual	April-23	13,126,179	379,761	34.6	50.4	(15.8)	\$0.897170	\$ (5,395,379)
41	Projected	May-23	9,120,696	380,029	24.0	29.0	(5.0)	\$0.897170	\$ (1,704,753)
42	Projected	June-23	5,322,051	380,147	14.0	13.4	0.6	\$0.897170	\$ 204,634
43	Projected	July-23	5,324,470	380,319	14.0	13.6	0.4	\$0.897170	\$ 136,484
44	Projected	August-23	5,326,052	380,432	14.0	15.5	(1.5)	\$0.897170	\$ (511,969)
45	Projected	September-23	5,708,880	380,592	15.0	14.5	0.5	\$0.897170	\$ 170,728
46					625.5	732.9			
47									
48		Total Group 2 Margin Excess / (Deficiency)							\$ (36,519,304)

Line No.		<u>Month</u>	Total Class <u>Throughput</u>	Number of <u>Customers</u>	Average <u>Use / Cust.</u>	Baseline <u>Use / Cust.</u>	Difference <u>Per Cust.</u>	Margin Revenue <u>Factor</u>	Margin Excess / <u>(Deficiency)</u>
		(a)	(b)	(c)	(d) = (b) / (c)	(e)	(f) = (d) - (e)	(g)	(h) = (f) * (c) * (g)
1									
2									
3									
4	Actual	October-22	5,578,803	27,678	201.6	178.3	23.3	\$0.683240	\$ 439,880
5	Actual	November-22	8,485,727	27,830	304.9	361.9	(57.0)	\$0.683240	\$ (1,083,584)
6	Actual	December-22	15,642,109	27,946	559.7	582.0	(22.3)	\$0.683240	\$ (425,291)
7	Actual	January-23	13,764,708	27,414	502.1	693.4	(191.3)	\$0.723187	\$ (3,792,508)
8	Actual	February-23	12,683,591	27,486	461.5	577.8	(116.3)	\$0.723187	\$ (2,312,622)
9	Actual	March-23	11,858,165	27,520	430.9	491.6	(60.7)	\$0.723187	\$ (1,208,205)
10	Actual	April-23	5,625,315	27,548	204.2	286.9	(82.7)	\$0.723187	\$ (1,647,569)
11	Projected	May-23	4,257,080	27,971	152.2	190.8	(38.6)	\$0.723187	\$ (780,797)
12	Projected	June-23	3,549,432	28,004	126.7	112.0	14.7	\$0.723187	\$ 297,706
13	Projected	July-23	3,572,327	28,037	127.4	110.1	17.3	\$0.723187	\$ 350,779
14	Projected	August-23	3,570,081	28,072	127.2	123.3	3.9	\$0.723187	\$ 79,176
15	Projected	September-23	3,576,000	28,111	127.2	108.7	18.5	\$0.723187	\$ 376,094
16					3,325.6	3,816.8			
17									
18		Total Group 3 Margin Excess / (Deficiency)							\$ (9,706,941)
19									
20									
21									
22									
23									
24									
25									
26									
27									
28									
29									
30									
31	Actual	October-22	1,850,040	182	10,165.1	11,646.8	(1,481.7)	\$0.340340	\$ (91,782)
32	Actual	November-22	2,821,715	182	15,503.9	17,762.3	(2,258.4)	\$0.340340	\$ (139,888)
33	Actual	December-22	4,021,685	181	22,219.3	24,096.3	(1,877.0)	\$0.340340	\$ (115,629)
34	Actual	January-23	4,589,729	180	25,498.5	32,153.1	(6,654.6)	\$0.359109	\$ (430,151)
35	Actual	February-23	2,721,597	182	14,953.8	21,291.2	(6,337.4)	\$0.359109	\$ (414,197)
36	Actual	March-23	3,944,264	182	21,671.8	22,463.0	(791.2)	\$0.359109	\$ (51,712)
37	Actual	April-23	2,098,826	182	11,532.0	15,655.6	(4,123.6)	\$0.359109	\$ (269,509)
38	Projected	May-23	1,383,746	173	7,998.5	9,494.2	(1,495.7)	\$0.359109	\$ (92,922)
39	Projected	June-23	1,038,064	173	6,000.4	5,206.3	794.1	\$0.359109	\$ 49,334
40	Projected	July-23	1,032,408	173	5,967.7	4,652.4	1,315.3	\$0.359109	\$ 81,714
41	Projected	August-23	1,041,340	173	6,019.3	6,225.3	(206.0)	\$0.359109	\$ (12,798)
42	Projected	September-23	1,023,346	173	5,915.3	5,874.5	40.8	\$0.359109	\$ 2,535
43					153,445.6	176,521.0			
44									
45		Total Group 4 Margin Excess / (Deficiency)							\$ (1,485,005)
46									
47									
48		Total Groups 1 through 4							\$ (47,92

South Jersey Gas Company
2023-24 Conservation Incentive Program Filing

GSG and GSG-LV Large Customer Adjustment

Line No.			Customers Above 1,200 CFH		Equivalent GSG Customers		Monthly	Cumulative
			Count	CFH	Avg. CFH	Customers	Adjustment	Large Customer
	Month		(b)	(c)	(d)	(e) = (c) / (d)	(f) = (e) - (b)	Adjustment
	(a)							(g)
1								
2								
3								
4								
5	Actual	October-22	5	9,023	600	15	10	653
6	Actual	November-22	4	12,492	600	21	17	670
7	Actual	December-22	6	13,854	600	23	17	687
8	Actual	January-23	4	18,460	600	31	27	91
9	Actual	February-23	5	11,065	600	18	13	104
10	Actual	March-23	7	15,186	600	25	18	122
11	Actual	April-23	5	39,357	600	66	61	183
12	Projected	May-23	0	0	600	0	0	183
13	Projected	June-23	0	0	600	0	0	183
14	Projected	July-23	0	0	600	0	0	183
15	Projected	August-23	0	0	600	0	0	183
16	Projected	September-23	0	0	600	0	0	183
17								
18								
19								
20								
21								
22								
23								
24								
25								
26								
27								
28								
29								
30								
31	Actual	October-22	0	0	25,000	0	0	0
32	Actual	November-22	0	0	25,000	0	0	0
33	Actual	December-22	0	0	25,000	0	0	0
34	Actual	January-23	0	0	25,000	0	0	0
35	Actual	February-23	0	0	25,000	0	0	0
36	Actual	March-23	0	0	25,000	0	0	0
37	Actual	April-23	0	0	25,000	0	0	0
38	Projected	May-23	0	0	25,000	0	0	0
39	Projected	June-23	0	0	25,000	0	0	0
40	Projected	July-23	0	0	25,000	0	0	0
41	Projected	August-23	0	0	25,000	0	0	0
42	Projected	September-23	0	0	25,000	0	0	0

