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May 31, 2024

**Electronic Filing**

Sherri Golden, Board Secretary  
New Jersey Board of Public Utilities  
44 South Clinton Avenue  
P. O. Box 350  
Trenton, NJ 08625-0350

**Re: In the Matter of the Petition of South Jersey Gas Company to Revise the Level of Its Basic Gas Supply Service("BGSS") Charge and Conservation Incentive Program ("CIP") Charge for the Year Ending September 30, 2025  
BPU Docket No. \_\_\_\_\_**

Dear Secretary Golden:

Enclosed herewith is South Jersey Gas Company's Petition to Revise its Basic Gas Supply Service Rate and its Conservation Incentive Rates, which has been filed electronically today utilizing the Board's e-filing Program.

In accordance with the New Jersey Board of Public Utilities ("BPU") March 19, 2020 and June 10, 2020 Orders issued in BPU Docket No. EO20030254, hard copies are not being submitted at this time, but can be provided at a later time, if needed.

Please do not hesitate to contact me with any questions you may have. Thank you for your attention to this matter.

Respectfully yours,

A handwritten signature in black ink that reads "Dominick DiRocco". The signature is fluid and cursive.

Dominick DiRocco

DD:caj  
Enclosures

cc: Service List (electronically)

**IN THE MATTER OF THE PETITION OF SOUTH JERSEY GAS COMPANY  
TO REVISE THE LEVEL OF ITS BASIC GAS SUPPLY SERVICE (“BGSS) CHARGE AND  
CONSERVATION INCENTIVE PROGRAM (“CIP”) CHARGE FOR THE YEAR  
ENDING SEPTEMBER 30, 2025  
BPU DOCKET NO. \_\_\_\_\_**

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**STATE OF NEW JERSEY  
BOARD OF PUBLIC UTILITIES**

**IN THE MATTER OF THE PETITION OF : BPU DOCKET NO. \_\_\_\_\_**  
**SOUTH JERSEY GAS COMPANY :**  
**TO REVISE THE LEVEL OF ITS :**  
**BASIC GAS SUPPLY SERVICE (“BGSS”) :**  
**CHARGE AND CONSERVATION INCENTIVE :**  
**PROGRAM (“CIP”) CHARGE FOR THE :**  
**YEAR ENDING SEPTEMBER 30, 2025: :**

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**CASE SUMMARY, PETITION, TESTIMONY AND SCHEDULES**

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May 31, 2024

**STATE OF NEW JERSEY  
BOARD OF PUBLIC UTILITIES**

**IN THE MATTER OF THE PETITION OF : CASE SUMMARY**  
**SOUTH JERSEY GAS COMPANY TO : :**  
**REVISE THE LEVEL OF ITS BASIC GAS : DOCKET NO.**  
**SUPPLY SERVICE (“BGSS”) CHARGE : :**  
**AND CONSERVATION INCENTIVE : :**  
**PROGRAM (“CIP”) CHARGE FOR THE : :**  
**YEAR ENDING SEPTEMBER 30, 2025 : :**

By this Petition, South Jersey Gas Company (“South Jersey,” “Petitioner” or “Company”) seeks authorization to increase the current level of its Periodic Basic Gas Supply Service (“Periodic BGSS”) charge, decrease the level of its Balancing Service Clause (“BSC”) charge associated with Rider J – General Service (“BSC-GS”), increase the level of its BSC charge associated with Rider I – Large Volume, decrease the current levels of its Conservation Incentive Program (“CIP”) charges for Residential (“RSG”) Non-Heating and General Service (“GSG”) customers, and increase the CIP charges for RSG Heating and General Service – Large Volume (“GSG-LV”) customers.

The BGSS clause permits South Jersey to pass through to its customers increases or decreases in the cost of purchased gas. It provides no profit to South Jersey. By this Petition, South Jersey proposes to increase its current Periodic BGSS charge of \$0.415037 per therm, including taxes, to \$0.420233 per therm, including taxes, for the 2024-2025 BGSS/CIP Year ending September 30, 2025.

The CIP program is an incentive-based conservation program. It requires South Jersey to limit its recovery from customers of non-weather-related margin revenue loss to the level of BGSS cost reductions South Jersey is able to achieve. By this Petition, South Jersey seeks authorization to implement the following CIP charges, including taxes:

RSG Non-Heating: \$0.009051 per therm

RSG Heating: \$0.128362 per therm

GSG: \$0.069739 per therm

GSG-LV: \$0.059608 per therm

The combined impact of the proposed Periodic BGSS, BSC-GS and CIP rate changes, if approved, to the monthly bill for an average residential heating customer utilizing 100 therms of natural gas would be an increase of \$0.86 or 0.5%, as compared to the Company's rates in effect on June 1, 2024.

**STATE OF NEW JERSEY  
BOARD OF PUBLIC UTILITIES**

**IN THE MATTER OF THE PETITION OF : BPU DOCKET NO. \_\_\_\_\_**  
**SOUTH JERSEY GAS COMPANY TO :**  
**REVISE THE LEVEL OF ITS BASIC GAS : VERIFIED PETITION**  
**SUPPLY SERVICE (“BGSS”) CHARGE :**  
**AND CONSERVATION INCENTIVE :**  
**PROGRAM (“CIP”) CHARGE FOR THE :**  
**YEAR ENDING SEPTEMBER 30, 2025 :**

**To the Honorable Board of Public Utilities:**

Petitioner, South Jersey Gas Company ("South Jersey," "Petitioner" or "Company"), a public utility corporation of the State of New Jersey, with its principal office at One South Jersey Place, Atlantic City, New Jersey, hereby petitions the Board of Public Utilities (“BPU” or “Board”) to: 1) increase the level of its Periodic Basic Gas Supply Service (“Periodic BGSS”) charge; 2) decrease the level of its Balancing Service Clause (“BSC”) charge associated with its Rider J – General Service (“BSC-GS”); 3) increase the level of its BSC charge associated with its Rider I – Large Volume (“BSC-LV”); 4) decrease the level of its Conservation Incentive Program (“CIP”) charge for Residential (“RSG”) Non-Heating and General Service (“GSG”) customers; and 5) increase the CIP charges for RSG Heating and General Service – Large Volume (“GSG-LV”) customers for the period from October 1, 2024 through September 30, 2025 (“2024-25 BGSS/CIP Year”).

**I. BACKGROUND**

1. South Jersey is engaged in the transmission, distribution, transportation, and sale of natural gas within its defined service territory within the State of New Jersey. Said service territory



includes all or portions of the following Counties: Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, and Salem. Within its service territory, South Jersey serves approximately 420,900 customers.

## **II. BGSS BACKGROUND**

2. On January 5, 1978, the Board, in combined Docket Nos. 769-988 and 7712-1161, approved the adoption of a Raw Materials Adjustment Clause for the Company, effective for the period from January 1, 1978 through October 31, 1978. The clause subsequently became referred to as the "Levelized Gas Adjustment Clause" or "LGAC". It was understood that after October 31, 1978 the clause would be adjusted annually, and each such adjustment would be effective for a twelve-month period, generally commencing each November 1, from and after November 1, 1978. Each year thereafter, such an adjustment was made.

3. The LGAC mechanism was replaced by the BGSS price structure in the Board's Order Approving BGSS Price Structure, Docket No. GX01050304, dated January 6, 2003.<sup>1</sup>

4. Attached to the 2003 BGSS Order was "Attachment A", which was incorporated therein. Attachment A provided for the creation of a BGSS pricing mechanism, consisting of a Monthly BGSS pricing mechanism and a Periodic BGSS pricing mechanism. The applicability of Monthly and Periodic BGSS pricing was subsequently modified in South Jersey's base rate case and Global Settlement (Docket Nos. GR03080683, *et al*) approved by the Board on March 27, 2006. All Residential Sales (Rate Schedule RSG) customers, and all General Service Sales (Rate Schedule GSG) customers using less than 5,000 therms annually, are served under the Periodic BGSS pricing mechanism.

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<sup>1</sup> In re the Provision of Basic Gas Supply Service Pursuant to the Electric Discount and Energy Act N.J.S.A. 48:3-49 et seq. – BGSS Pricing, Docket No. GX01050304, Order dated January 6, 2003 ("2003 BGSS Order").

5. The 2003 BGSS Order required that South Jersey file its annual BGSS filing by June 1 of each year, with a request to implement its Periodic BGSS Rate on or before October 1 of that year.

6. The 2003 BGSS Order also provided that South Jersey may file two self-implementing Periodic BGSS Rate increases, to be effective on December 1 of the same calendar year following implementation of a new Periodic BGSS Rate and on February 1 of the following calendar year. Each such self-implementing increase may not exceed five percent (5%) of a 100 therm residential heating bill.

7. In Docket No. GR02090645, South Jersey, the New Jersey Division of Rate Counsel (“Rate Counsel”) and Board Staff executed a “Settlement – BGSS Minimum Filing Requirements” on May 7, 2003 (“2003 Settlement”). The 2003 Settlement was approved by way of Board Order dated June 29, 2003.

8. On June 1, 2023, South Jersey filed its 2023-2024 BGSS/CIP Filing<sup>2</sup>, wherein it proposed to decrease the Periodic BGSS Rate from the then current rate of \$0.627739 per therm to \$0.415037 per therm.<sup>3</sup>

9. By Board Order dated September 18, 2023 in this same docket, the Board approved a Stipulation authorizing South Jersey to decrease its Periodic BGSS Rate to \$0.415037 per therm on a provisional basis (“September 2023 Provisional Order”) effective October 1, 2023.

10. The September 2023 Provisional Order also approved the following rates on a provisional basis. Final rates are pending Board approval.

- i. a charge of \$16.502043 per Mcf for the gas cost portion of the Company’s D-2 charge for Rate Schedule LVS;

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<sup>2</sup> In the Matter of the Petition of South Jersey Gas Company to Revise the level of Its Basic Gas Supply Service (“BGSS”) Charge and Conservation Incentive Program (“CIP”) Charge for the Year Ending September 30, 2024, Docket No. GR23060334 (“2023-2024 BGSS/CIP Filing”).

<sup>3</sup> All rates quoted herein are inclusive of applicable taxes.

- ii. a charge of \$16.587216 per Mcf for the gas cost portion of the Firm D-2 charge for Rate Schedule EGS-LV Firm;
- iii. a charge of \$8.251022 per Mcf for the Limited Firm D-2 charge for Rate Schedule EGS-LV and the D-2 charge for Rate Schedule FES;
- iv. a charge of \$0.145598 per therm for the monthly BGSS non-commodity rate applicable to Rate Schedules GSG, GSG-LV, EGS, LVS, EGS-LV and NGV;
- v. a charge for the Rider “I” BSC-LV for Opt-Out of \$0.002103 per therm, and charge for the Non-Opt-Out of \$0.081846 per therm; and
- vi. a charge for the Rider “J” BSC-GS of \$0.081846 per therm

11. This Petition complies with the Minimum Filing Requirements (“MFRs”) set forth in the 2003 Settlement as well as additional filing requirements agreed to by the parties in the April 2023 Order<sup>4</sup>.

12. Consistent with the Board’s November 2021 Order<sup>5</sup>, the Company will continue to recover the costs incurred related to the resolution of a contract dispute with Antero Resources Corporation as addressed in the testimony of Mr. James G. Fredericks.

