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, 2026

BPU DOCKET No. GR25050316

PLEASE TAKE NOTICE that, on May 30, 2025, 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 2025-26 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 rate. By 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 impact of the Company's combined proposals on the monthly bill for a residential heating customer using 100 therms is an increase of \$10.59, or 5.7%, as compared to the Company's rates in effect on June 1, 2025, resulting from South Jersey's proposed: 1) Periodic BGSS increase of \$10.70 or 5.7%; 2) Rider "J" BSC - General Service ("BSC-GS") increase of \$3.16, or 1.7%; and 3) CIP decrease of \$3.27, or 1.7%.

By the Petition, the Company proposes to increase the current Periodic BGSS rate from \$0.396655 per therm to \$0.503641 per therm, inclusive of applicable taxes, and change the current CIP rates to the following CIP rates per therm, inclusive of applicable taxes:

Residential	Residential		
Service	Service	General	Large Volume
(Non-Heating)	(Heating)	Service	Service
\$0.195646	\$0.095686	\$0.049725	\$0.054462

Related to the Company's Rider "I" BSC - Large Volume ("BSC-LV"), the Company proposes to decrease its current Opt-Out BSC-LV rate of \$0.002427 per therm to \$0.002361 per therm, including taxes, and to increase its current Non-Opt-Out BSC-LV rate of \$0.068583 per therm to \$0.100213 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.

If approved, the effect of the Company's Petition on typical residential heating gas bills is illustrated below:

Consumption in Therms	Present Monthly Bill June 1, 2025	Proposed Monthly Bill October 1, 2025	Proposed Change	Percent Change
10	\$28.18	\$29.24	\$1.06	3.8%
50	\$98.91	\$104.21	\$5.30	5.4%
100	\$187.32	\$197.91	\$10.59	5.7%
250	\$452.55	\$479.03	\$26.49	5.9%

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, 2025, and to a maximum of five percent (5%) of the total residential bill using 100 therms, effective February 1, 2026. Should it become necessary to apply one, or both, of the December 1, 2025 and February 1, 2026 self-implementing increases, the respective cumulative impacts of these increases on typical residential heating gas bills will occur as illustrated below:

Additional Potential Increases if the Company Self Implements Rate Increases on December 1, 2025 and/or February 1, 2026

Potential Increase If the Company Self Implements Rate Increases on Dec. 1 OR Feb.1

	Proposed	Potential		
Consumption	Monthly Bill	Monthly Bill for	Potential	Percent
<u>in Therms</u>	<u>October 1, 2025</u>	Dec. 1 OR Feb. 1	<u>Change</u>	<u>Change</u>
10	\$29.24	\$30.23	\$0.99	3.4%
50	\$104.21	\$109.16	\$4.95	4.7%
100	\$197.91	\$207.81	\$9.90	5.0%
250	\$479.03	\$503.77	\$24.74	5.2%

Potential Increase If the Company Self Implements Rate Increases on Dec. 1 AND Feb.1

Consumption in Therms	Proposed Monthly Bill October 1, 2025	Potential Monthly Bill For Dec. 1	Potential Monthly Bill For Feb. 1	Potential Change For Both	Percent Change For Both
10	\$29.24	\$30.23	\$31.27	\$2.03	6.9%
50	\$104.21	\$109.16	\$114.35	\$10.14	9.7%
100	\$197.91	\$207.81	\$218.20	\$20.29	10.3%
250	\$479.03	\$503.77	\$529.74	\$50.71	10.6%

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 (5) days' notice and supporting documentation to the Board and Rate Counsel.

A copy of the 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's office located at 44 South Clinton Avenue, 1st Floor, Trenton, New Jersey, 08625 with an appointment. To make an appointment, please call (609)

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 27, 2025

Hearing Times: 4:30pm and 5:30pm

Location: Microsoft Teams Meeting https://teams.microsoft.com/l/meetup-

join/19%3ameeting_ZDMyOWY5NGItZDM0OS00NDEyLWI4YjItMmZmNmYxNjY4YjNm%40threa

d.v2/0?context=%7b%22Tid%22%3a%22255ab659-24e8-4d0f-b0df-

7db78e5506bc%22%2c%22Oid%22%3a%228d6f1306-d419-45d5-88bf-f69290a7e055%22%7d

Meeting ID: 233 322 480 914 7

Passcode: xU62gr29

(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: 869 340 703, followed by the # sign

A copy of this Notice 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 hearings. Members of the public are invited to participate by utilizing the Microsoft Teams Meeting Link or the Dial-In Number and Conference ID to express their views on the Petition. All comments will become part of the final record 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, 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. 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 44 South Clinton Ave. Trenton, NJ 08625

Phone: 609-913-6241

Email: <u>board.secretary@bpu.nj.gov</u>

South Jersey Gas Company