Group 3: GSG

643

Group 4: GSG Large Volume

0

Line No.	Month (a)	Actual October-22 (b)	Actual November-22 (c)	Actual December-22 (d)	Actual January-23 (e)	Actual February-23 (f)	Actual March-23 (g)	Actual April-23 (h)	Projected May-23 (i)	Total (j)
1	Group 2: RSG Heating									
2	480.11 RSG Heat Sales									
3										
4	Therms	11,778,972	24,948,202	46,147,976	37,275,354	34,727,816	31,808,767	12,725,530	8,836,704	208,249,320
5										
6	Customers	363,035	364,159	365,352	366,317	367,139	367,856	368,146	368,196	366,275
7	Base Load / Customer	14.6	14.6	14.6	14.6	14.6	14.6	14.6	14.6	14.6
8	Total Baseload	5,300,311	5,316,721	5,334,139	5,348,228	5,360,229	5,370,698	5,374,932	5,375,662	42,780,920
9										
10	Heat Load	6,478,661	19,631,481	40,813,837	31,927,126	29,367,587	26,438,069	7,350,598	3,461,042	165,468,400
11										
12	Actual Degree Days	257	457	853	670	645	626	248	122	3,878
13	Normal Degree Days	243	512	805	958	816	656	340	122	4,452
14	Difference	14	(55)	48	(288)	(171)	(30)	(92)	-	(574)
15										
16	Actual Heat Use per Degree Day	25,209.00	42,957.00	47,847.00	47,652.00	45,531.00	42,233.00	29,640.00	28,369.00	42,668.00
17										
18	Weather Impact - Therms	352,926	(2,362,635)	2,296,656	(13,723,776)	(7,785,801)	(1,266,990)	(2,726,880)	-	(25,216,500)
19										
20	Margin Revenue Factor	0.833891	0.833891	0.833891	0.897170	0.897170	0.897170	0.897170	0.897170	
21										
22	Weather Impact - Dollars	\$ 294,302	\$ (1,970,180)	\$ 1,915,161	\$ (12,312,560)	\$ (6,985,187)	\$ (1,136,705)	\$ (2,446,475)	\$ -	\$ (22,641,644)
23										
24										
25										
26	490.21 RSG Heat Transp									
27										
28	Therms	415,152	853,195	1,061,331	1,666,950	1,103,169	1,017,623	400,649	283,992	6,802,061
29										
30	Customers	12,443	12,359	12,256	12,091	11,833	11,730	11,615	11,833	12,020
31	Base Load / Customer	13.10	13.10	13.10	13.10	13.10	13.10	13.10	13.10	13.1
32	Total Baseload	163,003	161,903	160,554	158,392	155,012	153,663	152,157	155,012	1,259,696
33										
34	Heat Load	252,149	691,292	900,777	1,508,557	948,157	863,960	248,492	128,980	5,542,365
35										
36	Actual Degree Days	257	457	853	670	645	626	248	122	3,878
37	Normal Degree Days	243	512	805	958	816	656	340	122	4,452
38	Difference	14	(55)	48	(288)	(171)	(30)	(92)	-	(574)
39										
40	Actual Heat Use per Degree Day	981.00	1,513.00	1,056.00	2,252.00	1,470.00	1,380.00	1,002.00	1,057.00	1,429.00
41										
42	Weather Impact - Therms	13,734	(83,215)	50,688	(648,576)	(251,370)	(41,400)	(92,184)	-	(1,052,323)
43										
44	Margin Revenue Factor	0.833891	0.833891	0.833891	0.897170	0.897170	0.897170	0.897170	0.897170	
45										
46	Weather Impact - Dollars	\$ 11,453	\$ (69,392)	\$ 42,268	\$ (581,883)	\$ (225,522)	\$ (37,143)	\$ (82,705)	\$ -	\$ (942,924)
47										
48										
49	Group 2: RSG Heating Summary									
50	480.11 RSG Heat Sales									\$ (22,641,644)
51	490.21 RSG Heat Transp									\$ (942,924)
52	Total									\$ (23,584,568)

South Jersey Gas Company
2023-24 Conservation Incentive Program Filing

Determination of Weather-Related Component of CIP

Line No.	Month (a)	Actual October-22 (b)	Actual November-22 (c)	Actual December-22 (d)	Actual January-23 (e)	Actual February-23 (f)	Actual March-23 (g)	Actual April-23 (h)	Projected May-23 (i)	Total (j)
1										
2	481.31 GSG Com Heat Sales									
3										
4	Therms	2,432,079	4,626,517	8,825,831	7,671,642	7,371,471	6,627,359	2,927,990	3,124,190	43,607,079
5										
6	Customers	19,977	20,170	20,290	20,442	20,531	20,547	20,524	20,690	20,396
7	Base Load / Customer	<u>77.10</u>	<u>77.10</u>	<u>77.10</u>	<u>77.10</u>	<u>77.10</u>	<u>77.10</u>	<u>77.10</u>	<u>77.10</u>	<u>77.1</u>
8	Total Baseload	1,540,227	1,555,107	1,564,359	1,576,078	1,582,940	1,584,174	1,582,400	1,595,199	12,580,484
9										
10	Heat Load	891,852	3,071,410	7,261,472	6,095,564	5,788,531	5,043,185	1,345,589	1,528,991	31,026,595
11										
12	Actual Degree Days	257	457	853	670	645	626	248	122	3,878
13	Normal Degree Days	<u>243</u>	<u>512</u>	<u>805</u>	<u>958</u>	<u>816</u>	<u>656</u>	<u>340</u>	<u>122</u>	<u>4,452</u>
14	Difference	14	(55)	48	(288)	(171)	(30)	(92)	-	(574)
15										
16	Actual Heat Use per Degree Day	3,470.00	6,721.00	8,513.00	9,098.00	8,974.00	8,056.00	5,426.00	12,533.00	8,001.00
17										
18	Weather Impact - Therms	48,580	(369,655)	408,624	(2,620,224)	(1,534,554)	(241,680)	(499,192)	-	(4,808,101)
19										
20	Margin Revenue Factor	0.683240	0.683240	0.683240	0.723187	0.723187	0.723187	0.723187	0.723187	
21										
22	Weather Impact - Dollars	\$ 33,192	\$ (252,563)	\$ 279,188	\$ (1,894,912)	\$ (1,109,770)	\$ (174,780)	\$ (361,009)	\$ -	\$ (3,480,654)
23										
24										
25										
26	481.32 GSG Ind Heat Sales									
27										
28	Therms	70,439	177,815	449,431	359,318	352,256	298,834	130,483	82,770	1,921,347
29										
30	Customers	267	266	266	266	267	268	267	267	267
31	Base Load / Customer	<u>118.80</u>	<u>118.80</u>	<u>118.80</u>	<u>118.80</u>	<u>118.80</u>	<u>118.80</u>	<u>118.80</u>	<u>118.80</u>	<u>118.8</u>
32	Total Baseload	31,720	31,601	31,601	31,601	31,720	31,838	31,720	31,720	253,519
33										
34	Heat Load	38,720	146,215	417,831	327,717	320,537	266,996	98,764	51,050	1,667,828
35										
36	Actual Degree Days	257	457	853	670	645	626	248	122	3,878
37	Normal Degree Days	<u>243</u>	<u>512</u>	<u>805</u>	<u>958</u>	<u>816</u>	<u>656</u>	<u>340</u>	<u>122</u>	<u>4,452</u>
38	Difference	14	(55)	48	(288)	(171)	(30)	(92)	-	(574)
39										
40	Actual Heat Use per Degree Day	151.00	320.00	490.00	489.00	497.00	427.00	398.00	418.00	430.00
41										
42	Weather Impact - Therms	2,114	(17,600)	23,520	(140,832)	(84,987)	(12,810)	(36,616)	-	(267,211)
43										
44	Margin Revenue Factor	0.683240	0.683240	0.683240	0.723187	0.723187	0.723187	0.723187	0.723187	
45										
46	Weather Impact - Dollars	\$ 1,444	\$ (12,025)	\$ 16,070	\$ (101,848)	\$ (61,461)	\$ (9,264)	\$ (26,480)	\$ -	\$ (193,564)

Line No.	Month	Actual October-22	Actual November-22	Actual December-22	Actual January-23	Actual February-23	Actual March-23	Actual April-23	Projected May-23	Total
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
1										
2	<u>489.831 GSG Com Heat Transp</u>									
3										
4	Therms	2,661,213	3,437,674	5,859,713	5,254,701	4,529,298	4,533,298	2,290,218	1,720,186	30,286,301
5										
6	Customers	4,891	4,841	4,814	4,730	4,705	4,709	4,701	4,674	
7	Base Load / Customer	261.00	261.00	261.00	261.00	261.00	261.00	261.00	261.00	
8	Total Baseload	1,276,551	1,263,501	1,256,454	1,234,530	1,228,005	1,229,049	1,226,961	1,219,784	9,934,835
9										
10	Heat Load	1,384,662	2,174,173	4,603,259	4,020,171	3,301,293	3,304,249	1,063,257	500,403	20,351,466
11										
12	Actual Degree Days	257	457	853	670	645	626	248	122	3,878
13	Normal Degree Days	243	512	805	958	816	656	340	122	4,452
14	Difference	14	(55)	48	(288)	(171)	(30)	(92)	-	(574)
15										
16	Actual Heat Use per Degree Day	5,388.00	4,757.00	5,397.00	6,000.00	5,118.00	5,278.00	4,287.00	4,102.00	5,248.00
17										
18	Weather Impact - Therms	75,432	(261,635)	259,056	(1,728,000)	(875,178)	(158,340)	(394,404)	-	(3,083,069)
19										
20	Margin Revenue Factor	0.683240	0.683240	0.683240	0.723187	0.723187	0.723187	0.723187	0.723187	
21										
22	Weather Impact - Dollars	\$ 51,538	\$ (178,759)	\$ 176,997	\$ (1,249,667)	\$ (632,917)	\$ (114,509)	\$ (285,228)	\$ -	\$ (2,232,545)
23										
24										
25										
26	<u>489.832 GSG Ind Heat Transp</u>									
27										
28	Therms	48,686	31,414	142,726	103,146	80,046	79,177	37,261	56,790	579,246
29										
30	Customers	55	54	54	54	54	53	53	54	
31	Base Load / Customer	478.50	478.50	478.50	478.50	478.50	478.50	478.50	478.50	
32	Total Baseload	26,318	25,839	25,839	25,839	25,839	25,361	25,361	25,839	206,234
33										
34	Heat Load	22,369	5,575	116,887	77,307	54,207	53,816	11,900	30,951	373,013
35										
36	Actual Degree Days	257	457	853	670	645	626	248	122	3,878
37	Normal Degree Days	243	512	805	958	816	656	340	122	4,452
38	Difference	14	(55)	48	(288)	(171)	(30)	(92)	-	(574)
39										
40	Actual Heat Use per Degree Day	87.00	12.00	137.00	115.00	84.00	86.00	48.00	254.00	96.00
41										
42	Weather Impact - Therms	1,218	(660)	6,576	(33,120)	(14,364)	(2,580)	(4,416)	-	(47,346)
43										
44	Margin Revenue Factor	0.683240	0.683240	0.683240	0.723187	0.723187	0.723187	0.723187	0.723187	
45										
46	Weather Impact - Dollars	\$ 832	\$ (451)	\$ 4,493	\$ (23,952)	\$ (10,388)	\$ (1,866)	\$ (3,194)	\$ -	\$ (34,526)
47										
48										
49	<u>Group 3: GSG Summary</u>									
50	481.31 GSG Com Heat Sales									\$ (3,480,654)
51	481.32 GSG Ind Heat Sales									\$ (193,564)
52	489.831 GSG Com Heat Transp									\$ (2,232,545)
53	489.832 GSG Ind Heat Transp									\$ (34,526)
54	Total									\$ (5,941,286)