### **III. REQUESTED PERIODIC BGSS RATE**

13. The Company is proposing to increase its current Periodic BGSS Rate of \$0.415037 per therm to \$0.420233 per therm for the period beginning October 1, 2024 and ending September 30, 2025. This rate is based on seven (7) months of actual data through April 30, 2024 and

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<sup>4</sup> In the Matter of the Petition of South Jersey Gas Company to Revise the Level of Its Basic Gas Supply Service (“BGSS”) Charge and Conservation Incentive Program (“CIP”) Charge for the Year Ending September 30, 2023, Docket No. GR22060364, Order dated April 26, 2023 (“April 2023 Order”)

<sup>5</sup> In the Matter of the Petition of South Jersey Gas Company to Revise the Level of Its Basic Gas Supply Service (“BGSS”) Charge and Conservation Incentive Program (“CIP”) Charge for the Year Ending September 30, 2022, Docket No. GR21060881, Order dated November 17, 2021 (“November 2021 Order”).

seventeen (17) months of estimated data through September 30, 2025. Petitioner will update this information with actuals as this matter proceeds.

14. The Company has taken all reasonable steps to reduce its gas costs and manage volatility experienced in the natural gas commodities market. South Jersey's efforts to reduce costs and manage volatility have included (1) continuing to execute its Gas Procurement Strategy and Plan, which include financial hedging strategies, on file with the Board, (2) maximizing credits to firm customers through the optimization of its gas supply and upstream capacity management, which has resulted in the inclusion of a credit to BGSS gas costs of \$26.8 million in the 2024-2025 BGSS/CIP Year, which represents the margin sharing generated by off-system sales, interruptible sales and transportation and capacity releases, and (3) employing its gas storage resources to reduce exposure to some of the volatility associated with wintertime price swings. Petitioner's purchases of gas supply have been effectuated at prices consistent with market conditions required by N.J.S.A. 48:3-58(t). The Company will continue to monitor market conditions and look for opportunities to lower costs and benefit our customers. Further details regarding the Company's efforts to manage its gas supply costs are discussed in further detail in the Direct Testimony of Maria C. Mendoza.

15. The projected pipeline demand type costs reflected in this filing pertaining to the purchase, storage and transportation of gas on the Transcontinental Gas Pipeline Company, LLC ("Transco"), Columbia Gas Transmission, LLC ("Columbia"), and Eastern Gas Transmission and Storage ("EGTS"), previously known as Dominion Transmission, Inc., pipeline systems reflect the most recent FERC approved jurisdictional rates for each pipeline.

16. Commodity charges forecasted to be incurred by South Jersey during the 2024-2025 BGSS/CIP Year have been projected utilizing: (1) the NYMEX strip pricing as of May 8,

2024; and (2) estimated indices at the various locations where South Jersey expects to purchase gas during the forthcoming BGSS year. The liquefied natural gas (“LNG”) costs reflected in the Company’s proposed Periodic BGSS Rate are based upon the delivered cost of LNG using the NYMEX as of May 8, 2024, along with costs related to processing natural gas into LNG. As discussed in the Direct Testimony of Maria C. Mendoza, in response to the changes in the LNG marketplace in 2012, the Company decided to construct, own and operate its own liquefaction facility at South Jersey’s McKee City location to ensure that LNG is available at a reasonable cost. The LNG liquefaction facility has been in service since November of 2016.

17. In summary, by this Petition, the Company proposes a Periodic BGSS Rate of \$0.420233 per therm for the 2024-2025 BGSS/CIP Year, resulting in an increase of \$0.005196 per therm from the current rate of \$0.415037 per therm. South Jersey also seeks authority to increase the Monthly BGSS non-commodity rate component to \$0.226373 per therm, resulting in an increase of \$0.080775 per therm from the current rate of \$0.145598 per therm.

#### **IV. BALANCING SERVICE CHARGE (“BSC”)**

18. The Company’s BSC charges under its current Tariff Riders “I” and “J” have been updated as part of this filing. The proposed BSC rate changes, including the proposed calculations for both Riders, are discussed in the Direct Testimony and Schedules of Maria C. Mendoza.

#### **V. BEST VALUE PURCHASING POLICY**

19. The Company's proposal in this Petition reflects implementation of its best value purchasing policy. Pursuant to this policy, it is the Company's goal to purchase the minimum priced gas supplies feasible while maintaining security of supply and capacity and system integrity. By following this policy, South Jersey is able to provide secure service to its customers, at reasonable

prices, for this BGSS year and into the future.

20. The BGSS provides no profit to the Company. It merely allows the Company to pass through to its customers increases and decreases in the costs of gas and associated taxes experienced by the Company.

## **VI. SUPPORTING TESTIMONY**

21. In support of the BGSS portion of this Petition, attached hereto and incorporated herein is the testimony of:

- a) James G. Fredericks, Rates Analyst Lead, Rates; and
- b) Maria C. Mendoza, Director, Gas Supply

## **VII. MINIMUM FILING REQUIREMENTS**

22. A summary of the MFRs and their location in this filing is attached hereto as Exhibit C.

## **VIII. CIP BACKGROUND AND PROPOSAL**

23. On October 12, 2006, the Board, in combined Docket Nos. GR05121019 and GR05121020, adopted a stipulation (“CIP Stipulation”) implementing the CIP for South Jersey on a three-year Pilot Program basis. The CIP was then extended until September 30, 2013, with an additional automatic one-year extension, by Board Order dated January 21, 2010 in combined Docket Nos. GR05121019 and GR05121020.

24. On May 21, 2014, the Board approved the continuation of the CIP, with certain modifications, as set forth in more detail in the Stipulation executed by the parties in Docket No. GR13030185 (the “CIP Continuation Stipulation”). The changes approved by the Board became effective with the CIP year beginning October 1, 2014 and are reflected in the Company’s filing

in this proceeding.

25. To promote conservation, the CIP was devised as an incentive-based program in which South Jersey is required to limit the recovery of non-weather related margin revenue loss to the level of BGSS cost reductions South Jersey is able to achieve. Because of these BGSS savings, customer bills will not increase as a result of the Company's recovery of such non-weather margin revenue losses through the CIP mechanism.

26. The CIP Continuation Stipulation established a Modified BGSS Savings Test with three categories of BGSS savings: (1) permanent savings achieved through permanent capacity releases or contract terminations; (2) gas cost savings from reductions of capacity on a long-term basis (*i.e.* for periods of at least one (1) year); and (3) savings associated with avoided capacity costs to meet residential customer growth.

27. The attached Direct Testimony of Daniel P. Yardley demonstrates that sufficient BGSS savings exist to support recovery of \$10.8 million of non-weather CIP impacts through the proposed CIP charge. The additional non-weather CIP impacts of \$12.8 million will be deferred and recovered subject to the Modified BGSS Savings Test in a future year.

28. The CIP Continuation Stipulation also provided that South Jersey would implement a package of incremental conservation programs designed to aid customers in reducing their costs of natural gas. Furthermore, South Jersey committed to assessing the need to develop and implement future programs, if appropriate.

29. In the CIP Continuation Stipulation, South Jersey agreed to provide five hundred thousand dollars (\$500,000) annually of shareholder money to fund CIP programs. The CIP Continuation Stipulation further provided that in any year in which the \$500,000 was not expended, the difference between \$500,000 and the actual amount spent will be carried over and

added to the amount to be spent in the following year.

30. Pursuant to the May 2014 CIP Order, the Company must provide five hundred thousand dollars (\$500,000) annually, of shareholder money, to fund CIP programs that: 1) aid customers in reducing their natural gas costs, 2) reduce the Company's peak winter and design day system demand, and 3) do not replicate existing programs offered through the BPU Office of Clean Energy ("Three Objectives"). The Company agrees to annually review the CIP programs it funds, compare them to other available programs, and make changes to the programs it chooses to fund if it determines other programs are more effective in achieving the Three Objectives.

31. The attached Direct Testimony of W. Peter Druckenmiller, Program Manager, Residential Energy Efficiency for South Jersey, explains the Company's incurred and projected CIP expenditures for the 2023-2024 BGSS/CIP Year. South Jersey projects that it will invest \$500,000 in conservation programs by the end of the 2023-2024 BGSS/CIP Year, or September 30, 2024.

32. It was agreed in the CIP Stipulation that South Jersey would make an annual CIP filing based upon seven (7) months of actual data and five (5) months of projected data, to be filed on or before June 1 of each year. The filing is to document actual results, perform the required CIP collection tests, and propose the new CIP rate. This Petition is in conformity with these provisions of the CIP Stipulation.

33. Rider "M" of the Company's tariff contains a Board Approved Return-on-Equity ("ROE") limitation on recoveries from customers pursuant to the CIP, consistent with South Jersey's former Temperature Adjustment Clause ("ROE Test"). Under this provision, the CIP may not contribute toward earnings in excess of a 10.10% ROE, calculated at fifty (0.50) basis points



plus 9.60%, the ROE approved by the Board’s December 2022 Order<sup>6</sup>. After recovery of the CIP margin revenues, South Jersey’s ROE for the October 1, 2023 through September 30, 2024 period is projected to be 7.34%. As a result, the ROE Test will not act as a limitation on South Jersey’s recovery through the CIP for the 2024-2025 BGSS/CIP Year. The projected ROE calculation is provided in Exhibit A, attached to this Petition, and is referenced in the Direct Testimony of Daniel P. Yardley.

34. The Company’s CIP also contains benchmarks for customer usage by customer class. The CIP is calculated on a class-by-class basis by comparing actual usage for the CIP year to the benchmark usage. The difference, either positive or negative, is then multiplied by revenue margins per customer class, and the result is divided by forecasted sales units. The result, either positive or negative, is then either a charge or credit to the CIP on a class-by-class basis.

35. The CIP charge was initially set at \$0.000 for the period October 1, 2006 through September 30, 2007 and, thereafter, annual petitions were filed to adjust the CIP charge.

36. On June 1, 2023, South Jersey filed its 2023-2024 BGSS/CIP Filing. In that filing, it sought to establish CIP rates for the 2023-2024 BGSS/CIP Year. By the September 2023 Provisional Order<sup>7</sup>, the following CIP rates per therm were implemented on a provisional basis. Final rates are pending Board approval.

- RSG Non-Heating \$0.036916
- RSG Heating \$0.111741
- GSG \$0.088280
- GSG-LV \$0.049526

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<sup>6</sup> In the Matter of the Petition of South Jersey Gas Company for Approval of Increased Base Tariff Rates and Charges for Gas Service, Changes to Depreciation Rates and Other Tariff Revisions, Docket No. GR22040253, Order dated December 21, 2022 (“December 2022 Order”).

<sup>7</sup> In the Matter of the Petition of South Jersey Gas Company to Revise the level of Its Basic Gas Supply Service (“BGSS”) Charge and Conservation Incentive Program (“CIP”) Charge for the Year Ending September 30, 2024, Docket No. GR23060334, Order dated September 7, 2023 (“September 2023 Order”).

37. In this Petition, South Jersey proposes to establish the CIP rates for the 2024-2025 BGSS/CIP Year. The proposed CIP rates per therm are as follows and shown in Daniel Yardley’s Testimony, Schedule DPY-7:



38. The impact of the proposed CIP change, if approved, on the monthly bill of an average residential heating customer utilizing 100 therms of natural gas would be an increase of \$1.67, or 0.9%, as compared to the Company’s rates in effect on June 1, 2024.

39. Reflective in Daniel Yardley’s Testimony and Schedule DPY-5, in computing the non-weather CIP value, the margin impact of weather is first to be deducted from the total CIP charge or credit. The weather-related component of the CIP is recovered through the CIP and is not subject to the Modified BGSS Savings Test. By this Petition, South Jersey seeks to recover \$24.3 million of weather-related margin revenues. The non-weather related CIP component is subject to a dual eligibility test comprised of the Modified BGSS Savings Test and a Margin Revenue Test established in the CIP Continuation Stipulation. In order to be eligible for recovery, non-weather related CIP impacts must pass both cost recovery tests. Amounts that do not pass one or both tests may still be recoverable in future years.

