

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

**IN THE MATTER OF THE PETITION OF SOUTH JERSEY GAS COMPANY FOR
APPROVAL OF BASE RATE ADJUSTMENTS PURSUANT TO THE STORM HARDENING
AND RELIABILITY PROGRAM (“SHARP II”)
DOCKET NO. GR19040529**

NOTICE IS HEREBY GIVEN that, on April 30, 2019 South Jersey Gas Company (“South Jersey” or “Company”) filed a petition (“Petition”) with the New Jersey Board of Public Utilities (“Board”) seeking Board approval to increase base rates associated with the Company’s Storm Hardening and Reliability Program (“SHARP II”). The Board approved the SHARP II and the associated cost recovery mechanism on May 22, 2018 in Docket No. GO17111130 (“Order”). The Order authorized the Company to invest approximately \$100.25 million over a three (3)-year period, commencing June 1, 2018 and ending June 30, 2021, to enhance the safety and reliability of the Company’s system through four (4) targeted projects within the coastal regions: (1) Excess Flow Valve Installations; (2) the Absecon Island Loop Project; (3) the Ocean City Loop Project; and (4) the Brigantine Beach Project. The Order also authorized the Company to make annual filings with the Board to recover the costs associated with SHARP II investments, and to earn a return of those investments through annual adjustments to base rates. This Petition seeks Board approval to recover the revenue requirements associated with SHARP II projects placed in-service from June 1, 2018 through June 30, 2019 which totaled \$27.40 million with an October 1, 2019 rate effective date. The purpose of the SHARP II program is to improve the safety, redundancy, resiliency and integrity of South Jersey’s gas distribution system infrastructure in coastal areas, making it less susceptible to storm damage.

If the proposed increase is approved by the Board, the bill impacts on typical Residential and General Service customers using less than 5,000 therms per year is estimated to be as follows:

Residential Service (“RSG”)

Therm Level	Bill as of July 1, 2019⁽¹⁾	Bill as of October 1, 2019⁽²⁾	Dollar Increase	Percent Increase
25	\$43.93	\$44.14	\$0.21	0.5%
100	\$145.32	\$146.19	\$0.87	0.6%
200	\$280.50	\$282.24	\$1.74	0.6%

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

Therm Level	Bill as of July 1, 2019⁽¹⁾	Bill as of October 1, 2019⁽²⁾	Dollar Increase	Percent Increase
500	\$648.37	\$651.83	\$3.46	0.5%
1,000	\$1,264.78	\$1,271.70	\$6.92	0.5%
2,000	\$2,497.60	\$2,511.44	\$13.84	0.6%

(1) Based upon current Delivery Rates and Basic Gas Supply Service (BGSS) charges in effect July 1, 2019 and assumes that the customer receives BGSS service from South Jersey Gas.

(2) Same as (1) except includes base rate changes associated with SHARP II.

The following Rate Schedules will also be affected by the Company's proposed base rate increase: General Service – Large Volume (“GSG-LV”), Comprehensive Firm Transportation Service (“CTS”), Large Volume Service (“LVS”), Electric Generation Service (“EGS”), Electric Generation Service – Large Volume (“EGS-LV”), Natural Gas Vehicle Service (“NGV”), Yard Lights Service (“YLS”) and Street Lights Service (“SLS”).

The effect of the proposed increase would be an increase of \$0.87 or 0.6% for a residential customer using 100 therms of gas during the winter months.

Pursuant to N.J.S.A. 48:3-1, any relief determined by the Board to be just and reasonable may be allocated to customers in such manner, and in such amounts or percentages, as the Board may deem appropriate. The Board may authorize an increase on any customer class or group, or may exclude from increase any customer class or group, varying the percentage increase applicable. Therefore, the Board may approve a SHARP II base rate adjustment that is different than the rate proposed by South Jersey.

Copies of the Company's filing are available for inspection at the Company offices located at One South Jersey Place, Atlantic City, New Jersey 08401, or at the Board, 44 South Clinton Avenue, 2nd Floor Suite 314, Trenton, New Jersey 08625-0350. The Company's filing may also be found on the South Jersey Gas Website at <https://www.southjerseygas.com/About-South-Jersey-Gas/Regulatory-Compliance-Tariff-Information.aspx>. Any member of the public who wants to inspect the Petition at the Board may contact the Board's Division of Case Management at (609) 292-0806 to schedule an appointment.

NOTICE is further given that public hearings have been scheduled at the following date, times, and place on the Company's petition:

**August 20, 2019 at 4:30 P.M. and 5:30 P.M.
Voorhees Township, Municipal Court
Voorhees Town Center
Voorhees, New Jersey 08043
(located directly across from Township Library at 203 Laurel Road)**

The public is invited to attend and make a statement of their views on the proposed increases. Such comments will be made a part of the final record. In order to encourage full participation in this opportunity for public comment, please submit any requests for needed accommodations, including interpreter, listening devices or mobility assistance, forty-eight (48) hours prior to this hearing. Written requests and comments may be submitted to the Board to: Aida Camacho, Secretary, Board of Public Utilities, 44 S. Clinton Avenue, 3rd Floor Suite 314, P.O. Box 350, Trenton, NJ 08625-0350.

**SOUTH JERSEY GAS COMPANY
By: David Robbins, Jr.
President**