Line No.	Month	Actual October-22	Actual November-22	Actual December-22	Actual January-23	Actual February-23	Actual March-23	Actual April-23	Projected May-23	Total
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
1										
2	<u>481.630 GSG-LV Com Heat Sales</u>									
3										
4	Therms	306,188	557,283	863,209	805,444	766,009	932,386	517,400	468,047	5,215,966
5										
6	Customers	41	44	43	43	45	46	46	59	
7	Base Load / Customer	<u>3,742.40</u>	<u>3,742.40</u>	<u>3,742.40</u>	<u>3,742.40</u>	<u>3,742.40</u>	<u>3,742.40</u>	<u>3,742.40</u>	<u>3,742.40</u>	
8	Total Baseload	153,438	164,666	160,923	160,923	168,408	172,150	172,150	220,802	1,373,461
9										
10	Heat Load	152,749	392,617	702,286	644,521	597,601	760,236	345,250	247,245	3,842,505
11										
12	Actual Degree Days	257	457	853	670	645	626	248	122	3,878
13	Normal Degree Days	<u>243</u>	<u>512</u>	<u>805</u>	<u>958</u>	<u>816</u>	<u>656</u>	<u>340</u>	<u>122</u>	<u>4,452</u>
14	Difference	14	(55)	48	(288)	(171)	(30)	(92)	-	(574)
15										
16	Actual Heat Use per Degree Day	594.00	859.00	823.00	962.00	927.00	1,214.00	1,392.00	2,027.00	991.00
17										
18	Weather Impact - Therms	8,316	(47,245)	39,504	(277,056)	(158,517)	(36,420)	(128,064)	-	(599,482)
19										
20	Margin Revenue Factor	0.340340	0.340340	0.340340	0.359109	0.359109	0.359109	0.359109	0.359109	
21										
22	Weather Impact - Dollars	\$ 2,830	\$ (16,079)	\$ 13,445	\$ (99,493)	\$ (56,925)	\$ (13,079)	\$ (45,989)	\$ -	\$ (215,290)
23										
24										
25										
26	<u>481.640 GSG-LV Ind Heat Sales</u>									
27										
28	Therms	9,018	6,536	12,500	3,300	9,098	15,387	11,238	24,650	91,727
29										
30	Customers	3	3	3	2	3	3	3	2	
31	Base Load / Customer	<u>607.30</u>	<u>607.30</u>	<u>607.30</u>	<u>607.30</u>	<u>607.30</u>	<u>607.30</u>	<u>607.30</u>	<u>607.30</u>	
32	Total Baseload	1,822	1,822	1,822	1,215	1,822	1,822	1,822	1,215	13,361
33										
34	Heat Load	7,196	4,714	10,678	2,085	7,277	13,565	9,416	23,435	78,366
35										
36	Actual Degree Days	257	457	853	670	645	626	248	122	3,878
37	Normal Degree Days	<u>243</u>	<u>512</u>	<u>805</u>	<u>958</u>	<u>816</u>	<u>656</u>	<u>340</u>	<u>122</u>	<u>4,452</u>
38	Difference	14	(55)	48	(288)	(171)	(30)	(92)	-	(574)
39										
40	Actual Heat Use per Degree Day	28.00	10.00	13.00	3.00	11.00	22.00	38.00	192.00	20.00
41										
42	Weather Impact - Therms	392	(550)	624	(864)	(1,881)	(660)	(3,496)	-	(11,480)
43										
44	Margin Revenue Factor	0.340340	0.340340	0.340340	0.359109	0.359109	0.359109	0.359109	0.359109	
45										
46	Weather Impact - Dollars	\$ 133	\$ (187)	\$ 212	\$ (310)	\$ (675)	\$ (237)	\$ (1,255)	\$ -	\$ (2,319)
47										
48										

		Actual	Actual	Actual	Actual	Actual	Actual	Projected		
No.	Month	October-22	November-22	December-22	January-23	February-23	March-23	April-23	Total	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(j)	
1										
2										
3	<u>489.867 GSG-LV Com Heat Transp</u>									
4										
5	Therms	1,359,033	2,127,047	2,958,146	3,624,006	1,784,537	2,826,728	1,444,314	801,233	16,925,044
6										
7	Customers	127	124	124	124	124	123	123	101	
8	Base Load / Customer	<u>5,854.80</u>	<u>5,854.80</u>	<u>5,854.80</u>	<u>5,854.80</u>	<u>5,854.80</u>	<u>5,854.80</u>	<u>5,854.80</u>	<u>5,854.80</u>	
9	Total Baseload	743,560	725,995	725,995	725,995	725,995	720,140	720,140	591,335	5,679,156
10										
11	Heat Load	615,473	1,401,052	2,232,151	2,898,011	1,058,542	2,106,587	724,174	209,898	11,245,888
12										
13	Actual Degree Days	257	457	853	670	645	626	248	122	3,878
14	Normal Degree Days	<u>243</u>	<u>512</u>	<u>805</u>	<u>958</u>	<u>816</u>	<u>656</u>	<u>340</u>	<u>122</u>	<u>4,452</u>
15	Difference	14	(55)	48	(288)	(171)	(30)	(92)	-	(574)
16										
17	Actual Heat Use per Degree Day	2,395.00	3,066.00	2,617.00	4,325.00	1,641.00	3,365.00	2,920.00	1,720.00	2,900.00
18										
19	Weather Impact - Therms	33,530	(168,630)	125,616	(1,245,600)	(280,611)	(100,950)	(268,640)	-	(1,664,600)
20										
21	Margin Revenue Factor	0.340340	0.340340	0.340340	0.359109	0.359109	0.359109	0.359109	0.359109	
22										
23	Weather Impact - Dollars	\$ 11,412	\$ (57,392)	\$ 42,752	\$ (447,306)	\$ (100,770)	\$ (36,252)	\$ (96,471)	\$ -	\$ (684,027)
24										
25										
26										
27	<u>489.868 GSG-LV Ind Heat Transp</u>									
28										
29	Therms	118,821	116,410	141,849	125,369	126,701	134,872	97,020	86,275	947,319
30										
31	Customers	8	8	8	8	7	7	7	7	
32	Base Load / Customer	<u>12,038</u>	<u>12,038</u>	<u>12,038</u>	<u>12,038</u>	<u>12,038</u>	<u>12,038</u>	<u>12,038</u>	<u>12,038</u>	
33	Total Baseload	96,303	96,303	96,303	96,303	84,265	84,265	84,265	84,265	722,274
34										
35	Heat Load	22,518	20,107	45,546	29,066	42,436	50,607	12,755	2,010	225,045
36										
37	Actual Degree Days	257	457	853	670	645	626	248	122	3,878
38	Normal Degree Days	<u>243</u>	<u>512</u>	<u>805</u>	<u>958</u>	<u>816</u>	<u>656</u>	<u>340</u>	<u>122</u>	<u>4,452</u>
39	Difference	14	(55)	48	(288)	(171)	(30)	(92)	-	(574)
40										
41	Actual Heat Use per Degree Day	88.00	44.00	53.00	43.00	66.00	81.00	51.00	16.00	58.00
42										
43	Weather Impact - Therms	1,232	(2,420)	2,544	(12,384)	(11,286)	(2,430)	(4,692)	-	(33,292)
44										
45	Margin Revenue Factor	0.340340	0.340340	0.340340	0.359109	0.3				

South Jersey Gas Company
2023-24 Conservation Incentive Program Filing

BGSS Savings Test

Line No.

