

**NOTICE OF FILING OF PETITION  
PROPOSING TO CHANGE EXISTING RATE  
LEVELS AND OF PUBLIC HEARING**

**IN THE MATTER OF SOUTH JERSEY GAS COMPANY'S ANNUAL COMPLIANCE  
FILING FOR AN INCREASE IN THE UNIVERSAL SERVICE FUND AND LIFELINE  
RATES WITHIN THE SOCIETAL BENEFITS CLAUSE CHARGE**

**IN THE MATTER OF SOUTH JERSEY GAS COMPANY'S 2019/2020 ANNUAL  
COMPLIANCE FILING FOR THE UNIVERSAL SERVICE FUND AND LIFELINE  
RATES WITHIN THE SOCIETAL BENEFITS CHARGE  
BPU DOCKET NOS. EX00020091 and ER19060736**

**NOTICE IS HEREBY GIVEN** that pursuant to the Electric Discount and Energy Competition Act, N.J.S.A. 48:3-49, et seq., the Universal Service Fund ("USF") program was established by the New Jersey Board of Public Utilities ("Board"), to provide funds to assist qualifying low-income individuals in paying their energy bills. Pursuant to Board Orders dated April 30, 2003, July 16, 2003, June 30, 2004 and June 22, 2005, the State's electric and gas public utilities' Societal Benefits Charges ("SBC") provides recovery of funding for the USF program through uniform statewide rates. The SBC also includes funding for the Lifeline program which incorporates funds for the Work First NJ program .,

The State of New Jersey's Department of Community Affairs is the Administrator of the USF program and the New Jersey Department of Human Services is the Administrator of the Lifeline programs and authorizes the disbursement of benefits to eligible customers in the respective programs.

South Jersey Gas Company ("South Jersey" or "Company") made a compliance filing with the Board on June 24, 2019, requesting authority to implement an increase related to the statewide USF/Lifeline program charge, as described below, to be effective on October 1, 2019. Based upon the results and available estimates known to date for the 2018/2019 USF program year, and the available estimates for the 2019/2020 USF program year, it is anticipated that the USF rate should be set to collect \$111.4 million, of which \$83.0 million would be recovered through electric rates with the remaining \$28.4 million recovered through gas rates on a statewide basis. The Lifeline rates should be set to collect \$74.6 million, of which, \$50.7 million would be recovered through electric rates with the remaining \$23.9 million recovered through gas rates on a statewide basis.

The current after-tax USF/Lifeline program charge for natural gas customers is \$0.0103 per therm. The changes in rates inclusive of taxes are as follows: (i) the USF program charge will increase from \$0.0049 per therm to \$0.0066 per therm or \$0.0017 per therm and (ii) the Lifeline program charge will increase from \$0.0054 per therm to \$0.0055 per therm or \$0.0001 per therm. The proposed after-tax USF/Lifeline program charge will increase to \$0.0121 per therm. The above request will not result in any profit to the Company. The revenues received under the proposed USF charge are designed to permit the Company to recover only its costs for the USF and Lifeline program. Actual program costs will be reconciled with the revenues received through the USF program charge in the next annual filing scheduled to be made no later than July 1, 2020.

The proposed statewide rates inclusive of taxes for customers are as follows:

**Universal Service/Lifeline Fund Components of the  
Societal Benefits Charge**

	<b>Present</b>	<b>Proposed</b>
USF	\$0.0049	\$0.0066
Lifeline	\$0.0054	\$0.0055
Total USF/Lifeline	\$0.0103	\$0.0121

If approved by the Board, the impact of the proposed changes in the USF and Lifeline Charges on typical Residential and General Service customers using less than 5,000 therms per year is estimated to be as follows:

**Residential Service (RSG)**

<b>Therm Level</b>	<b>Bill as of June 24, 2019</b>	<b>Bill as of October 1, 2019</b>	<b>Dollar Increase</b>	<b>Percent Increase</b>
25	\$43.93	\$43.97	\$0.04	0.09%
100	\$145.32	\$145.50	\$0.18	0.12%
200	\$280.50	\$280.86	\$0.36	0.13%

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

<b>Therm Level</b>	<b>Bill as of June 24, 2019</b>	<b>Bill as of October 1, 2019</b>	<b>Dollar Increase</b>	<b>Percent Increase</b>
500	\$648.37	\$649.27	\$0.90	0.14%
1,000	\$1,264.78	\$1,266.58	\$1.80	0.14%
2,000	\$2,497.60	\$2,501.20	\$3.60	0.14%

Based on this filing, the bill of a typical residential gas customer using 100 therms per month would see an increase in their monthly bill from \$145.32 to \$145.50, or \$0.18 or approximately 0.12%

The Board has the statutory authority to establish the USF and Lifeline charges at levels it finds just and reasonable. Therefore, the Board may establish the USF and Lifeline charges at levels other than those 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, online at South Jersey's Website at [www.southjerseygas.com/About-South-Jersey-Gas/Regulatory-Compliance-Tariff-Information.aspx](http://www.southjerseygas.com/About-South-Jersey-Gas/Regulatory-Compliance-Tariff-Information.aspx), or at the Board offices located at 44 South Clinton Avenue, 2<sup>nd</sup> Floor, Trenton, New Jersey 08625-0350. 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 above-mentioned requests.

**August 20, 2019 at 4:30 P.M and 5:30 P.M.**

**Voorhees Township, Municipal Court**

**2400 Voorhees Town Center**

**Voorhees, NJ 08043**

**(Located directly across from Township Library at 203 Laurel Road)**

**The public is invited to attend and interested persons will be permitted to testify and/or make a statement of their views on the proposed increases.** Information provided at the public hearings will become part of the record of this case and will be considered by the Board in making its decision. **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, 48 hours prior to this hearing. Regardless of whether they attend the hearing members of the public may submit written comments concerning the petition to the Board by addressing them to: Aida Camacho-Welch, Secretary, New Jersey Board of Public Utilities, 44 South Clinton Avenue, 3<sup>rd</sup> Floor, Suite 314, P.O. Box 350, Trenton, NJ 08625-0350.**

**SOUTH JERSEY GAS COMPANY**

**By: David Robbins, Jr.  
President**