40. South Jersey’s non-weather-related deficiency margin, related to the 2023-2024 BGSS/CIP Year, is \$14.4 million. This amount was determined by subtracting the weather-related deficiency component of \$24.3 million, from the total CIP deficiency of \$38.7 million. Additionally, DPY-5 includes \$12.8 million of a carry-forward, which represents \$9.2 million

carry-forward of non-weather CIP impacts that exceeded the BGSS savings test from the 2022–2023 CIP year along with \$3.6 million non-weather CIP impacts that exceeded the BGSS savings test from the 2023–2024 CIP year.

41. South Jersey is providing BGSS savings information in the Direct Testimonies of Maria C. Mendoza and Daniel P. Yardley. As shown on Schedule DPY-5, page 1 of 2, South Jersey’s permanent BGSS savings realized from the permanent capacity releases or contract terminations (Category One of the Modified BGSS Savings Test) total \$2.2 million per year. BGSS savings realized from gas cost savings from reductions of capacity on a long-term basis (Category Two of the Modified BGSS Savings Test) total \$5.7 million. BGSS savings realized from avoided capacity costs to meet residential customer growth (Category Three of the Modified BGSS Savings Test) total \$0.2 million. Therefore, the total BGSS savings for the 2023-2024 BGSS/CIP Year is \$8.1 million. Since the non-weather CIP amount is a debit to customers, the BGSS Savings test and the variable margin revenue test shown on Schedule DPY-5 are applicable. As a result of the BGSS Savings test and the variable margin revenue test shown on Schedule DPY-5, the Company will seek to recover \$10.8 million of non-weather-related margin revenue through the CIP. The \$3.6 million that did not pass the BGSS Savings test will be carried forward to the following CIP year for possible recovery.

42. In this proceeding, South Jersey is comparing customer usage for the period October 1, 2023 through September 30, 2024 against the benchmark. The difference is to be recovered in the 2024-2025 BGSS/CIP Year.

43. In support of the CIP portion of this Petition, attached hereto and incorporated herein is the testimony of:

A. W. Peter Druckenmiller, Program Manager, Energy Efficiency,

South Jersey (Exhibit F);

B. Daniel P. Yardley, Principal, Yardley & Associates (Exhibit G).

### **VIII. PUBLIC NOTICE**

44. South Jersey will provide notice of the filing of this Petition for its Periodic BGSS, BSC and CIP charges and modification of its Tariff to all its customers through the publication of a Public Notice in newspapers of general circulation within the Company's service territory. A copy of the proposed Public Notice is attached hereto as Exhibit B.

### **X. MISCELLANEOUS**

45. The combined impact of the proposed Periodic BGSS, BSC and CIP changes, if approved, on the monthly bill of an average residential heating customer utilizing 100 therms of gas in a winter month would be an increase of \$0.86 or 0.5%, as compared to the Company's rates in effect on June 1, 2024.

46. Petitioner is serving notice and a copy of this Petition, together with a copy of the exhibits and schedules annexed hereto on the Director, Division of Rate Counsel via electronic mail in lieu of providing hard copies. In accordance with the Board's March 19, 2020 and June 10, 2020 Orders issued in BPU Docket No. EO20030254, hard copies are not being submitted at this time, but can be provided at a later time, if needed.

47. Similarly, Petitioner is also serving this notice and a copy of this Petition on the Department of Law and Public Safety ("Department of Law") via electronic mail in lieu of providing hard copies, but hard copies can be provided at a later time, as needed.

48. To the extent necessary, South Jersey respectfully requests a waiver of the need to

provide hard copies in connection with this Petition to the Board, Rate Counsel and the Department of Law subject to copies being provided at a later time, as needed.

Respectfully submitted,

SOUTH JERSEY GAS COMPANY



---

By: Dominick DiRocco, Esq.  
Vice President, Rates & Regulatory  
Affairs  
SJI Utilities, Inc.

Dated: May 31, 2024  
Communications addressed to the Petitioner  
in this case are to be sent to:

Sheree L. Kelly, Esq.  
Regulatory Affairs Counsel  
SJI Utilities, Inc.  
520 Green Lane  
Union, New Jersey 07083  
908-536-0877  
[skelly@sjindustries.com](mailto:skelly@sjindustries.com)

Dominick DiRocco, Esq.  
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[ddirocco@sjindustries.com](mailto:ddirocco@sjindustries.com)

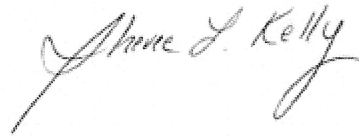
Cindy Capozzoli  
Director, Rates  
SJI Utilities, Inc.  
One South Jersey Place  
Atlantic City, New Jersey 08401  
856-625-6618  
[ccapozzoli@sjindustries.com](mailto:ccapozzoli@sjindustries.com)

**VERIFICATION**

I, Sheree L. Kelly, Esq., of full age, being duly sworn according to law,  
upon my oath, depose and say:

1. I am Regulatory Affairs Counsel Principal of SJI Utilities, Inc., the parent Company to South Jersey Gas Company (“Company”), and I am authorized to make this verification on behalf of the Company.

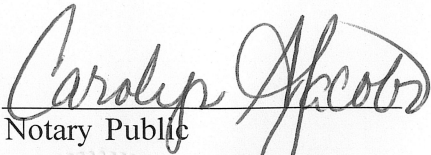
2. I have reviewed the within petition and the information contained therein is true according to the best of my knowledge, information, and belief.



---

Sheree L. Kelly, Esq.  
Regulatory Affairs Counsel Principal

Sworn to and subscribed  
before me this 31st day  
of May 2024.



Notary Public



**Carolyn A. Jacobs**  
**NOTARY PUBLIC**  
State of New Jersey  
My Commission Expires  
October 28, 2028

**South Jersey Gas Company  
CIP Earnings Test**

September 2023 Rate Base	\$ 2,583,690,922
September 2024 Rate Base Forecast	<u>\$ 2,691,697,240</u>
Average	\$ 2,637,694,081
Approved Equity Ratio (2022 Rate Case)	<u>54%</u>
Common Equity Balance	\$ 1,424,354,804
Period Net Income Less Incentives	\$ 104,545,807
Return On Equity	7.34%
Approved Return on Equity (2022 Rate Case)	9.60%
Return on Equity Test: Plus 50 basis Points	<u>0.50%</u>
	10.10%

**SOUTH JERSEY GAS COMPANY**

**Notice of Public Hearings**

**In the Matter of the Petition of South Jersey Gas Company to Revise The Level of Its Basic Gas Supply Service (“BGSS”) Charge and Conservation Incentive Program (“CIP”) Charge for the Year Ending September 30, 2025**

**BPU DOCKET No. \_\_\_\_\_**

**PLEASE TAKE NOTICE** that on May 31, 2024, 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 2024-2025 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 SJG’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 is an increase of \$0.86, or 0.5%, as compared to the Company’s rates in effect on June 1, 2024, resulting from South Jersey’s proposed: 1) Periodic BGSS increase of \$0.52, or 0.3%; 2) Rider “J” Balancing Service Clause - General Service (“BSC-GS”) decrease of \$1.32, or 0.7%; and 3) CIP increase of \$1.67, or 0.9%.

Related to the Company’s Rider “I” Balancing Service Clause - Large Volume (“BSC-LV”), the Company proposes to increase its current Opt-Out BSC-LV rate of \$0.002103 per therm to \$0.002427 per therm, including taxes, and to decrease its current Non Opt-Out BSC-LV rate of \$0.081846 per therm to \$0.068583 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, 2024</u>	<u>Proposed Bill as of October 1, 2024</u>	<u>Proposed Change</u>	<u>Percent Change</u>
<b>Residential Heat Sales</b>	100	\$182.71	\$183.57	\$0.86	0.5%
<b>Residential Non-Heat Sales</b>	15	\$35.21	\$34.67	(\$0.54)	(1.5%)
<b>General Service</b>	500	\$795.92	\$782.62	(\$13.30)	(1.7%)
<b>General Service - LV</b>	15,646	\$17,986.82	\$17,937.06	(\$49.76)	(0.3%)

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, 2024, and to a maximum of five percent (5%) of the total residential bill, effective February 1, 2025, as demonstrated below.

<u>Customer Type</u>	<u>Consumption in Therms</u>	<u>Proposed Bill as of October 1, 2024</u>	<u>Proposed Bill Including December and February 5% Increases</u>	<u>Proposed Change</u>	<u>Percent Change</u>
Residential Heat Sales	100	\$183.57	\$202.39	\$18.82	10.3%
Residential Non-Heat Sales	15	\$34.67	\$37.49	\$2.82	8.1%
General Service	500	\$782.62	\$876.74	\$94.12	12.0%
General Service - LV	15,646	\$17,937.06	\$17,937.06	\$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 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 Letter Petition:

**VIRTUAL PUBLIC HEARINGS**

Date:

Hearing Times:

Location: Microsoft Teams Meeting

[Join a Microsoft Teams Meeting by ID | Microsoft Teams](#)

Meeting ID:

Passcode:

(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:

Conference ID: \_\_\_\_\_, 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 Meeting ID or Dial-In Number set forth above and may express their views on this 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](mailto: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., 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**

South Jersey Gas Company  
2024/25 BGSS Filing  
MINIMUM FILING REQUIREMENT (MFR)