Description

(a)

Amount

(b)

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

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Step 1: Determine Weather and Non-Weather CIP Impacts

Margin Excess/(Deficiency)

Weather

Non-Weather

Total

\$ -

\$ (215,154)

\$ (215,154)

\$ (23,584,568)

\$ (12,934,736)

\$ (36,519,304)

\$ (5,941,289)

\$ (3,765,652)

\$ (9,706,941)

\$ (912,233)

\$ (572,772)

\$ (1,485,005)

\$ (30,438,090)

\$ (17,488,314)

\$ (47,926,404)

Step 2: Apply Modified BGSS Savings Test

A. Non-weather Impact Subject to Modified BGSS Savings Test

Non-Weather Deficiency

75% Factor

Subtotal

Prior Year Carry-Forward (Modified BGSS Savings Test)

75% Factor

Subtotal

Non-weather Impact Subject to Test

B. BGSS Savings

Permanent Capacity Savings

Additional Capacity BGSS Savings

Avoided Cost BGSS Savings

Total BGSS Savings

C. Results

Non-Weather Impacts Passing Test (current accrual)

Non-Weather Impacts Passing Test (prior year carry-forward)

Non-Weather Impacts Exceeding Test

\$ 17,488,314

75%

\$ 13,116,236

\$ -

75%

\$ -

\$ 13,116,236

\$ 2,243,369

\$ 4,792,330

\$ 215,373

\$ 7,251,071

\$ 9,668,095

\$ -

\$ 7,820,219

South Jersey Gas Company
2023-24 Conservation Incentive Program Filing

BGSS Savings Test

Line
No.**Step 3: Apply Variable Margin Revenue Test**A. Non-weather Impact Subject to Variable Margin Revenue Test

Non-Weather Impact \$ 17,488,314

Prior Year Carry-Forward (Variable Margin Revenue Test) \$ -

Non-weather Impact Subject to Test \$ 17,488,314

B. Variable Margin Revenues

Variable Margin Revenues applicable to 6.5% Fixed Recovery Cap \$ 331,312,725

6.5% Factor 6.5%

Subtotal \$ 21,535,327

Total Fixed Recovery Cap \$ 21,535,327

C. Results

Non-Weather Impacts Passing Test (current accrual) \$ 17,488,314

Non-Weather Impacts Passing Test (prior year carry-forward) \$ -

Non-Weather Impacts Exceeding Test \$ -

Notes:

- (1) Variable margin revenues equal to the actual number of customers multiplied by the Benchmark UPC and multiplied by the margin revenue factor.

Step 4: Determine Recoverable Non-Weather CIP ImpactsA. Current Year Accrual Recoverable Non-Weather Impacts

Amount Passing Modified BGSS Savings Test \$ 9,668,095

Amount Passing Variable Margin Revenue Test \$ 17,488,314

Recoverable Amount \$ 9,668,095

B. Previous Carry-Forward Recoverable Amounts

Total Unrecoverable Amount From Prior Year \$ -

Prior Year Subject to Modified BGSS Savings Test \$ -

Prior Year Passing Modified BGSS Savings Test \$ -

Remaining Unrecoverable Amount \$ -

Prior Year Subject to Variable Margin Revenue Test \$ -

Prior Year Passing Variable Margin Revenue Test \$ -

Remaining Unrecoverable Amount \$ -

Non-Recoverable Prior Year Carry-Forward \$ -

Recoverable Amount From Prior Year \$ -

Total Non-Weather Recoverable CIP Amount \$ 9,668,095**CIP Non-Weather Amount Carried Forward to Next Year \$ 7,820,219**

South Jersey Gas Company
2023-24 Conservation Incentive Program Filing

Calculation of Over/(Under) Recovered CIP Balance

Line No.	Category	Group 1 RSG Non-Heating	Group 2 RSG Heating	Group 3 GSG	Group 4 GSG-LV	Total (f) = (b) + (c) + (d) + (e)
	(a)	(b)	(c)	(d)	(e)	
1						
2						
3						
4	Actual October-22	\$ 2,702	\$ 172,540	\$ 103,478	\$ 19,215	\$ 297,934
5	Actual November-22	\$ 7,269	\$ 418,561	\$ 156,697	\$ 25,077	\$ 607,603
6	Actual December-22	\$ 13,395	\$ 956,928	\$ 309,961	\$ 37,667	\$ 1,317,950
7	Actual January-23	\$ 18,065	\$ 1,297,035	\$ 425,635	\$ 48,926	\$ 1,789,661
8	Actual February-23	\$ 14,803	\$ 1,075,688	\$ 355,907	\$ 49,395	\$ 1,495,793
9	Actual March-23	\$ 13,618	\$ 960,266	\$ 321,397	\$ 46,692	\$ 1,341,972
10	Actual April-23	\$ 9,919	\$ 649,394	\$ 241,365	\$ 35,247	\$ 935,925
11	Projected May-23	\$ 6,140	\$ 392,032	\$ 156,407	\$ 17,825	\$ 572,403
12	Projected June-23	\$ 4,266	\$ 227,161	\$ 108,752	\$ 14,650	\$ 354,829
13	Projected July-23	\$ 8,004	\$ 185,949	\$ 99,473	\$ 11,826	\$ 305,252
14	Projected August-23	\$ 5,688	\$ 143,996	\$ 72,132	\$ 9,941	\$ 231,757
15	Projected September-23	\$ 7,337	\$ 174,051	\$ 100,875	\$ 11,862	\$ 294,125
16						
17						
18						
19						
20						
21						
22	Total Recoveries	\$ 111,205	\$ 6,653,598	\$ 2,452,078	\$ 328,322	\$ 9,545,204
23						
24	Prior Period Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -
25						
26						
27						
28						
29	Recoverable CIP Amounts					
30	Final from 2021-2022 CIP Year (Excess)/Deficiency	\$ 107,170	\$ 7,002,219	\$ 3,413,354	\$ 466,308	\$ 10,989,051
31						
32	Total Recoverable CIP	\$ 107,170	\$ 7,002,219	\$ 3,413,354	\$ 466,308	\$ 10,989,051
33						
34						
35						
36	Over / (Under) Recovery	\$ 4,034	\$ (348,621)	\$ (961,275)	\$ (137,986)	\$ (1,443,848)
37						
38	(Credited to Ratepayer)/Owed to SJG					

South Jersey Gas Company
2023-24 Conservation Incentive Program Filing

Derivation of CIP Charge / Credit

Line No.	Description (a)	Margin Excess / (Deficiency) (b)	2023-24 Throughput Terms (c)	Charge / (Credit) (d) = (-b) / (c)	Taxes (e)	Total Charge / (Credit) (f) = (d) + (e)
1	Group 1: RSG Non-Heating					
2						
3	Weather-Related	\$ -				
4	Non Weather-Related	\$ (118,944)				
5	Total CIP	\$ (118,944)				
6						
7	Prior Year Amounts					
8	Prior Year Carry-Over	\$ -				
9	Prior Year Over/(Under) Recovery	\$ 4,034				
10	Total CIP Including Prior Year	\$ (114,910)				
11	Net Charge/(Credit)		2,706,777	\$ 0.042453		
12						
13	NJ State Sales Tax				\$ 0.002813	
14	Total Including Sales Tax					\$ 0.045266
15						
16						
17						
18	Group 2: RSG Heating					
19						
20	Weather-Related	\$ (23,584,568)				
21	Non Weather-Related	\$ (7,150,732)				
22	Total CIP	\$ (30,735,300)				
23						
24	Prior Year Amounts					
25	Prior Year Carry-Over	\$ -				
26	Prior Year Over/(Under) Recovery	\$ (348,621)				
27	Total CIP Including Prior Year	\$ (31,083,921)				
28	Net Charge/(Credit)		291,057,526	\$ 0.106796		
29						
30	NJ State Sales Tax				\$ 0.007075	
31	Total Including Sales Tax					\$ 0.113871

