

# South Jersey Gas Company

## Notice of Public Hearings

### 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. GR23060334

**PLEASE TAKE NOTICE** 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. GR23060334 for approval of its combined 2023-2024 Basic Gas Supply Service (“BGSS”) and Conservation Incentive Program (“CIP”) charges (“Petition”). 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. 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 CIP component of the Petition sought a price adjustment for all applicable service customers. The CIP is an incentive-based program that requires South Jersey to reduce gas supply related costs, and limits recovery of non-weather-related revenue loss to the level of gas supply costs savings achieved.

The 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>
<b>Residential Heat Sales</b>	100	191.58	178.30	(\$13.28)	(6.9%)
<b>Residential Non-Heat Sales</b>	15	38.00	34.64	(\$3.36)	(8.8%)
<b>General Service</b>	500	\$852.40	775.12	(\$77.28)	(9.1%)
<b>General Service - LV</b>	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.

Other changes in South Jersey’s price for BGSS service may also occur if South Jersey elects to adjust its BGSS rates upward upon 30 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>
<b>Residential Heat Sales</b>	100	178.30	\$196.57	\$18.27	10.2%
<b>Residential Non-Heat Sales</b>	15	34.64	\$37.38	\$2.74	7.9%
<b>General Service</b>	500	775.12	\$866.46	\$91.34	11.8%
<b>General Service - LV</b>	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](http://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, 1<sup>st</sup> Floor, Trenton, New Jersey, with an appointment. To make an appointment, please call (609) 913-6298.

**PLEASE TAKE FURTHER NOTICE** that due to the COVID-19 Pandemic, virtual public hearings 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: August 30, 2023

Hearing Times: 4:30 p.m. and 5:30 p.m.

Microsoft Teams Meeting ID: 231 763 986

Passcode: bhUNbv

(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: 866-984-3164

Conference ID:592 380 363 followed by #

A copy of this Notice of Filing and Public Hearings 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 the New Jersey Division of Rate Counsel will participate in the virtual public hearings. Members of the public are invited to participate by utilizing the 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](mailto:board.secretary@bpu.nj.gov).

The Board is also accepting written and electronic comments. Comments may be submitted directly to the specific docket listed above using the “Post Comments” button on the Board’s Public Document Search tool. Comments are considered public documents for purposes of the State’s Open Public Records Act. Only public documents should be submitted using the “Post Comments” button on the Board’s Public Document Search tool. Any confidential information should be submitted in accordance with the procedures set forth in N.J.A.C. 14:1-12.3. In addition to hard copy submissions, confidential information may also be filed electronically via the Board’s e-filing system or by email to the Secretary of the Board. Please include “Confidential Information” in the subject line of any email. Instructions for confidential e-filing are found on the Board’s webpage. <https://www.nj.gov/bpu/agenda/efiling/>.

Emailed and/or written comments may also be submitted to:

Secretary of the Board  
44 South Clinton Ave., 1st Floor  
PO Box 350  
Trenton, NJ 08625-0350  
Phone: 609-913-6241  
Email: [board.secretary@bpu.nj.gov](mailto:board.secretary@bpu.nj.gov)

**South Jersey Gas Company**  
**Brent Schomber**  
**President and Chief Operating Officer**