Minimum Filing Requirement	Schedule(s)
<p>1. Motion, Supporting Testimony &amp; Tariff Modifications</p> <p>In support of its filing, a GDC should provide supporting testimony which addresses any material events or major factors affecting either the prior period's deferred gas balance or its forecasted BGSS rate. In addition to the associated motion, redlined tariff sheets should be provided for all proposed tariff changes.</p>	<p>Exhibit D -Testimony of James G. Fredericks Exhibit E - Testimony of Maria C. Mendoza Schedule JGF-17</p>
<p>2. Computation of Proposed BGSS Rates</p> <p>A summary schedule should show all of the forecasted BGSS cost components and applicable credits which comprise the basis for the proposed BGSS rates that are to become effective October 1st. The cost components and applicable credits should be provided with all material amounts broken out separately. A plain English explanation in narrative form regarding this summary schedule should be provided.</p>	<p>Schedule JGF-1, JGF-3, JGF-6 Exhibit D -Testimony of James G. Fredericks  Schedule MCM-12 Exhibit E - Testimony of Maria C. Mendoza</p>
<p>3. Public Notice with Proposed Impact on Bills</p> <p>A copy of the Company's Public Notice should be provided with details concerning the impact of the <u>proposed BGSS rates on typical gas bills at various winter therm utilization levels.</u></p>	<p>Attached as Exhibit B to the Petition</p>
<p>4. Actual and Forecasted Refund Amounts</p> <p>Schedules should be provided which show actual and estimated supplier refund amounts for the reconciliation period as well as the estimated supplier refunds for the projected period beginning October 1st. The schedule should identify the supplier refunds by month and should provide associated information on the applicable FERC docket involved. A plain English explanation in narrative form should be provided.</p>	<p>Schedule MCM-8 Exhibit E -Testimony of Maria C. Mendoza</p>
<p>5. Cost of Gas Sendout by Component</p> <p>Monthly data showing the derivation of all cost components shown on the BGSS Computation Schedule should be provided for the reconciliation and projected periods. The monthly data should also provide detail on applicable volumes by customer classification.</p>	<p>Schedule JGF-1, JGF-2, JGF-4, JGF-5, JGF-7, JGF-8, JGF-11, JGF-13, JGF-15  Schedule MCM-2, MCM-3</p>
<p>6. BGSS Contribution and Credit Offsets</p> <p>Monthly data showing the derivation of all BGSS cost offsets, including interruptible margins, capacity transactions, pipeline refunds and other credits should be provided for the reconciliation and projected periods. Any applicable FERC Orders will be included. All calculations showing how such offsets were determined should be included. A plain English explanation in narrative form should be provided regarding the BGSS contribution and Credit Offsets. In addition, the Company shall document through testimony for any non-bid releases and/or affiliate contracts, the decision-making process that the Company went through in each case to arrive at its determination to release capacity on a non-biddable basis or enter into any affiliate contract. Such testimony shall include documentation showing the impact that the non-biddable capacity release or affiliate contract was projected to have on total BGSS costs at the time the Company committed to the transaction. In addition, for each non-biddable capacity release, the Company shall determine whether the transaction could have been structured as an off-system sale, and, if so demonstrate that prior to releasing the capacity, the Company compared the benefit to Periodic BGSS customers of making the capacity release compared to the benefit that could have been achieved by structuring the transaction as an off-system sale and the Company shall provide documentation supporting this comparison in its filing.</p>	<p>Schedule JGF-9, JGF-12  Schedule MCM-8 Exhibit E - Testimony of Maria C. Mendoza</p>
<p>7. Over/Under Recovery Comparisons</p> <p>Schedules should be provided which show the derivation of the monthly over or under recoveries plus cumulative balances for the reconciliation and projected period. For the reconciliation period, a schedule should also show the calculation of the monthly actual or estimated accrued interest. These schedules should include prospective data shown for the projected period based on the prevailing BGSS rate and, alternatively, based on the requested BGSS rate.</p>	<p>Schedule JGF-3, JGF-10, JGF-14</p>
<p>8. Wholesales Gas Pricing Assumptions</p> <p>The GDC should provide schedules which detail the monthly gas prices for the reconciliation and projected periods. The schedules should show the prices utilized in developing the existing BGSS rate and those utilized for projecting the proposed BGSS rate. To the degree third party price indexes or forecasts are the basis for such gas prices, associated documentation should also be provided. A plain English explanation in narrative form regarding these schedules should be provided.</p>	<p>Schedule MCM-2, MCM-5 (Confidential), MCM-14 Exhibit E - Testimony of Maria C. Mendoza</p>
<p>9. Gas Cost Under recovery Adjustment ("GCUA") Recoveries and Balances</p> <p>Schedules should be provided that show monthly data for the GCUA since its inception. The data should provide the unamortized balances, recoveries, and accrued interest by month with any associated workpapers.</p>	<p>N/A</p>
<p>10. Historical Service Interruptions</p> <p>A schedule should be provided which details any service interruptions during the past 12 months. The schedule should show the dates of the interruptions, the service categories affected, the number of customers affected and whether each interruption was operational or economic in nature.</p>	<p>Schedule JGF-16</p>

South Jersey Gas Company  
2024/25 BGSS Filing  
MINIMUM FILING REQUIREMENT (MFR)

Minimum Filing Requirement	Schedule(s)
<p>11. Gas Price Hedging Activities</p> <p>The GDC should provide copies of its last four quarterly hedging reports as filed with the Board. It should also provide a schedule covering both the reconciliation and projected period which shows monthly gas purchases volume requirements and price hedged volumes broken down into discretionary and non-discretionary components which allow evaluation of compliance with the GDC's established hedging objectives. A plain English explanation in narrative form regarding these hedging activities should be provided. The Company shall include in all future its next annual BGSS filings testimony that reflects these goals/targets and how the Company managed to such goals/targets.</p>	<p>Schedule MCM-5 (Confidential), MCM-9</p> <p>Exhibit E - Testimony of Maria C. Mendoza</p>
<p>12. Storage Gas Volumes, Prices and Utilization</p> <p>Schedules should be provided which show the GDC's monthly data for LNG, LPG, and pipeline storage volumes. The schedules should show volumes and dollars for balances, injections, and withdrawals with all data shown on a Dekatherm basis.</p>	<p>Schedule JGF-7, JGF-15</p> <p>Schedule MCM-3</p>
<p>13. Affiliate Gas Supply Transactions</p> <p>The GDC's filing should have disclosure of all gas supply and capacity transactions with any affiliates during the reconciliation or forecasted periods. The disclosure should provide the nature, terms, and conditions of any such transactions, the dates of the transactions, and evidence that the gas supply or capacity resources transactions were at market rates. It should also provide delivery points for all purchase and sale transactions and comparable daily or monthly price index information for purchase and sale transactions done at a fixed price.</p>	<p>Schedule MCM-10 (Confidential)</p>
<p>14. Projected Supply and Demand Data with Design Peak Day</p> <p>Schedules should be provided that show the GDC's firm requirements and gas supplies by component on an annual, heating season and non-heating season basis. The data should be provided for the reconciliation period and the two prior and two prospective annual periods.</p>	<p>Schedule MCM-1, MCM-4, MCM-6</p>
<p>15. Actual Peak Day Supply and Demand</p> <p>The GDC should provide data for the five highest demand days for each of the last three years, showing date, temperature or heating degree day, firm and interruptible volumes and the sources of supply used to meet the associated volume requirement.</p>	<p>Schedule MCM-7</p>
<p>16. Capacity Contract Changes</p> <p>The GDC filing should provide details concerning any changes to its interstate pipeline contracts (entitlements, storage capacities, daily deliverability, transportation, or associated costs) which have been made or occurred during the past 24 months or are planned for the next 12 months. To the degree any significant changes have been made or are planned, a narrative should discuss operational and cost consequences as well as the rationale for the changes.</p>	<p>Schedule MCM-13</p> <p>Exhibit E - Testimony of Maria C. Mendoza</p>
<p>17. FERC Pipeline Activities</p> <p>The GDC's filing should provide details on any pending FERC dockets which should affect the cost of services received from the GDC's supplying pipelines. The GDC should also provide details concerning its participation in such dockets and a listing of any filings or testimony made by the GDC or on its behalf.</p>	<p>Schedule MCM-11</p>
<p>18. Changes to Firm Transportation and Storage Contracts.</p>	<p>Schedule MCM-13</p>
<p>19. Monthly S-CHART-1 and S-CHART-2</p> <p>After the annual BGSS proceeding is filed each year, the monthly reports filed with the Board thereafter shall be updated to reflect the current BGSS year and upcoming BGSS year. Monthly reports will continue to be filed with the Parties using the current BGSS year and upcoming BGSS year until the next annual BGSS filing occurs</p>	<p>Filed Monthly With the BPU</p>
<p>20. AMA Management Fee Analysis</p> <p>To the extent the Company enters into baseload Asset Management Agreements ("AMAs") (defined as a transaction with a fixed gas purchase obligation for any day of the term of the AMA), the Company will prepare an analysis produced at the time the AMA is executed that will set forth how much, if any, of the AMA management fee will be excluded from the formula used to determine AMA management fee sharing between the Company and its Periodic BGSS customers because the excluded portion of the fee is the product of an agreement by the Company to provide the Asset Manager with a benefit under the AMA that is forecasted to increase the commodity costs to Periodic BGSS customers. The analysis will calculate a) the lowest estimated delivered price on the contract capacity path up to and including the Company city gate compared to b) the estimated commodity cost per month under the contract price of the AMA. The result of this comparison or c) delta, represents an excess in commodity cost that will be subtracted from d) the AMA management fee arriving at e) the net amount that will be subject to the sharing formula over the term of the AMA.</p>	<p>Schedule MCM-15</p>

**BEFORE THE  
NEW JERSEY BOARD OF PUBLIC UTILITIES**

**SOUTH JERSEY GAS COMPANY**

**Direct Testimony**

**of**

**James G. Fredericks,  
Rates Analyst Lead, Rates**

**On Behalf of**

**South Jersey Gas Company**

1 **I. INTRODUCTION**

2 **Q. PLEASE STATE YOUR NAME, AFFILIATION AND BUSINESS**

3 **ADDRESS.**

4 **A.** My name is James G. Fredericks, and I am the Rate Analyst Lead, Rates and  
5 Regulatory Affairs, for South Jersey Gas Company (“South Jersey” or “Company”).  
6 My business address is One South Jersey Place, Atlantic City, NJ 08401.

7 **Q. PLEASE SUMMARIZE YOUR EDUCATIONAL AND PROFESSIONAL**  
8 **BACKGROUND.**

9 **A.** I am responsible for designing and developing rates and rate schedules for regulatory  
10 filings with the New Jersey Board of Public Utilities (“Board” or “BPU”) and internal  
11 management purposes. I also oversee daily rate department functions, including  
12 tariff administration, monthly pricing, competitive analyses, and preparation of  
13 management reports. In 1986, I graduated from Ithaca College, Ithaca N.Y. with a  
14 Bachelor of Science degree in Economics and Business Administration.

15 My professional responsibilities have encompassed financial analysis,  
16 planning, and pricing in financial services, manufacturing, and energy companies.  
17 In 1986, I was employed by the Prudential as a Rate Analyst being promoted to  
18 Associate Manager prior to leaving in 1996. I was then employed by Alcatel-Lucent  
19 as a Senior Analyst in 1996. In 2001, I was employed by PECO Energy as a Principal  
20 Operations Analyst. In 2002, I joined South Jersey as a Senior Rate Analyst in the  
21 Rates and Regulatory Affairs Department. In 2014, I transferred to the Company’s  
22 Energy Efficiency Department. In 2021, I returned to the Rates and Regulatory  
23 Affairs Department in my current position of Rate Analyst Lead.

1 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

2 **A.** The purpose of my testimony in this proceeding is to: (1) review the actual and  
3 forecasted results of the Basic Gas Supply Service (“BGSS”) Clause for the 2023-  
4 2024 BGSS/CIP Year ending September 30, 2024; (2) present the projected gas  
5 costs and recoveries in the 2024-2025 BGSS/CIP Year ending September 30, 2025;  
6 (3) support the BGSS charges proposed to become effective October 1, 2024; and  
7 (4) support proposed revisions to South Jersey’s tariff.

8 **Q. DO YOU SPONSOR ANY SCHEDULES AS PART OF YOUR**  
9 **TESTIMONY?**

10  
11 **A.** Yes. My testimony includes the following schedules which were prepared or  
12 compiled under my supervision and direction:

13 (i) Schedule JGF-1 contains the derived calculations of the proposed  
14 Periodic BGSS Rate and the gas cost portion of the Company’s D-2 charge for Rate  
15 Schedule FES, EGS-LV Firm, EGS-LV Limited Firm and LVS;

16 (ii) Schedule JGF-2 contains the statement of gas sendout for the  
17 twelve-month period ending September 30, 2025;

18 (iii) Schedule JGF-3 contains a statement of (over)/under recoveries of  
19 gas costs for the twelve-month period ending September 30, 2025 based on the  
20 proposed Periodic BGSS Rate to be effective October 1, 2024, and a statement of  
21 (over)/under recoveries of gas costs for the twelve-month period ending September  
22 30, 2025 assuming the current Periodic BGSS Rate;

1 (iv) Schedule JGF-4 contains projected normalized sales and  
2 transportation services throughput volumes for the twelve-month period ending  
3 September 30, 2025;

4 (v) Schedule JGF-5 contains the gas costs recoveries for the twelve-  
5 month period ending September 30, 2025;

6 (vi) Schedule JGF-6 contains details of the derivation of the monthly  
7 BGSS non-commodity charge used in setting the Monthly BGSS rates charged to  
8 the Company's large commercial and industrial sales customers for the twelve-  
9 month period ending September 30, 2025.