South Jersey Gas Company
2023-24 Conservation Incentive Program Filing

Derivation of CIP Charge / Credit

Line No.	Description (a)	Margin Excess / (Deficiency) (b)	2023-24 Throughput Therms (c)	Charge / (Credit) (d) = (-b) / (c)	Taxes (e)	Total Charge / (Credit) (f) = (d) + (e)
1	Group 3: GSG					
2						
3	Weather-Related	\$ (5,941,289)				
4	Non Weather-Related	\$ (2,081,772)				
5	Total CIP	\$ (8,023,061)				
6						
7	Prior Year Amounts					
8	Prior Year Carry-Over	\$ -				
9	Prior Year Over/(Under) Recovery	\$ (961,275)				
10	Total CIP Including Prior Year	\$ (8,984,336)				
11	Net Charge/(Credit)		105,733,704	\$ 0.084971		
12						
13	NJ State Sales Tax				\$ 0.005629	
14	Total Including Sales Tax					\$ 0.090600
15						
16						
17						
18	Group 4: GSG Large Volume					
19						
20	Weather-Related	\$ (912,233)				
21	Non Weather-Related	\$ (316,647)				
22	Total CIP	\$ (1,228,880)				
23						
24	Prior Year Amounts					
25	Prior Year Carry-Over	\$ -				
26	Prior Year Over/(Under) Recovery	\$ (137,986)				
27	Total CIP Including Prior Year	\$ (1,366,866)				
28	Net Charge/(Credit)		28,450,369	\$ 0.048044		
29						
30	NJ State Sales Tax				\$ 0.003183	
31	Total Including Sales Tax					\$ 0.051227

SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 14 - GAS

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

RESIDENTIAL SERVICE (RSG)

APPLICABLE TO USE OF SERVICE FOR:

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

CHARACTER OF SERVICE Firm Sales Service and Firm Transportation Service.

MONTHLY RATE: ⁽¹⁾

Customer Charge: \$10.502563 per month

Delivery Charge:

(a) Residential Non-Heating Customers
Firm Sales Service and Firm Transportation Service \$1.~~205269~~-198706 per therm

(b) Residential Heating Customers
Firm Sales Service and Firm Transportation Service \$1.~~483015~~-267311 per therm

Basic Gas Supply Service ("BGSS") Charge:

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

APPLICABLE RIDERS:

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

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

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

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

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

Issued _____
by South Jersey Gas Company,
B. Schomber, 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. 14 - GAS

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

GENERAL SERVICE (GSG)

APPLICABLE TO USE OF SERVICE FOR:

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

CHARACTER OF SERVICE:

Firm Sales Service or Firm Transportation Service.

MONTHLY RATE: ⁽¹⁾

Customer Charge:

\$40.496175 per month

Delivery Charges:

Firm Sales Service and Firm Transportation Service \$~~.996069~~1.058529 per therm

Basic Gas Supply Service ("BGSS") Charge:

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

LINE LOSS:

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

APPLICABLE RIDERS:

Basic Gas Supply Service Clause:	BGSS charges are depicted in Rider "A" of this Tariff.
Transportation Initiation Clause:	The rates set forth above have been adjusted, as is appropriate, pursuant to Rider "C" of this Tariff.
Societal Benefits Clause:	The rates set forth above have been adjusted, as is appropriate, pursuant to Rider "E" of this Tariff.
Temperature Adjustment Clause:	The rates set forth above have been adjusted, as is appropriate, pursuant to Rider "F" of this Tariff.

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

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 14 - GAS

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

GENERAL SERVICE – LARGE VOLUME (GSG-LV)

APPLICABLE TO USE OF SERVICE FOR:

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

CHARACTER OF SERVICE:

Firm Sales Service or Firm Transportation Service.

MONTHLY RATE: ⁽¹⁾

Customer Charge:

\$264.003500 per month

Delivery Charges:

Firm Sales Service and Firm Transportation Service⁽²⁾

Demand Charge:

D-1FT: \$14.199998 per Mcf of Contract Demand

Volumetric Charge:

~~\$.592537~~ 630959 per therm

Basic Gas Supply Service ("BGSS") Charge:

All consumption for customers who elect
Firm Sales Service

See Rider "A" of this Tariff.

LINE LOSS:

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

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

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

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 14 - GAS

Second Revised Sheet No. 102
Superseding First Revised Sheet No. 102RIDER "M"
CONSERVATION INCENTIVE PROGRAM
(Continued)

mechanism. The Deficiency or Excess shall be calculated each month by multiplying the result obtained from subtracting the Baseline Usage per Customer from the Actual Usage per Customer by the actual number of customers, and then multiplying the resulting therms by the Margin Revenue Factor.

- (d) Recovery of any Deficiency in accordance with Paragraph (c), above, associated with non-weather related changes in customer usage will be limited to the level of BGSS savings achieved as provided for in the 2014 Order of the Board of Public Utilities in Docket No. GR13030185. The value of the weather-related changes in customer usage shall be calculated in accordance with Rider F to this tariff.
- (e) Except as limited by Paragraph (d), above, the amount to be surcharged or credited to the Customer Class Group shall equal the aggregate Deficiency or Excess for all months during the Annual Period determined in accordance with the provisions herein, divided by the FAU for the Customer Class Group.
- (f) The currently effective CIP Factor by Customer Class Group are as follows:

	Group I: RSG Non-Heating	Group II: RSG Heating	Group III: GSG	Group IV: GSG-LV
CIP Factors Per Therm	\$0. 048609 <u>0424</u> <u>53</u>	\$0. 027737 <u>106</u> <u>796</u>	\$0. 026392 <u>084</u> <u>971</u>	\$0. 012009 <u>0480</u> <u>44</u>
Applicable NJ Sales Tax Factor	<u>1.066250</u>	<u>1.066250</u>	<u>1.066250</u>	<u>1.066250</u>
CIP Factors Per Therm with NJ Sales Tax	\$0.051829 <u>045</u> <u>266</u>	\$0.029575 <u>11387</u> <u>1</u>	\$0.028140 <u>090</u> <u>600</u>	\$0.012805 <u>0512</u> <u>27</u>

- (g) Cost recovery under the CIP is contingent on an earnings test. If the product of the earnings test calculation exceeds the Company's most recently approved ROE by fifty (50) basis points or more, cost recovery under the CIP shall not be allowed.

The Company's rate of return on common equity shall be calculated by dividing the Company's regulated jurisdictional net income for the annual period by the Company's average jurisdictional common equity balance for such annual period. The average jurisdictional common equity balance will be derived by multiplying the average of the Company's beginning and ending net rate base for the annual period by the Board-approved equity ratio in the Company's most recent rate case. The Company's regulated jurisdictional net income shall be calculated by subtracting from total net income the CIP booked margin revenue accruals and the Company's share of margins from: (1) Interruptible Sales; (2) Interruptible Transportation; (3) On-System Capacity Release; (4) Off-System Sales and Capacity Release; (5) the Storage Incentive Mechanism; and (6) the Energy Efficiency Tracker.

- (h) As used in this Rider "M", the following terms shall have the meanings ascribed to them herein:

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

Page 1

RESIDENTIAL GAS SERVICE (RSG) - NONHEAT CUSTOMER					
	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<u>CUSTOMER CHARGE</u>		9.850000		0.652563	10.502563
<u>DELIVERY CHARGE (per therm):</u>					
Base Rate		0.897170		0.059438	0.956608
TIC	C	0.000229	0.000000	0.000015	0.000244
SBC:					
RAC	E, G	0.050674	0.000000	0.003357	0.054031
CLEP	E, K	0.029336	0.000000	0.001944	0.031280
USF	E	<u>0.015600</u>	<u>0.000000</u>	<u>0.001000</u>	<u>0.016600</u>
Total SBC		0.095610	0.000000	0.006301	0.101911
CIP	M	0.042453	0.000000	0.002813	0.045266
EET	N	0.025681	0.000000	0.001701	0.027382
2017 Tax Act	H	(0.017668)	(0.000044)	(0.001173)	(0.018885)
Balancing Service Charge BS-1	J	0.080825	0.000000	0.005355	0.086180
Balancing Service Charge BUY-OUT PRICE (Applicable to Transportation Customers Only)	J				Rate Set Monthly
TOTAL DELIVERY CHARGE		1.124300	(0.000044)	0.074450	1.198706
<u>BGSS: (Applicable To Sales Customers Only)</u>	A	0.588735	0.000000	0.039004	0.627739

