

NOTICE OF FILING AND PUBLIC HEARINGS

IN THE MATTER OF THE PETITION OF SOUTH JERSEY GAS COMPANY TO REVISE THE LEVEL OF ITS PERIODIC BASIC GAS SUPPLY SERVICE RATE AND CONSERVATION INCENTIVE PROGRAM RATES FOR THE YEAR ENDING SEPTEMBER 30, 2027

BPU DOCKET No. GR26060276

PLEASE TAKE NOTICE that on May 29, 2026, South Jersey Gas Company (“South Jersey” or “Company”) filed a petition with the New Jersey Board of Public Utilities (“Board”) for approval of its combined 2026-2027 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 the Company’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 seeks 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 Petition proposes to decrease the current Periodic BGSS rate from \$0.587455 per therm to \$0.568586 per therm, inclusive of applicable taxes. The Petition also proposes a single Residential Service (“RSG”) CIP rate by combining the RSG Heat rate and the RSG Non-Heat rate into a single RSG rate. The proposed CIP rates per therm, inclusive of applicable taxes, are as follows:

Residential Service	General Service	Large Volume Service
\$0.002833	(\$0.003646)	(0.008072)

Related to the Company’s Rider “I” BSC - Large Volume (“BSC-LV”), the Company proposes to increase its current Opt-Out BSC-LV rate of \$0.002427 per therm to \$0.002531 per therm, including taxes, and to increase its current Non-Opt-Out BSC-LV rate of \$0.068583 per therm to \$0.133742 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 BSC charge revenues from sales and transportation customers are credited to BGSS recoveries.

Based on rates in effect July 1, 2026, the impact of the Company's combined proposals on the monthly bill for a residential heating customer using 100 therms is a decrease of \$4.64, or 2.3%, resulting from South Jersey’s proposed: 1) Periodic BGSS decrease of \$1.89 or 0.9%; 2) Rider “J” BSC - General Service (“BSC-GS”) increase of \$6.52, or 3.2%; and 3) CIP decrease of \$9.27, or 4.5%.

The effects of the Company's Petition, if approved, on typical residential heating gas bills are illustrated below:

Consumption in Therms	Present Monthly Bill July 1, 2026	Proposed Monthly Bill October 1, 2026	Proposed Change	Percent Change
10	\$29.83	\$29.36	(\$0.47)	(1.6%)
50	\$107.12	\$104.81	(\$2.31)	(2.2%)
100	\$203.74	\$199.10	(\$4.64)	(2.3%)
250	\$493.60	\$481.99	(\$11.61)	(2.4%)

Pursuant to the 2003 BGSS Order, the proposed rate may be subject to self-implementing rate increases upon thirty (30) days' written notice to the BPU and the New Jersey Division of Rate Counsel ("Rate Counsel"). Any such self-implementing rate increases will be limited to a maximum of five percent (5%) of the total residential bill using 100 therms, effective December 1, 2026, and to a maximum of five percent (5%) of the total residential bill using 100 therms, effective February 1, 2027. Should it become necessary to apply one, or both, of the December 1, 2026 and February 1, 2027 self-implementing increases, the respective cumulative impacts of these increases on typical residential heating gas bills will occur as illustrated below:

Consumption in Therms	Proposed Monthly Bill October 1, 2026	Potential Monthly Bill For Either a Dec. 1st or Feb. 1st Increase	Potential Change	Percent Change
10	\$29.36	\$30.36	\$1.00	3.4%
50	\$104.81	\$109.78	\$4.97	4.7%
100	\$199.10	\$209.06	\$9.96	5.0%
250	\$481.99	\$506.90	\$24.91	5.2%

Consumption in Therms	Proposed Monthly Bill October 1, 2026	Potential Monthly Bill Dec. 1st plus Feb. 1st Combined Increase	Potential Change	Percent Change
10	\$29.36	\$31.40	\$2.04	6.9%
50	\$104.81	\$115.01	\$10.20	9.7%
100	\$199.10	\$219.51	\$20.41	10.3%
250	\$481.99	\$533.03	\$51.04	10.6%

Further, these self-implementing increases will be provisional and subject to review in connection with the Company's next annual BGSS filing. South Jersey is permitted to decrease its BGSS rate at any time upon five (5) days' notice and supporting documentation to the Board and Rate Counsel.

The Board has the statutory authority, pursuant to N.J.S.A. 48:2-21, to approve and establish the BGSS and CIP charges at levels it finds just and reasonable as well as the effective date of such rates. Therefore, the Board may establish the BGSS and CIP charges at levels other than those proposed by South Jersey.

PLEASE TAKE FURTHER NOTICE that virtual public hearings will be conducted on the following date and times so that members of the public may present their views on the Petition:

VIRTUAL PUBLIC HEARINGS

DATE: August 25, 2026

HEARING TIMES: 4:30 p.m. and 5:30 p.m.

Join Microsoft Teams Meeting

Press Ctrl key + Click on this link:

<https://teams.microsoft.com/meet/218696272376643?p=7mpRorA7NTzAix3dzF>

Select 'Join Now' to enter the meeting. If prompted, enter the following Meeting ID, Passcode and your name.

Meeting ID: 218 696 272 376 643

Passcode: 5Lr27SQ3

-or-

Join by Phone

Dial In: 866-984-3164

When prompted, enter Conference ID: 316 393 158 followed by the # sign to access the meeting.

A copy of this Notice of Filing and Public Hearings is being served upon the clerk, executive, or administrator of each municipality and county within the Company's service territory. The Petition is available to review online at the Company's website at <https://www.southjerseygas.com/about-us/regulatory> or on the Board's website at <https://publicaccess.bpu.state.nj.us>, by searching with the above-captioned docket number. The Petition and Board file may be reviewed at the Board located at 44 South Clinton Avenue, Trenton, NJ, with an appointment. To make an appointment, please call (609) 913-6298.

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 Microsoft Teams Meeting Link or the Dial-In Number and Conference ID set forth above to express their views on the Petition. All comments will become part of the final record in this proceeding to be considered by the Board. To encourage full participation in this opportunity for public comment, please submit any requests for accommodations, such as interpreters or listening assistance, forty-eight (48) hours prior to the above hearing to the Board Secretary at board.secretary@bpu.nj.gov.

The Board is also accepting written and electronic comments. Comments may be submitted directly to the specific docket number listed above using the "Post Comments" button on the Board's Public Document Search tool at <https://publicaccess.bpu.state.nj.us/>. Comments are considered public documents for purposes of the State's Open Public Records Act. Only documents that are intended to be public 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 at <https://www.nj.gov/bpu/agenda/efiling/>.

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

Secretary of the Board
New Jersey Board of Public Utilities
44 South Clinton Ave., 1st Floor
Trenton, NJ 08625-0350
Phone: 609-913-6241
Email: board.secretary@bpu.nj.gov

South Jersey Gas Company