10 (vii) Schedule JGF-7 contains a summary of projected natural gas  
11 injections and withdrawals for the twelve-month period ending September 30,  
12 2025;

13 (viii) Schedule JGF-8 contains the calculations of non-firm gas cost  
14 recovery rates for the twelve-month period ending September 30, 2025;

15 (ix) Schedule JGF-9 contains details of the derivation of the credit to gas  
16 costs from interruptible sales, interruptible transportation, off-system sales, and off-  
17 system and on-system capacity releases for the twelve-month period ending  
18 September 30, 2025;

19 (x) Schedule JGF-10 contains a reconciliation of actual and projected  
20 recoverable gas costs and gas costs recoveries for the twelve-month period ending  
21 September 30, 2024;



1 (xi) Schedule JGF-11 contains the statement of gas sendout for the  
2 twelve-month period ending September 30, 2024;

3 (xii) Schedule JGF-12 contains details of the derivation of the credit to  
4 gas costs from interruptible sales, interruptible transportation, off-system sales, and  
5 off-system and on-system capacity releases for the twelve-month period ending  
6 September 30, 2024;

7 (xiii) Schedule JGF-13 contains details of gas costs recovered through  
8 sales for the twelve-month period ending September 30, 2024;

9 (xiv) Schedule JGF-14 contains the computation of interest on the  
10 cumulative over or under-recovered balance for the twelve-month period ending  
11 September 30, 2024;

12 (xv) Schedule JGF-15 contains a summary of projected natural gas  
13 injections and withdrawals for the twelve-month period ending September 30,  
14 2024;

15 (xvi) Schedule JGF-16 contains statement of historical service  
16 interruptions for the twelve-month period ending September 30, 2024; and

17 (xvii) Schedule JGF-17 contains the proposed tariff pages reflecting South  
18 Jersey's proposed changes to its Periodic BGSS Rate, BSC charges, and D-2 gas  
19 cost component for Rate Schedules FES, EGS-LV Firm, EGS-LV Limited Firm  
20 and LVS.

21

1 **II. REGULATORY HISTORY**

2 **Q. PLEASE DESCRIBE THE REGULATORY HISTORY OF THE BASIC GAS**  
3 **SUPPLY SERVICE (“BGSS”) CLAUSE.**

4 **A.** On January 6, 2003, the Board issued its “Order Approving BGSS Price Structure”  
5 in Docket No. GX01050304<sup>1</sup>. The 2003 BGSS Order provided for the creation of a  
6 BGSS pricing mechanism, consisting of a Monthly BGSS Rate and a Periodic BGSS  
7 Rate. The applicability of Monthly and Periodic BGSS pricing was subsequently  
8 modified in South Jersey’s base rate case and Global Settlement (Docket No.  
9 GR03080683, *et al*) approved by the Board on March 27, 2006.

10 The Monthly BGSS Rate is currently applicable to all Rate Schedule GSG sales  
11 customers having an annualized usage of 5,000 therms or more and to all sales  
12 customers served under Rate Schedules GSG-LV, LVS, FES, EGS, EGS-LV, and  
13 NGV. South Jersey’s Monthly BGSS Rate was first implemented March 1, 2003 and  
14 is filed with the Board each month utilizing the BGSS pricing formula approved by  
15 the 2003 BGSS Order.

16 The Periodic BGSS Rate is currently applicable to all sales customers served  
17 under Rate Schedule RSG and all Rate Schedule GSG sales customers having  
18 annualized usage of less than 5,000 therms.

19 The 2003 BGSS Order required that South Jersey file its annual BGSS filing  
20 with the Board each year by June 1, with a request to implement its Periodic BGSS  
21 Rate on or before October 1 of that year. The 2003 BGSS Order also provided that

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<sup>1</sup> In re the Provision of Basic Gas Supply Service Pursuant to the Electric Discount and Energy Competition Act, N.J.S.A. 48:3-49 et seq., BPU Docket No. GX01050304, Order dated January 6, 2003 (“2003 BGSS Order”).

1 South Jersey may file notice for two self-implementing rate increases to the Periodic  
2 BGSS Rate, to be effective on or about December 1 and/or February 1, following the  
3 October 1 effective date. Each such self-implementing increase may not exceed five  
4 percent (5%) of a 100-therm residential bill.

5 On May 7, 2003, in Docket No. GR02090645, the parties to the proceeding  
6 entered a Settlement regarding the Minimum Filing Requirements (“MFRs”) for the  
7 annual BGSS proceedings (“2003 Settlement”). The 2003 Settlement was approved  
8 by Board Order dated June 29, 2003. In its April 2023 Order<sup>2</sup>, the Board approved  
9 an update of the BGSS MFRs. Attached to this Petition as Exhibit C is a listing of  
10 the MFRs and references to the schedules in this filing satisfying those MFRs.

11 On June 1, 2023, South Jersey filed its 2023-2024 BGSS/CIP Filing<sup>3</sup>, wherein  
12 it proposed to decrease the Periodic BGSS Rate from the then current rate of  
13 \$0.627739 per therm to \$0.415037 per therm.<sup>4</sup>

14 By Board Order dated September 18, 2023 in this same docket, the Board  
15 approved a Stipulation authorizing South Jersey to decrease the Periodic BGSS Rate  
16 to \$0.415037 per therm on a provisional basis effective October 1, 2023. Final rates  
17 are pending approval by the Board.

18 **III. BGSS RATES CALCULATION**

19 **Q. PLEASE DESCRIBE HOW THE PROPOSED BGSS RATES FOR THE**  
20 **2024-2025 BGSS/CIP YEAR ARE CALCULATED.**

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<sup>2</sup> In the Matter of the Petition of South Jersey Gas Company to Revise the Level of Its Basic Gas Supply Service (“BGSS”) Charge and Conservation Incentive Program (“CIP”) Charge for the Year Ending September 30, 2023, BPU Docket No. GR22060364, Order dated April, 26, 2023 (“April 2023 Order”).

<sup>3</sup> In the Matter of the Petition of South Jersey Gas Company to Revise the level of Its Basic Gas Supply Service (“BGSS”) Charge and Conservation Incentive Program (“CIP”) Charge for the Year Ending September 30, 2024, Docket No. GR23060334 (“2023-2024 BGSS/CIP Filing”).

<sup>4</sup> All rates quoted herein are inclusive of all applicable taxes, unless otherwise noted

1 A. Schedule JGF-1 sets forth the derivation of the proposed Periodic BGSS Rate of  
2 \$0.420233 per therm, which consists of commodity and non-commodity gas costs,  
3 and deferred balance. The rate derivation begins with a projected beginning  
4 inventory of \$18,801,004 as of October 1, 2024, (Line 1) plus projected purchases of  
5 \$253,760,505 for the twelve-month period ending September 30, 2025, (Line 2) plus  
6 the estimated over-recovery of \$2,671,645 as of September 30, 2024 (Line 3) less  
7 estimated interest on monthly over recoveries during the twelve-month period ending  
8 September 30, 2024 of \$389,729 (Line 4) less the projected ending inventory of  
9 \$25,978,737, for the twelve-month period ending September 30, 2025, (Line 5) less  
10 projected credits, refunds, etc. of \$72,794,213 for the twelve-month period ending  
11 September 30, 2025, (Line 6) less projected gas cost recoveries of \$52,269,321 not  
12 subject to the recoverable unit gas cost of the Periodic BGSS for the twelve-month  
13 period ending September 30, 2025, (Line 7), to equal total net recoverable gas costs  
14 of \$118,457,865, (Line 8).

15 Assuming projected applicable sales volumes of 300,561,414 therms, (Line  
16 9), and the total net recoverable gas costs of \$118,457,865 (Line 8), derives a pre-tax  
17 Periodic BGSS Rate of \$0.394122 per therm (Line 10). The calculation of New  
18 Jersey sales and use tax at a rate of 6.625% derives the sales tax component of  
19 \$0.026111 per therm (Line 11). The result is the total levelized after-tax Periodic  
20 BGSS Rate of \$0.420233 per therm (Line 12).

21 The total monthly non-commodity costs of \$8,092,678 for the twelve-  
22 month period ending September 30, 2025, shown on Schedule JGF-6 (Line 3), are  
23 applied to the Monthly BGSS customers, and the applicable sales volumes of

1 38,117,702 therms, (Line 4), were utilized to derive a monthly non-commodity cost  
2 pre-tax rate of \$0.212308 per therm, (Line 5), and an after-tax rate of \$0.226373 per  
3 therm, (Line 6).

4 **Q. DOES THE FILING INCLUDE THE RECOVERY OF THE REMAINING**  
5 **AMORTIZATION OF COST RELATED TO ANTERO RESOURCES**  
6 **CORPORATION (“ANTERO”).**

7 **A.** Yes, pursuant to the Board’s Order dated November 17, 2021 in Docket No.  
8 GR21060881<sup>5</sup>, the amortization of the Antero costs was extended to September 30,  
9 2024. The forecasted September 2024 remaining amortization amount of \$959,904  
10 is included in the forecasted September 30, 2024 over recovered balance shown on  
11 JGF-1 (Line 3). It is the Company’s proposal that the first \$959,904 of periodic BGSS  
12 recoveries for the 2024-2025 BGSS year be applied to the remaining Antero  
13 unamortized balance. This will complete the Company’s recovery of the Antero  
14 costs.

15 **Q. PLEASE PROVIDE A SUMMARY OF PROJECTED PROOF OF**  
16 **RECOVERY FOR THE 2024-25 BGSS/CIP YEAR.**

17 **A.** Schedule JGF-3, Page 1, provides a proof of recovery of the 2024-2025 BGSS/CIP  
18 Year based on South Jersey’s proposed rate of \$0.420233 per therm. Schedule JGF-  
19 3, Page 1, also provides a summary by month of the 2024-2025 BGSS/CIP Year  
20 based on the calculated gas cost levels, credits thereto and gas cost recoveries. In  
21 summary, Schedule JGF-3, Page 1, Column 8, shows the 2024-2025 BGSS/CIP Year

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<sup>5</sup> In the Matter of the Petition of South Jersey Gas Company to Revise the Level of Its Basic Gas Supply Service (“BGSS”) Charge and Conservation Incentive Program (“CIP”) Charge for the Year Ending September 30, 2022, Docket No. GR21060881, Order dated November 17, 2021

1 will end with a near zero balance as of September 30, 2025. Schedule JGF-3, Page  
2 2, Column 9, reflects the projected (over)/under recovered balance as of September  
3 30, 2025 based on the Company's current Periodic BGSS Rate of \$0.415037 per  
4 therm.

5 **Q. PLEASE EXPLAIN SOUTH JERSEY'S PROPOSED CHANGE IN ITS**  
6 **ANNUAL PERIODIC BGSS RATE FOR THE 2024-2025 BGSS/CIP YEAR.**

7 **A.** South Jersey is proposing an overall increase of \$0.005196 per therm to its Periodic  
8 BGSS Rate for the 2024-2025 BGSS/CIP Year. As reflected in Schedule JGF-1, for  
9 the 2024-2025 BGSS/CIP Year, South Jersey has calculated the Periodic BGSS Rate  
10 at \$0.394122 per therm, excluding taxes, or \$0.420233 per therm, including taxes,  
11 for Rate Schedule RSG sales and for those Rate Schedule GSG sales customers where  
12 annual customer usage is less than 5,000 therms.

13 **Q. PLEASE EXPLAIN SOUTH JERSEY'S PROPOSED CHANGE IN ITS**  
14 **MONTHLY BGSS NON-COMMODITY RATE AND FIRM D-2 CHARGES**  
15 **FOR THE 2024-2025 BGSS/CIP YEAR.**

16 **A.** Customers served under Rate Schedules GSG-LV, FES, EGS, LVS, EGS-LV, NGV,  
17 and customers served under Rate Schedule GSG, whose annual consumption is 5,000  
18 therms or greater, recover some or all of their fixed gas costs through their Monthly  
19 BGSS Rate, as prescribed in Rider "A" of South Jersey's tariff. These costs are  
20 recovered through the Monthly BGSS non-commodity rate component as shown in  
21 Schedule JGF-6. The proposed non-commodity rate of \$0.226373 per therm, is an  
22 increase of \$0.080775 per therm from the current rate of \$0.145598 per therm.