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RESIDENTIAL GAS SERVICE (RSG) - HEAT CUSTOMER					
	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
CUSTOMER CHARGE		9.850000		0.652563	10.502563
<u>DELIVERY CHARGE (per therm):</u>					
Base Rate		0.897170		0.059438	0.956608
TIC	C	0.000229	0.000000	0.000015	0.000244
SBC:					
RAC	E, G	0.050674	0.000000	0.003357	0.054031
CLEP	E, K	0.029336	0.000000	0.001944	0.031280
USF	E	<u>0.015600</u>	<u>0.000000</u>	<u>0.001000</u>	<u>0.016600</u>
Total SBC		0.095610	0.000000	0.006301	0.101911
CIP	M	0.106796	0.000000	0.007075	0.113871
EET	N	0.025681	0.000000	0.001701	0.027382
2017 Tax Act	H	(0.017668)	(0.000044)	(0.001173)	(0.018885)
Balancing Service Charge BS-1	J	0.080825	0.000000	0.005355	0.086180
Balancing Service Charge BUY-OUT PRICE (Applicable to Transportation Customers Only)	J				Rate Set Monthly
Total Delivery Charge		1.188643	(0.000044)	0.078712	1.267311
<u>BGSS: (Applicable To Sales Customers Only)</u>	A	0.588735	0.000000	0.039004	0.627739

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GENERAL SERVICE (GSG)					
	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
CUSTOMER CHARGE		37.980000		2.516175	40.496175
<u>DELIVERY CHARGE (per therm):</u>					
Base Rate		0.723187		0.047911	0.771098
TIC	C	0.000229	0.000000	0.000015	0.000244
SBC:					
RAC	E, G	0.050674	0.000000	0.003357	0.054031
CLEP	E, K	0.029336	0.000000	0.001944	0.031280
USF	E	<u>0.015600</u>	<u>0.000000</u>	<u>0.001000</u>	<u>0.016600</u>
Total SBC		0.095610	0.000000	0.006301	0.101911
CIP	M	0.084971	0.000000	0.005629	0.090600
EET	N	0.025681	0.000000	0.001701	0.027382
2017 Tax Act	H	(0.017668)	(0.000044)	(0.001173)	(0.018885)
Balancing Service Charge BS-1	J	0.080825	0.000000	0.005355	0.086180
Balancing Service Charge BUY-OUT PRICE (Applicable to Transportation Customers Only)	J				Rate Set Monthly
Total Delivery Charge		0.992835	(0.000044)	0.065739	1.058529
<u>BGSS: (Applicable To Sales Customers Only using less than 5,000 therms annually)</u>	A	0.588735	0.000000	0.039004	0.627739
<u>BGSS: (Applicable To Sales Customers Only using 5,000 therms annually or greater)</u>	A				RATE SET MONTHLY

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<u>GENERAL SERVICE-LV (GSG-LV)</u>					
	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<u>CUSTOMER CHARGE</u>		247.600000		16.403500	264.003500
<u>D-1 Demand Charge (Mcf)</u>		13.317700		0.882298	14.199998
<u>DELIVERY CHARGE (per therm):</u>					
Base Rate		0.359109		0.023791	0.382900
TIC	C	0.000229	0.000000	0.000015	0.000244
SBC:					
RAC	E, G	0.050674	0.000000	0.003357	0.054031
CLEP	E, K	0.029336	0.000000	0.001944	0.031280
USF	E	<u>0.015600</u>	<u>0.000000</u>	<u>0.001000</u>	<u>0.016600</u>
Total SBC		0.095610	0.000000	0.006301	0.101911
CIP	M	0.048044	0.000000	0.003183	0.051227
EET	N	0.025681	0.000000	0.001701	0.027382
2017 Tax Act	H	(0.017668)	(0.000044)	(0.001173)	(0.018885)
Balancing Service Charge BS-1	J	0.080825	0.000000	0.005355	0.086180
Balancing Service Charge BUY-OUT PRICE (Applicable to Transportation Customers Only)	J				Rate Set Monthly
Total Delivery Charge		0.591830	(0.000044)	0.039173	0.630959
<u>BGSS: (Applicable Sales Customers Only)</u>	A				RATE SET MONTHLY

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COMPREHENSIVE TRANSPORTATION SERVICE (CTS)

	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<u>FIRM</u>					
<u>CUSTOMER CHARGE</u>		820.630000		54.366738	874.996738
<u>D-1 Demand Charge (Mcf)</u>		34.701100		2.298948	37.000048
<u>DELIVERY CHARGE (per therm):</u>					
Base Rate		0.091136		0.006038	0.097174
SBC:					
RAC	E, G	0.050674	0.000000	0.003357	0.054031
CLEP	E, K	0.029336	0.000000	0.001944	0.031280
USF	E	<u>0.015600</u>	<u>0.000000</u>	<u>0.001000</u>	<u>0.016600</u>
Total SBC		0.095610	0.000000	0.006301	0.101911
EET	N	0.025681	0.000000	0.001701	0.027382
2017 Tax Act	H	(0.017668)	(0.000044)	(0.001173)	(0.018885)
Total Delivery Charge		0.194759	(0.000044)	0.012867	0.207582
Balancing Service Charge BS-1	I	0.080825	0.000000	0.005355	0.086180
Balancing Service Charge BS-1 (Opt Out Provision)	I	0.002549	0.000000	0.000169	0.002718
BUY-OUT PRICE					RATE SET MONTHLY
<u>LIMITED FIRM</u>					
<u>CUSTOMER CHARGE</u>		500.000000		33.125000	533.125000
<u>DELIVERY CHARGE (per therm):</u>					
Base Rate		0.058400		0.003900	0.062300
SBC:					
RAC	E, G	0.050674	0.000000	0.003357	0.054031
CLEP	E, K	0.029336	0.000000	0.001944	0.031280
USF	E	<u>0.015600</u>	<u>0.000000</u>	<u>0.001000</u>	<u>0.016600</u>
Total SBC		0.095610	0.000000	0.006301	0.101911
EET	N	0.025681	0.000000	0.001701	0.027382
2017 Tax Act	H	(0.017668)	(0.000044)	(0.001173)	(0.018885)
Total Delivery Charge		0.162023	(0.000044)	0.010729	0.172708
Balancing Service Charge BS-1	I	0.080825	0.000000	0.005355	0.086180
Balancing Service Charge BS-1 (Opt Out Provision)	I	0.002549	0.000000	0.000169	0.002718
BUY-OUT PRICE					RATE SET MONTHLY

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LARGE VOLUME SERVICE (LVS)

	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<u>FIRM</u>					
<u>CUSTOMER CHARGE</u>		1,148.890000		76.113963	1,225.003963
<u>D-1 Demand Charge (Mcf)</u>		20.633100		1.366943	22.000043
<u>D-2 DEMAND BGSS(Applicable to Sales Customers Only)</u>	A	15.471650	0.000000	1.024997	16.496647
<u>DELIVERY CHARGE (per therm):</u>					
Base Rate		0.061199		0.004054	0.065253
SBC:					
RAC	E, G	0.050674	0.000000	0.003357	0.054031
CLEP	E, K	0.029336	0.000000	0.001944	0.031280
USF	E	<u>0.015600</u>	<u>0.000000</u>	<u>0.001000</u>	<u>0.016600</u>
Total SBC		0.095610	0.000000	0.006301	0.101911
EET	N	0.025681	0.000000	0.001701	0.027382
2017 Tax Act	H	(0.017668)	(0.000044)	(0.001173)	(0.018885)
Total Delivery Charge		0.164822	(0.000044)	0.010883	0.175661
Balancing Service Charge BS-1	I	0.080825	0.000000	0.005355	0.086180
Balancing Service Charge BS-1 (Opt Out Provision) (Applicable to Transportation Customers Only)	I	0.002549	0.000000	0.000169	0.002718
Balancing Service Charge CASH OUT CHARGE (CREDIT) (Applicable Transportation Customers Only)	I				RATE SET MONTHLY
<u>BGSS: (Applicable Sales Customers Only)</u>	A				RATE SET MONTHLY
<u>LIMITED FIRM</u>					
<u>CUSTOMER CHARGE</u>		500.000000		33.125000	533.125000
<u>DELIVERY CHARGE (per therm):</u>					
Base Rate		0.148587		0.009844	0.158431
SBC:					
RAC	E, G	0.050674	0.000000	0.003357	0.054031
CLEP	E, K	0.029336	0.000000	0.001944	0.031280
USF	E	<u>0.015600</u>	<u>0.000000</u>	<u>0.001000</u>	<u>0.016600</u>
Total SBC		0.095610	0.000000	0.006301	0.101911
EET	N	0.025681	0.000000	0.001701	0.027382
2017 Tax Act	H	(0.017668)	(0.000044)	(0.001173)	(0.018885)
Total Delivery Charge		0.252210	(0.000044)	0.016673	0.268839
Balancing Service Charge BS-1	I	0.080825	0.000000	0.005355	0.086180
Balancing Service Charge BS-1 (Opt Out Provision) (Applicable to Transportation Customers Only)	I	0.002549	0.000000	0.000169	0.002718
BUY-OUT PRICE	I				RATE SET MONTHLY

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FIRM ELECTRIC SALES (FES)					
	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<u>WINTER</u>					
<u>D-1 DEMAND (MCF) (Rate is negotiated. Shown here is the benchmark rate.)</u>		2.897200		0.191900	3.089100
<u>D-2 DEMAND BGSS(MCF) (Applicable to Sales Customers Only)</u>	A	7.735825	0.000000	0.512498	8.248323
<u>DELIVERY CHARGE (per therm):</u>					
SBC:					
RAC	E, G	0.050674	0.000000	0.003357	0.054031
CLEP	E, K	0.029336	0.000000	0.001944	0.031280
USF	E	<u>0.015600</u>	<u>0.000000</u>	<u>0.001000</u>	<u>0.016600</u>
Total SBC		0.095610	0.000000	0.006301	0.101911
EET	N	0.025681	0.000000	0.001701	0.027382
Total Delivery Charge		0.121291	0.000000	0.008002	0.129293
<u>C-3 All Therms (Rate is negotiated. Shown here is the benchmark rate.)</u>		0.162900		0.010800	0.173700
<u>C-4 Escalator Rate (To be determined as prescribed in the Company's Tariff)</u>					RATE SET MONTHLY
Balancing Service Charge CASH OUT CHARGE (CREDIT) (Applicable to Firm Transportatin Customers Only)	I				RATE SET MONTHLY
<u>BGSS: (Applicable To Sales Customers Only)</u>	A				RATE SET MONTHLY
<u>SUMMER</u>					
<u>D-1 DEMAND (MCF) (Rate is negotiated. Shown here is the benchmark rate.)</u>		2.897200		0.191900	3.089100
<u>D-2 DEMAND BGSS(MCF) (Applicable to Sales Customers Only)</u>	A	7.735825	0.000000	0.512498	8.248323
SBC:					
RAC	E, G	0.050674	0.000000	0.003357	0.054031
CLEP	E, K	0.029336	0.000000	0.001944	0.031280
USF	E	0.015600	0.000000	0.001000	0.016600
EET	N	0.025681	0.000000	0.001701	0.027382
Total Delivery Charge		0.121291	0.000000	0.008002	0.129293
<u>C-3 All Therms (Rate is negotiated. Shown here is the benchmark rate.)</u>		0.162900		0.010800	0.173700
<u>C-4 Escalator Rate (To be determined as prescribed in the Company's Tariff)</u>					RATE SET MONTHLY
Balancing Service Charge CASH OUT CHARGE (CREDIT) (Applicable to Firm Transportatin Customers Only)	I				RATE SET MONTHLY
<u>BGSS: (Applicable To Sales Customers Only)</u>	A				RATE SET MONTHLY

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ELECTRIC GENERATION SERVICE (EGS) - RESIDENTIAL

	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<u>CUSTOMER CHARGE</u>		9.850000		0.652563	10.502563
<u>DELIVERY CHARGE (per therm):</u>					
Base Rate		0.180446		0.011955	0.192401
SBC:					
RAC	E, G	0.050674	0.000000	0.003357	0.054031
CLEP	E, K	0.029336	0.000000	0.001944	0.031280
USF	E	<u>0.015600</u>	<u>0.000000</u>	<u>0.001000</u>	<u>0.016600</u>
Total SBC		0.095610	0.000000	0.006301	0.101911
EET	N	0.025681	0.000000	0.001701	0.027382
2017 Tax Act	H	(0.017668)	(0.000044)	(0.001173)	(0.018885)
Balancing Service Charge BS-1	J	0.080825	0.000000	0.005355	0.086180
Total Delivery Charge		0.364894	(0.00004)	0.024139	0.388989
<u>BGSS: (Applicable To Sales Customers Only)</u>	A	0.588735	0.000000	0.039004	0.627739

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<u>ELECTRIC GENERATION SERVICE (EGS) - COMMERCIAL/INDUSTRIAL</u>					
	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<u>CUSTOMER CHARGE</u>		86.280000		5.716050	91.996050
<u>D-1 DEMAND (MCF)</u>		9.144200		0.605803	9.750003
<u>DELIVERY CHARGE (per therm):</u>					
Base Rate - Winter Season (Nov - Mar)		0.168130		0.011139	0.179269
Base Rate - Summer Season (Apr - Oct)		0.138130		0.009151	0.147281
SBC:					
RAC	E, G	0.050674	0.000000	0.003357	0.054031
CLEP	E, K	0.029336	0.000000	0.001944	0.031280
USF	E	<u>0.015600</u>	<u>0.000000</u>	<u>0.001000</u>	<u>0.016600</u>
Total SBC		0.095610	0.000000	0.006301	0.101911
EET	N	0.025681	0.000000	0.001701	0.027382
2017 Tax Act	H	(0.017668)	(0.000044)	(0.001173)	(0.018885)
Balancing Service Charge BS-1	J	0.080825	0.000000	0.005355	0.086180
Total Delivery Charge - Winter Season		0.352578	(0.000044)	0.023323	0.375857
Total Delivery Charge - Summer Season		0.322578	(0.000044)	0.021335	0.343869
<u>BGSS: (Applicable To Sales Customers Only)</u>	A				RATE SET MONTHLY

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<u>ELECTRIC GENERATION SERVICE-LV (EGS-LV)</u>					
	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<u>FIRM</u>					
<u>CUSTOMER CHARGE</u>		820.630000		54.366738	874.996738
<u>D-1 DEMAND (MCF) (Rate is negotiated. Shown here is the benchmark rate.)</u>		27.611897		1.829288	29.441185
<u>D-2 DEMAND BGSS (MCF) (Applicable to Sales Customers Only)</u>	A	15.549017	0.000000	1.030122	16.579139
<u>DELIVERY CHARGE (per therm):</u>					
SBC:					
RAC	E, G	0.050674	0.000000	0.003357	0.054031
CLEP	E, K	0.029336	0.000000	0.001944	0.031280
USF	E	<u>0.015600</u>	<u>0.000000</u>	<u>0.001000</u>	<u>0.016600</u>
		0.095610	0.000000	0.006301	0.101911
EET	N	0.025681	0.000000	0.001701	0.027382
2017 Tax Act	H	(0.017668)	(0.000044)	(0.001173)	(0.018885)
Total Delivery Charge		0.103623	(0.000044)	0.006829	0.110408
Balancing Service Charge BS-1	I	0.080825	0.000000	0.005355	0.086180
Balancing Service Charge BS-1 (Opt Out Provision)	I	0.002549	0.000000	0.000169	0.002718
Balancing Service Charge CASH OUT CHARGE (CREDIT) (Applicable to Firm Transportatin Customers Only)	I				RATE SET MONTHLY
<u>BGSS: (Applicable To Sales Customers Only)</u>	A				RATE SET MONTHLY
<u>LIMITED FIRM</u>					
<u>D-2 DEMAND BGSS(MCF) (Applicable to Sales Customers Only)</u>	A	7.735825	0.000000	0.512498	8.248323
<u>DELIVERY CHARGE (per therm):</u>					
SBC:					
RAC	E, K	0.050674	0.000000	0.003357	0.054031
CLEP	E, G	0.029336	0.000000	0.001944	0.031280
USF	E	<u>0.015600</u>	<u>0.000000</u>	<u>0.001000</u>	<u>0.016600</u>
		0.095610	0.000000	0.006301	0.101911
EET	N	0.025681	0.000000	0.001701	0.027382
2017 Tax Act	H	(0.017668)	(0.000044)	(0.001173)	(0.018885)
Total Delivery Charge		0.103623	(0.000044)	0.006829	0.110408
<u>C-3 (Rate is negotiated. Shown here is the benchmark rate.)</u>		0.162900		0.010800	0.173700
Balancing Service Charge BS-1	I	0.080825	0.000000	0.005355	0.086180
Balancing Service Charge BS-1 (Opt Out Provision)	I	0.002549	0.000000	0.000169	0.002718
Balancing Service Charge CASH OUT CHARGE (CREDIT) (Applicable to Firm Transportatin Customers Only)	I				RATE SET MONTHLY
<u>BGSS: (Applicable To Sales Customers Only)</u>	A				RATE SET MONTHLY

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<u>YARD LIGHTING SERVICE (YLS)</u>					
	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
MONTHLY CHARGE / INSTALL		15.686433		1.039226	16.725659
<u>STREET LIGHTING SERVICE (SLS)</u>					
MONTHLY CHARGE / INSTALL		18.866868		1.249930	20.116798
<u>INTERRUPTIBLE GAS SALES (IGS)</u>					
Commodity					Rate Set Monthly
SBC:					
RAC	E, K	0.050674	0.000000	0.003357	0.054031
USF	E	0.015600	0.000000	0.001000	0.016600
Total SBC:		0.066274	0.000000	0.004357	0.070631
EET	N	0.025681	0.000000	0.001701	0.027382