1 Pursuant to Rate Schedule LVS, Special Provision (n), of the Company's  
2 currently approved Tariff, the gas cost portion of the Firm D-2 charge is composed  
3 of the system weighted average interstate pipeline demand charge, plus the system  
4 weighted average gas reservation charge as of October 1 of each year, plus applicable  
5 taxes. Pursuant to Rate Schedule EGS-LV, Special Provision (f), of the Company's  
6 currently approved tariff, the gas cost portion of the Firm D-2 charge is composed of  
7 the highest pipeline demand cost imposed on the Company by any interstate pipeline  
8 as of October 1 of each year, plus applicable taxes. The Firm FES and Limited Firm  
9 EGS-LV gas cost portion of the D-2 rate is one-half the weighted average of all  
10 interstate pipeline demand charges applicable to the Company at October 1 of each  
11 year, plus applicable taxes.

12 Therefore, in accordance with South Jersey's tariff, South Jersey proposes, on  
13 Schedule JGF-1, line 18, that the gas cost portion of the D-2 charge for Rate Schedule  
14 LVS be set at \$16.494513 per Mcf. South Jersey also proposes that the gas cost  
15 portion of the Firm D-2 charge for Rate Schedule EGS-LV be set at \$16.575946 per  
16 Mcf. Lastly, South Jersey proposes that the gas cost portion of the Limited Firm D-  
17 2 and Firm D-2 charges for Rate Schedules EGS-LV Limited Firm and FES be set at  
18 \$8.247257 per Mcf.

19 **Q. IS THE COMPANY PROPOSING A CHANGE TO ITS CURRENT**  
20 **BALANCING SERVICE CLAUSE ("BSC") RATES?**

21 **A.** Yes. The Company proposes to decrease its Rider "J" BSC rate, for all applicable  
22 Rate Schedules per its current tariff, from \$0.081846 per therm to \$0.068583 per  
23 therm, effective October 1, 2024.

1           The Company also proposes to increase its current Rider “I” Opt-Out BSC rate  
2           of \$0.002103 per therm to \$0.002427 per therm. Additionally, the Company  
3           proposes to decrease its current Non Opt-Out BSC rate of \$0.081846 per therm to  
4           \$0.068583 per therm. The Non Opt-Out BSC rate is equal to the Company’s  
5           proposed Rider “J” BSC rate of \$0.068583 per therm. Both changes are proposed to  
6           be effective October 1, 2024.

7           The Company’s calculations of its balancing costs and proposed rate changes  
8           are presented in the Direct Testimony and Schedules of Maria C. Mendoza.

9  
10 **IV. REVIEW OF 2023-2024 BGSS/CIP YEAR**

11 **Q. PLEASE PROVIDE A SUMMARY OF ACTUAL AND PROJECTED**  
12 **RESULTS RELATED TO THE 2023-2024 BGSS/CIP YEAR.**

13 **A.** A summary of actual and projected results for the twelve-month period ending  
14 September 30, 2024 is attached hereto as Schedule JGF-10. The projected over-  
15 recovery as of September 30, 2024 is \$2,671,645, based on actual data as of April  
16 2024 and projected data through September 2024, which is comprised of gas costs,  
17 credits thereto, and gas cost recoveries.

18           Schedule JGF-10 is presented in three sections: 1) recoverable costs, 2) gas  
19 cost recoveries, and 3) the difference between these amounts, which represents the  
20 over or under recovery of gas costs.

21           Recoverable costs are the costs of the gas delivered less supplier refunds,  
22 credits, and other adjustments.



1 Gas cost recoveries represent the cost of gas that the Company recovers  
2 through firm and non-firm sales. Firm recoveries are broken down among recoveries  
3 from monthly and periodic firm sales. If the gas cost recoveries are greater than the  
4 recoverable costs the Company has incurred, the Company is over-recovered.  
5 Conversely, if the gas cost recoveries are less than the recoverable costs, the Company  
6 is under-recovered. The elements of Schedule JGF-10 are explained in more detail  
7 below.

8 Recoverable Costs

9 This section presents the components of the actual and forecasted net  
10 recoverable costs that the Company has incurred or is expected to incur. Column 1 of  
11 Schedule JGF-10 presents the gas sendout, in dollars, for each month. These amounts  
12 represent the dollar value of gas that flowed into the Company's distribution system  
13 during the months indicated and are also detailed on Schedule JGF-11.

14 Column 2 of Schedule JGF-10 presents refunds received from suppliers,  
15 shared margin credits, and other credits and charges. Refunds from suppliers are  
16 generally made as a result of actions taken by the Federal Energy Regulatory  
17 Commission ("FERC"). The detail of these amounts, including related FERC docket  
18 numbers, are listed in Maria C. Mendoza's Testimony, Schedule MCM-8, page 1.

19 Column 3 of Schedule JGF-10 presents the monthly totals of net recoverable  
20 costs, which are equal to gas sendout (Column 1) less supplier refunds, credits, and  
21 other adjustments of recoverable costs (Column 2). Monthly Interruptible, Off-  
22 System Sales, and Capacity release credits to the Periodic BGSS are detailed on  
23 Schedule JGF-12.

1 Per the April 2023 Order, the Company began crediting BGSS customers,  
2 effective September 1, 2022 with all capacity release credits or off-system sales  
3 margins (including the Company's 15% share) derived from the use of pipeline  
4 capacity under the contract between the Company and Adelpia Gateway, LLC for  
5 75,000 Dt of firm transportation capacity that became effective September 1, 2022,  
6 and under a contract between the Company and Columbia for 75,000 Dt of firm  
7 transportation capacity projected to be placed in service during calendar year 2023.  
8 The Company continued crediting all such capacity release credits or off-system  
9 sales margins (including the Company's 15% share) during the 2023-2024 BGSS  
10 Year. As a result, the additional 15% margin sharing credit of \$101,350 is included  
11 in this filing for the period October 1, 2023 through September 30, 2024 and is  
12 reflected on Schedule JGF-12. Likewise, the additional 15% margin sharing credit  
13 related to Adelpia for the 2024-2025 BGSS Year is reflected in JGF-9, totaling  
14 \$50,015.

15 Gas Cost Recoveries

16 Columns 4 through 8 on Schedule JGF-10 present the actual and forecasted  
17 recoveries from customers of the Company's recoverable gas costs during the 2023-  
18 2024 BGSS/CIP Year and are shown in more detail on Schedule JGF-13.

19 Column 4 presents recoveries of gas costs from sales to residential and small  
20 commercial customers that are subject to the Periodic BGSS Rate. Column 5 presents  
21 recoveries of gas costs from sales to the Company's larger commercial customers who  
22 are subject to the Monthly BGSS Rate. Column 6 presents the monthly totals of the  
23 gas cost recoveries from firm sales. Column 7 presents recoveries of gas costs from

1 sales to non-firm customers. Column 8 presents the monthly totals of the gas cost  
2 recoveries from firm and non-firm sales.

3 (Over)/Under Recovery

4 Schedule JGF-10 (Column 9) presents the monthly (over) or under-recovery  
5 of gas costs, which is the difference between Net Recoverable costs (Column 3) and  
6 Total Gas Cost Recoveries (Column 8). Column 10 is the accumulation of the  
7 monthly amounts from Column 9 added to the preceding month's cumulative balance.  
8 The October 1, 2023 beginning balance of \$7,297,530 is the carry-forward balance of  
9 the actual under-recovery of gas costs during the 2022-2023 BGSS/CIP Year. The  
10 carry-forward balance also includes interest due to customers for the period, if any,  
11 from over-recovered balances. No interest was due to customers for the 2022-2023  
12 BGSS/CIP Year. During the 2023-2024 BGSS/CIP Year, the Company is projecting  
13 that interest will be due to customers as shown on Schedule JGF-14, which is fully  
14 discussed below.

15 **Q. PLEASE EXPLAIN SCHEDULE JGF-11.**

16 **A.** Schedule JGF-11 is a statement of combined gas sendout for the 2023-2024  
17 BGSS/CIP Year. This schedule supports the amounts shown in Column 1 of Schedule  
18 JGF-10.

19 Columns 1 and 2 of Schedule JGF-11, Page 1, reflect the monthly quantity  
20 and cost of natural gas and liquefied natural gas (“LNG”) purchased in the periods  
21 indicated. Column 3 shows the average monthly purchase rate.

22 Columns 4 and 5 of Schedule JGF-11, Page 1, show the total gas inventory at  
23 the beginning and end of each month, respectively. Column 8 reflects the quantities

1 of gas sendout in dekatherms and is calculated by adding the purchases for the month  
2 (Column 1) to beginning inventory balance (Column 4) and subtracting the ending  
3 inventory balance (Column 5). The result represents the gas sendout quantity for the  
4 month.

5 **Q. HOW IS THE DOLLAR AMOUNT OF SENDOUT CALCULATED?**

6 **A.** For each type of inventory (natural gas and LNG), an average monthly rate is applied  
7 to the total of the withdrawal volumes to arrive at the sendout dollars. The balances  
8 and activity in each of these types of storage are shown in Schedule JGF-15. The  
9 dollar amount presented in Column 9 of Schedule JGF-11, Page 1, includes the cost  
10 of sendout for all inventory withdrawals, demand costs and the cost of gas and fuel  
11 delivered directly to the city gate.

12 Column 10 of Schedule JGF-11, Page 1, presents the average monthly rate.  
13 It is computed by dividing the total dollars of sendout in Column 9 by the total  
14 volumes of gas sendout in Column 8.

15 **Q. WHAT IS THE PROJECTED CARRYING COST ASSOCIATED WITH**  
16 **THE 2023-2024 BGSS/CIP YEAR?**

17 **A.** Schedule JGF-14 provides the calculation of interest on the cumulative over or  
18 under-recovery for the 2023-2024 BGSS/CIP Year. Interest on the cumulative over  
19 or under-recovery was computed on the average of the beginning and ending  
20 balances for each month, using a rate equivalent to one-twelfth of the Company's  
21 authorized annual rate of return of 6.93% effective January 1, 2023 through  
22 September 30, 2024, as established in the Company's most recent base rate case in

1 Docket No. GR22040253. The cumulative over or under-recovery amounts used  
2 in these calculations are from Column 10 of Schedule JGF-10.

3 Schedule JGF-14 shows a forecasted interest amount of \$389,729 due  
4 to the Periodic BGSS customers. This amount is applied as a credit against the  
5 forecasted 2024-2025 BGSS costs in calculating the Company's proposed  
6 BGSS rate as shown in Schedule JGF-1. South Jersey calculated BGSS  
7 interest in accordance with Board policy, as determined in Docket Nos.

8 **Q. GR87091101 and GR89080731. HAS THE COMPANY IMPLEMENTED**  
9 **ANY SERVICE INTERRUPTIONS OVER THE LAST 12 MONTHS?**

10 **A.** Yes, see Schedule JGF-16 for the statement of historical service interruptions for  
11 the 2023-2024 BGSS/CIP Year.

12 **V. TARIFF CHANGES**

13 **Q. PLEASE PROVIDE THE COMPANY'S PROPOSED TARIFF PAGES.**

14 **A.** Schedule JGF-17 consists of the proposed tariff pages reflecting South Jersey's  
15 proposed changes to its Periodic BGSS Rate, BSC charges, and D-2 gas cost  
16 component for Rate Schedules FES, EGS-LV Firm, EGS-LV Limited Firm and  
17 LVS. All tariff pages in Schedule JGF-17 have been black lined for review  
18 purposes.