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<u>INTERRUPTIBLE TRANSPORTATION (ITS)</u>					
	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<u>CUSTOMER CHARGE</u>		500.000000		33.125000	533.125000
<u>TRANSPORTATION CHARGE A</u>		0.078400		0.005200	0.083600
SBC:					
RAC	E, K	0.050674	0.000000	0.003357	0.054031
CLEP	E, G	0.029336	0.000000	0.001944	0.031280
USF	E	<u>0.015600</u>	<u>0.000000</u>	<u>0.001000</u>	<u>0.016600</u>
Total SBC:		0.095610	0.000000	0.006301	0.101911
EET	N	0.025681	0.000000	0.001701	0.027382
<u>TRANSPORTATION CHARGE B</u>		0.143200		0.009500	0.152700
SBC:					
RAC	E, K	0.050674	0.000000	0.003357	0.054031
CLEP	E, G	0.029336	0.000000	0.001944	0.031280
USF	E	<u>0.015600</u>	<u>0.000000</u>	<u>0.001000</u>	<u>0.016600</u>
Total SBC:		0.095610	0.000000	0.006301	0.101911
EET	N	0.025681	0.000000	0.001701	0.027382
<u>TRANSPORTATION CHARGE C</u>		0.203200		0.013500	0.216700
SBC:					
RAC	E, K	0.050674	0.000000	0.003357	0.054031
CLEP	E, G	0.029336	0.000000	0.001944	0.031280
USF	E	<u>0.015600</u>	<u>0.000000</u>	<u>0.001000</u>	<u>0.016600</u>
Total SBC:		0.095610	0.000000	0.006301	0.101911
EET	N	0.025681	0.000000	0.001701	0.027382

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NATURAL GAS VEHICLE (NGV)					
		<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
COMPANY OPERATED FUELING STATIONS					
DELIVERY CHARGE (per therm):					
SBC					
RAC	E, K	0.050674	0.000000	0.003357	0.054031
CLEP	E, G	0.029336	0.000000	0.001944	0.031280
USF	E	<u>0.015600</u>	<u>0.000000</u>	<u>0.001000</u>	<u>0.016600</u>
Total SBC:		0.095610	0.000000	0.006301	0.101911
EET	N	0.025681	0.000000	0.001701	0.027382
2017 Tax Act	H	(0.017668)	(0.000044)	(0.001173)	(0.018885)
Total Delivery Charge		0.103623	(0.000044)	0.006829	0.110408
DISTRIBUTION CHARGE		0.241844	0.000000	0.0160220	0.257866
COMPRESSION CHARGE		0.656506	0.000000	0.043494	0.700000
Balancing Service Charge BS-1	I	0.080825	0.000000	0.005355	0.086180
Balancing Service Charge BS-1 (Opt Out Provision) (Applicable for Transportation Customers Only)	I	0.002549	0.000000	0.000169	0.002718
Balancing Service Charge BS-1	J	0.080825	0.000000	0.005355	0.086180
BGSS: (Applicable To Sales Customers Only)	A				RATE SET MONTHLY
CUSTOMER OPERATED FUELING STATIONS					
CUSTOMER CHARGE					
	0 - 999 CF/hour	37.500000		2.484400	39.984400
	1,000 - 4,999 CF/hour	75.000000		4.968800	79.968800
	5,000 - 24,999 CF/hour	241.970000		16.030500	258.000500
	25,000 or Greater CF/hour	925.000000		61.281250	986.281250
DELIVERY CHARGE (per therm):					
SBC					
RAC	E, K	0.050674	0.000000	0.003357	0.054031
CLEP	E, G	0.029336	0.000000	0.001944	0.031280
USF	E	<u>0.015600</u>	<u>0.000000</u>	<u>0.001000</u>	<u>0.016600</u>
Total SBC:		0.095610	0.000000	0.006301	0.101911
EET	N	0.025681	0.000000	0.001701	0.027382
2017 Tax Act	H	(0.017668)	(0.000044)	(0.001173)	(0.018885)
Total Delivery Charge		0.103623	(0.000044)	0.006829	0.110408
DISTRIBUTION CHARGE		0.241844	0.000000	0.016022	0.257866
Balancing Service Charge BS-1	I	0.080825	0.000000	0.005355	0.086180
Balancing Service Charge BS-1 (Opt Out Provision) (Applicable for Transportation Customers Only)	I	0.002549	0.000000	0.000169	0.002718
Balancing Service Charge BS-1	J	0.080825	0.000000	0.005355	0.086180
BGSS: (Applicable To Sales Customers Only)	A				RATE SET MONTHLY
Facilities Charge (Applicable only to Customers that elect the Company construct Compressed Natural Gas ("CNG") fueling Facilities located on Customer's property)		0.276150		0.018295	0.294445

SOUTH JERSEY GAS COMPANY
Appendix A - Effective _____

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Heat Residential Rate Schedule:

	<i>RSG FSS</i>	<i>RSG-FTS</i>	<i>Difference</i>
BGSS	0.627739	0.000000	0.627739
Base Rate	0.956608	0.956608	0.000000
CLEP	0.031280	0.031280	0.000000
RAC	0.054031	0.054031	0.000000
CIP	0.113871	0.113871	0.000000
USF	0.016600	0.016600	0.000000
TIC	0.000244	0.000244	0.000000
EET	0.027382	0.027382	0.000000
2017 Tax Act	(0.018885)	(0.018885)	0.000000
BSC "J" BS-1	0.086180	0.086180	0.000000
Price to Compare	1.895049	1.267311	0.627739

NonHeat Residential Rate Schedule:

	<i>RSG FSS</i>	<i>RSG-FTS</i>	<i>Difference</i>
BGSS	0.627739	0.000000	0.627739
CIP	0.045266	0.045266	0.000000
Base Rate	0.956608	0.956608	0.000000
CLEP	0.031280	0.031280	0.000000
RAC	0.054031	0.054031	0.000000
USF	0.016600	0.016600	0.000000
TIC	0.000244	0.000244	0.000000
EET	0.027382	0.027382	0.000000
2017 Tax Act	(0.018885)	(0.018885)	0.000000
BSC "J" BS-1	0.086180	0.086180	0.000000
Price to Compare	1.826444	1.198706	0.627739

GSG

(Under 5,000 therms annually)

	<i>GSG FSS</i>	<i>GSG-FTS</i>	<i>Difference</i>
BGSS	0.627739	0.000000	0.627739
CIP	0.090600	0.090600	0.000000
Base Rates	0.771098	0.771098	0.000000
CLEP	0.031280	0.031280	0.000000
RAC	0.054031	0.054031	0.000000
USF	0.016600	0.016600	0.000000
TIC	0.000244	0.000244	0.000000
EET	0.027382	0.027382	0.000000
2017 Tax Act	(0.018885)	(0.018885)	0.000000
BSC "J" BS-1	0.086180	0.086180	0.000000
Price to Compare	1.686268	1.058529	0.627739

GSG

(5,000 therms annually or greater)

	<i>GSG FSS</i>	<i>GSG-FTS</i>	<i>Difference</i>
BGSS	0.373451	0.000000	0.373451
CIP	0.090600	0.090600	0.000000
Base Rates	0.771098	0.771098	0.000000
CLEP	0.031280	0.031280	0.000000
RAC	0.054031	0.054031	0.000000
USF	0.016600	0.016600	0.000000
TIC	0.000244	0.000244	0.000000
EET	0.027382	0.027382	0.000000
2017 Tax Act	(0.018885)	(0.018885)	0.000000
BSC "J" BS-1	0.086180	0.086180	0.000000
Price to Compare	1.431980	1.058529	0.373451

GSG-LV*Prior to 7/15/97*

	<i>GSG-LV FSS</i>	<i>GSG-LV-FTS</i>	<i>Difference</i>
BGSS	0.373451	0.000000	0.373451
CIP	0.051227	0.051227	0.000000
Base Rates	0.382900	0.382900	0.000000
CLEP	0.031280	0.031280	0.000000
RAC	0.054031	0.054031	0.000000
USF	0.016600	0.016600	0.000000
TIC	0.000244	0.000244	0.000000
EET	0.027382	0.027382	0.000000
2017 Tax Act	(0.018885)	(0.018885)	0.000000
BSC "J" BS-1	0.086180	0.086180	0.000000
Price to Compare	1.004410	0.630959	0.373451