19 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

20 **A.** Yes, it does.

**South Jersey Gas Company**  
**Calculation of Charge for Periodic Basic Gas Supply Service**  
**October 1, 2024 through September 30, 2025**

Schedule JGF-1

1. Beginning Inventory, October 1, 2024	(Schedule JGF-2)	\$18,801,004
2. Plus Projected Purchases <i>October 1, 2024 through September 30, 2025</i>	(Schedule JGF-2)	\$253,760,505
3. Plus: Estimated Under/(Over) Recovery from September 30, 2024	(Schedule JGF-10)	(\$2,671,645)
4. Less: Estimated Interest on monthly over recoveries during the period ending September 30, 2024	(Schedule JGF-14)	\$389,729
5. Less: Projected Ending Inventory for September 30, 2025	(Schedule JGF-2)	\$25,978,737
6. Less: Projected Credits, Refunds, etc. <i>October 1, 2024 through September 30, 2025</i>	(Schedule JGF-3, pg 2)	\$72,794,213
7. Less: Projected Gas Cost Recoveries from System Sales not subject to the recoverable unit Gas Cost of the BGSS Periodic	(Schedule JGF-5)	\$52,269,321
8. Net Recoverable Gas Costs		<u>\$118,457,865</u>
9. Applicable Therm Sales, October 1, 2024 - September 30, 2025	(Schedule JGF-4, pg 2)	300,561,414 Therms
10. Recoverable Unit Gas Cost Through BGSS-Periodic excluding taxes		\$0.394122 per thm
11. Plus New Jersey Sales and Use Tax		\$0.026111
12. Total Levelized BGSS-Periodic including taxes		<u>\$0.420233</u> per thm

<u>D-2 FES/EGS-LV/LVS RATE DERIVATION</u>	<u>Capacity</u>	<u>FES</u>	<u>EGS-LV-FIRM</u>	<u>EGS-LV-LF</u>	<u>LVS</u>
13. Transco Demand (MCFs)	116,826	\$15.546022	\$15.546022		
14. Columbia Demand (MCFs)	67,633	\$13.864860	\$13.864860		
15. D-2 Rate (Greater of Transco or Columbia or FTF)			<u>\$15.546022</u>		
16. Weighted Average Demand Rate (Transco, Columbia, FTF)		<u>\$15.469649</u>		<u>\$15.469649</u>	<u>\$15.469649</u>
17. D-2 Gas Cost Component per MCF (Excluding Taxes)		<u>\$7.734825</u>	<u>\$15.546022</u>	<u>\$7.734825</u>	<u>\$15.469649</u>
18. D-2 Gas Cost Component per MCF (Including Taxes)		<u>\$8.247257</u>	<u>\$16.575946</u>	<u>\$8.247257</u>	<u>\$16.494513</u>

**South Jersey Gas Company**  
**Statement of Gas Sendout**  
**For the Projected Period October 1, 2024 through September 30, 2025**

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	<b>PURCHASES</b>			<b>INVENTORY VOLUMES</b>		<b>SENDOUT</b>		
<b>PERIOD</b>	<b>Amount</b>	<b>Dth</b>	<b>Average Rate (col 1/2)</b>	<b>Beginning Dth</b>	<b>Ending Dth</b>	<b>Dth (col 2+4-5)</b>	<b>\$</b>	<b>Average Rate (col 7/6)</b>
<b>Oct 2024</b>	\$16,584,511	3,234,298	\$5.12770	8,375,220	9,037,760	2,571,758	\$14,775,347	\$5.74523
<b>Nov 2024</b>	\$22,262,688	4,904,263	\$4.53946	9,037,760	8,776,924	5,165,099	\$22,554,180	\$4.36665
<b>Dec 2024</b>	\$26,875,496	5,827,975	\$4.61146	8,776,924	7,491,142	7,113,758	\$29,272,778	\$4.11495
<b>Jan 2025</b>	\$31,516,107	6,695,447	\$4.70710	7,491,142	5,517,986	8,668,603	\$35,524,894	\$4.09811
<b>Feb 2025</b>	\$26,423,473	5,642,944	\$4.68257	5,517,986	3,631,927	7,529,003	\$30,423,191	\$4.04080
<b>Mar 2025</b>	\$23,444,428	5,363,841	\$4.37083	3,631,927	2,736,637	6,259,131	\$25,320,376	\$4.04535
<b>Apr 2025</b>	\$19,603,746	4,155,737	\$4.71727	2,736,637	3,515,121	3,377,253	\$17,040,395	\$5.04564
<b>May 2025</b>	\$17,323,617	3,202,216	\$5.40988	3,515,121	4,501,710	2,215,627	\$14,561,060	\$6.57198
<b>Jun 2025</b>	\$16,357,135	2,823,457	\$5.79330	4,501,710	5,497,148	1,828,019	\$13,477,719	\$7.37286
<b>Jul 2025</b>	\$18,128,117	3,046,034	\$5.95138	5,497,148	6,488,924	2,054,258	\$14,920,584	\$7.26325
<b>Aug 2025</b>	\$17,970,304	2,988,851	\$6.01245	6,488,924	7,479,059	1,998,716	\$14,709,542	\$7.35950
<b>Sep 2025</b>	\$17,270,883	2,866,784	\$6.02448	7,479,059	8,486,745	1,859,098	\$14,002,705	\$7.53199
<b>TOTAL</b>	\$253,760,505	50,751,847	\$5.00003			50,640,322	\$246,582,773	\$4.86930
<b>BEGINNING INVENTORY</b>	\$18,801,004	8,375,220	\$2.24484					
	\$272,561,510	59,127,067	\$4.60976					
<b>ENDING INVENTORY</b>	\$25,978,737	8,486,745	\$3.06110					

**South Jersey Gas Company**  
**Statement of Gas Sendout**  
**For the Projected Period October 1, 2024 through September 30, 2025**

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	<b>PURCHASES</b>				<b>SENDOUT</b>			
<b>PERIOD</b>	<b>Dth</b>	<b>Demand and Storage</b>	<b>Commodity</b>	<b>Average Commodity Rate (col 3/1)</b>	<b>Dth</b>	<b>Demand and Storage</b>	<b>Commodity</b>	<b>Average Commodity Rate (col 7/5)</b>
<b>Oct 2024</b>	3,234,298	\$8,409,596	\$8,174,915	\$2.52757	2,571,758	\$8,409,596	\$6,365,751	\$2.47525
<b>Nov 2024</b>	4,904,263	\$8,360,855	\$13,901,834	\$2.83464	5,165,099	\$8,360,855	\$14,193,325	\$2.74793
<b>Dec 2024</b>	5,827,975	\$8,604,404	\$18,271,091	\$3.13507	7,113,758	\$8,604,404	\$20,668,374	\$2.90541
<b>Jan 2025</b>	6,695,447	\$8,622,562	\$22,893,545	\$3.41927	8,668,603	\$8,622,562	\$26,902,332	\$3.10342
<b>Feb 2025</b>	5,642,944	\$8,190,095	\$18,233,378	\$3.23118	7,529,003	\$8,190,095	\$22,233,096	\$2.95299
<b>Mar 2025</b>	5,363,841	\$8,506,486	\$14,937,941	\$2.78493	6,259,131	\$8,506,486	\$16,813,889	\$2.68630
<b>Apr 2025</b>	4,155,737	\$8,010,945	\$11,592,801	\$2.78959	3,377,253	\$8,010,945	\$9,029,450	\$2.67361
<b>May 2025</b>	3,202,216	\$8,190,955	\$9,132,662	\$2.85198	2,215,627	\$8,190,955	\$6,370,105	\$2.87508
<b>Jun 2025</b>	2,823,457	\$8,000,264	\$8,356,871	\$2.95980	1,828,019	\$8,000,264	\$5,477,455	\$2.99639
<b>Jul 2025</b>	3,046,034	\$8,265,800	\$9,862,317	\$3.23776	2,054,258	\$8,265,800	\$6,654,784	\$3.23951
<b>Aug 2025</b>	2,988,851	\$8,141,288	\$9,829,016	\$3.28856	1,998,716	\$8,141,288	\$6,568,254	\$3.28624
<b>Sep 2025</b>	2,866,784	\$7,999,514	\$9,271,369	\$3.23407	1,859,098	\$7,999,514	\$6,003,192	\$3.22909
<b>TOTAL</b>	<b>50,751,847</b>	<b>\$99,302,764</b>	<b>\$154,457,741</b>	<b>\$3.04339</b>	<b>50,640,322</b>	<b>\$99,302,764</b>	<b>\$147,280,009</b>	<b>\$2.90835</b>



**South Jersey Gas Company**  
**Statement of (Over) Under Recoveries of Gas Costs**  
**For the Projected Period October 1, 2024 through September 30, 2025**  
**Based on BGSS-Periodic Rate Effective Oct 1, 2024**

PERIOD	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	RECOVERABLE COSTS			GAS COST RECOVERIES			(OVER) UNDER RECOVERY	
	GAS SENDOUT	LESS SUPPLIER REFUNDS CREDITS & Other (a)	NET RECOVERABLE COSTS (COL 1-2)	BGSS-P FIRM SALES	BGSS-MONTHLY FIRM SALES and OTHER COST RECOVERIES	TOTAL RECOVERIES (COL 4+5)	MONTHLY (OVER) UNDER RECOVERY (COL 3 &6)	CUMULATIVE (OVER) UNDER RECOVERY
BALANCE BEGINNING OCTOBER 1, 2024								(\$2,671,645) <sup>1</sup>
Interest on (Over) Recovery from September 30, 2024								(\$389,729) <sup>1</sup>
<b>Oct 2024</b>	\$14,775,347	\$4,141,477	\$10,633,870	\$2,524,343	\$1,694,993	\$4,219,337	\$6,414,534	\$3,353,160
<b>Nov 2024</b>	\$22,554,180	\$7,146,241	\$15,407,939	\$4,887,626	\$2,932,563	\$7,820,189	\$7,587,750	\$10,940,910
<b>Dec 2024</b>	\$29,272,778	\$8,203,766	\$21,069,013	\$15,796,223	\$6,319,079	\$22,115,302	(\$1,046,289)	\$9,894,621
<b>Jan 2025</b>	\$35,524,894	\$9,125,184	\$26,399,711	\$23,962,911	\$9,604,879	\$33,567,790	(\$7,168,079)	\$2,726,541
<b>Feb 2025</b>	\$30,423,191	\$8,092,428	\$22,330,763	\$23,379,808	\$8,883,521	\$32,263,329	(\$9,932,566)	(\$7,206,024)
<b>Mar 2025</b>	\$25,320,376	\$8,167,538	\$17,152,837	\$19,664,965	\$7,643,583	\$27,308,548	(\$10,155,710)	(\$17,361,735)
<b>Apr 2025</b>	\$17,040,395	\$4,401,936	\$12,638,459	\$12,471,103	\$4,939,397	\$17,410,500	(\$4,772,041)	(\$22,133,775)
<b>May 2025</b>	\$14,561,060	\$4,419,076	\$10,141,984	\$5,488,123	\$2,536,331	\$8,024,455	\$2,117,530	(\$20,016,245)
<b>Jun 2025</b>	\$13,477,719	\$4,615,551	\$8,862,168	\$3,062,529	\$1,787,343	\$4,849,871	\$4,012,297	(\$16,003,949)
<b>Jul 2025</b>	\$14,920,584	\$4,785,426	\$10,135,158	\$2,699,388	\$2,218,897	\$4,918,285	\$5,216,873	(\$10,787,075)
<b>Aug 2025</b>	\$14,709,542	\$4,856,695	\$9,852,847	\$2,088,641	\$1,871,663	\$3,960,303	\$5,892,543	(\$4,894,532)
<b>Sep 2025</b>	\$14,002,705	\$4,838,897	\$9,163,809	\$2,432,206	\$1,837,014	\$4,269,220	\$4,894,589	\$57
<b>TOTALS</b>	\$246,582,773	\$72,794,213	\$173,788,560	\$118,457,866	\$52,269,263	\$170,727,129	\$3,061,431	\$57

<sup>1</sup> Represents projected (over)/under-recovery position as of Sept. 30, 2024 and projected associated interest as shown on Schedule JGF-1

(a) Includes supplier refunds, shared margins, storage incentive mechanism, company gas use admin costs, and cost of gas for interruptible and off-system sales

**South Jersey Gas Company**  
**Statement of (Over) Under Recoveries of Gas Costs**  
**For the Projected Period October 1, 2024 through September 30, 2025**  
**Assuming Current BGSS-Periodic Rate**

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
PERIOD	RECOVERABLE COSTS			GAS COST RECOVERIES				(OVER) UNDER RECOVERY	
	GAS SENDOUT	LESS SUPPLIER REFUNDS CREDITS & OTHER (a)	NET RECOVERABLE COSTS (COL 1-2)	BGSS-P FIRM SALES	BGSS-M FIRM SALES	OTHER COST RECOVERIES	TOTAL RECOVERIES (COL 4+5+6)	MONTHLY (OVER) UNDER RECOVERY (COL 3-7)	CUMULATIVE (OVER) UNDER RECOVERY
BALANCE BEGINNING OCTOBER 1, 2024									(\$2,671,645) <sup>1</sup>
Interest on (Over) Recovery from September 30, 2024									(\$389,729) <sup>1</sup>
<b>Oct 2024</b>	\$14,775,347	\$4,141,477	\$10,633,870	\$2,493,132	\$533,459	\$1,187,549	\$4,214,140	\$6,419,730	\$3,358,356
<b>Nov 2024</b>	\$22,554,180	\$7,146,241	\$15,407,939	\$4,827,195	\$1,105,084	\$1,916,139	\$7,848,418	\$7,559,522	\$10,917,878
<b>Dec 2024</b>	\$29,272,778	\$8,203,766	\$21,069,013	\$15,600,915	\$1,798,248	\$4,857,143	\$22,256,306	(\$1,187,293)	\$9,730,584
<b>Jan 2025</b>	\$35,524,894	\$9,125,184	\$26,399,711	\$23,666,629	\$2,953,995	\$7,147,573	\$33,768,197	(\$7,368,486)	\$2,362,098
<b>Feb 2025</b>	\$30,423,191	\$8,092,428	\$22,330,763	\$23,090,736	\$2,499,542	\$6,885,129	\$32,475,408	(\$10,144,644)	(\$7,782,546)
<b>Mar 2025</b>	\$25,320,376	\$8,167,538	\$17,152,837	\$19,421,823	\$2,107,448	\$5,941,644	\$27,470,915	(\$10,318,078)	(\$18,100,624)
<b>Apr 2025</b>	\$17,040,395	\$4,401,936	\$12,638,459	\$12,316,908	\$1,343,886	\$3,848,297	\$17,509,091	(\$4,870,632)	(\$22,971,256)
<b>May 2025</b>	\$14,561,060	\$4,419,076	\$10,141,984	\$5,420,267	\$715,479	\$1,920,180	\$8,055,926	\$2,086,059	(\$20,885,197)
<b>Jun 2025</b>	\$13,477,719	\$4,615,551	\$8,862,168	\$3,024,663	\$588,686	\$1,229,871	\$4,843,220	\$4,018,949	(\$16,866,248)
<b>Jul 2025</b>	\$14,920,584	\$4,785,426	\$10,135,158	\$2,666,012	\$1,151,295	\$1,102,460	\$4,919,768	\$5,215,391	(\$11,650,857)
<b>Aug 2025</b>	\$14,709,542	\$4,856,695	\$9,852,847	\$2,062,816	\$1,013,173	\$891,131	\$3,967,119	\$5,885,728	(\$5,765,130)
<b>Sep 2025</b>	\$14,002,705	\$4,838,897	\$9,163,809	\$2,402,134	\$759,630	\$1,098,863	\$4,260,627	\$4,903,182	(\$861,947)
<b>TOTALS</b>	\$246,582,773	\$72,794,213	\$173,788,560	\$116,993,230	\$16,569,925	\$38,025,978	\$171,589,133	\$2,199,426	

<sup>1</sup> Represents projected (over)/under-recovery position as of Sept. 30, 2024 and projected associated interest as shown on Schedule JGF-1.

(a) Includes supplier refunds, shared margins, storage incentive mechanism, company gas use admin costs, and cost of gas for interruptible and off-system sales

**South Jersey Gas Company**  
**Projected Normalized Sales & Services**  
**October 1, 2024 through September 30, 2025**

**Summary (in Therms)**

	(1)	(2)	(3)
	<b>TOTAL SALES</b>	<b>TOTAL TRANSPORTATION</b>	<b>TOTAL THROUGHPUT</b>
<b>Oct 2024</b>	8,282,921	15,935,733	24,218,653
<b>Nov 2024</b>	15,705,560	18,138,650	33,844,210
<b>Dec 2024</b>	44,733,194	22,163,388	66,896,582
<b>Jan 2025</b>	67,943,708	25,585,424	93,529,133
<b>Feb 2025</b>	65,636,285	23,643,928	89,280,213
<b>Mar 2025</b>	55,849,906	23,889,029	79,738,936
<b>Apr 2025</b>	35,676,997	18,771,660	54,448,656
<b>May 2025</b>	16,053,051	15,134,957	31,188,008
<b>Jun 2025</b>	9,432,625	14,540,377	23,973,003
<b>Jul 2025</b>	9,922,136	15,791,991	25,714,127
<b>Aug 2025</b>	7,969,552	15,974,542	23,944,094
<b>Sep 2025</b>	8,192,366	13,342,050	21,534,416
<b>TOTAL</b>	345,398,302	222,911,729	568,310,031

**South Jersey Gas Company**  
**Projected Normalized Sales**  
 October 1, 2024 through September 30, 2025

Sales (in Therms)

	(1)	(2)	(3)	(4)
	<b>Firm Sales</b>		<b>Non-Firm Sales</b>	
	<b>BGSS- PERIODIC</b>	<b>BGSS-MONTHLY</b>		
	<b>RSG and GSG</b>	<b>GSG, GSG-LV, EGS, EGS-LV, LVS, NGV</b>	<b>IGS</b>	<b>TOTAL SALES</b>
<b>Oct 2024</b>	6,404,979	1,877,942	0	8,282,921
<b>Nov 2024</b>	12,401,303	3,304,257	0	15,705,560
<b>Dec 2024</b>	40,079,525	4,653,669	0	44,733,194
<b>Jan 2025</b>	60,800,745	7,142,963	0	67,943,708
<b>Feb 2025</b>	59,321,246	6,315,039	0	65,636,285
<b>Mar 2025</b>	49,895,628	5,954,278	0	55,849,906
<b>Apr 2025</b>	31,642,747	4,034,250	0	35,676,997
<b>May 2025</b>	13,924,935	2,128,116	0	16,053,051
<b>Jun 2025</b>	7,770,509	1,662,116	0	9,432,625
<b>Jul 2025</b>	6,849,118	3,073,018	0	9,922,136
<b>Aug 2025</b>	5,299,477	2,670,075	0	7,969,552
<b>Sep 2025</b>	6,171,201	2,021,165	0	8,192,366
<b>TOTAL</b>	300,561,414	44,836,888	0	345,398,302

**South Jersey Gas Company**  
**Projected Normalized Services**  
**October 1, 2024 through September 30, 2025**

**Services (in Therms)**

(1)                      (2)                      (3)                      (4)

	<b>Firm Transportation Services</b>			<b>Interruptible Transportation Service (ITS)</b>
	<b>FTS &amp; CTS</b>	<b>Customer Owned Gas</b>	<b>TOTAL SERVICES</b>	<b>ITS</b>
<b>Oct 2024</b>	12,089,613	2,944,783	15,034,396	901,336
<b>Nov 2024</b>	14,200,005	2,961,982	17,161,987	976,663
<b>Dec 2024</b>	18,711,285	2,415,637	21,126,922	1,036,466
<b>Jan 2025</b>	22,238,705	2,347,691	24,586,396	999,029
<b>Feb 2025</b>	20,755,541	2,093,600	22,849,141	794,786
<b>Mar 2025</b>	19,897,399	2,849,211	22,746,611	1,142,419
<b>Apr 2025</b>	14,857,318	3,009,504	17,866,822	904,838
<b>May 2025</b>	11,654,355	2,548,696	14,203,051	931,906
<b>Jun 2025</b>	10,632,654	3,208,914	13,841,568	698,809
<b>Jul 2025</b>	10,433,026	4,805,008	15,238,034	553,957
<b>Aug 2025</b>	10,049,455	5,043,386	15,092,841	881,701
<b>Sep 2025</b>	10,563,756	2,080,320	12,644,076	697,975
<b>TOTAL</b>	176,083,112	36,308,732	212,391,845	10,519,884

**South Jersey Gas Company**  
Gas Cost Recoveries Summary

	<b>FIRM GAS COST RECOVERIES</b>	<b>OTHER GAS COST RECOVERIES</b>
<b>Oct 2024</b>	\$3,060,821	\$1,158,516
<b>Nov 2024</b>	\$5,995,729	\$1,824,460
<b>Dec 2024</b>	\$17,597,489	\$4,517,813
<b>Jan 2025</b>	\$26,919,925	\$6,647,866
<b>Feb 2025</b>	\$25,882,369	\$6,380,960
<b>Mar 2025</b>	\$21,775,431	\$5,533,117
<b>Apr 2025</b>	\$13,818,008	\$3,592,493
<b>May 2025</b>	\$6,206,621	\$1,817,833
<b>Jun 2025</b>	\$3,654,233	\$1,195,638
<b>Jul 2025</b>	\$3,853,702	\$1,064,583
<b>Aug 2025</b>	\$3,104,832	\$855,472
<b>Sep 2025</b>	\$3,194,855	\$1,074,366
<b>Total</b>	<b>\$135,064,013</b>	<b>\$35,663,116</b>

**South Jersey Gas Company  
Gas Cost Recoveries**

	BGSS-Periodic			BGSS-Monthly			Yard and Street Lighting			Other	Total Firm Sales	
	RSG and GSG			LVS, EGS-LV Firm, EGS-LV Limited Firm, EGS, GSG-LV, NGV								
	Sales (in Therms)	Applicable Recoverable Unit Gas Cost (1)	Gas Cost Recovery	Sales (in Therms)	Gas Cost Recovery Rate (2)	Gas Cost Recovery	Sales (in Therms)	Gas Cost Recovery Rate (2)	Gas Cost Recovery	Other Cost Recoveries	Firm Sales (in Therms)	Gas Cost Recovery
Oct 2024	6,404,979	\$0.394122	\$2,524,343	1,868,509	\$0.285500	\$533,459	9,433	\$0.320000	\$3,019	\$1,158,516	8,282,921	\$4,219,337
Nov 2024	12,401,303	\$0.394122	\$4,887,626	3,294,824	\$0.335400	\$1,105,084	9,433	\$0.320000	\$3,019	\$1,824,460	15,705,560	\$7,820,189
Dec 2024	40,079,525	\$0.394122	\$15,796,223	4,644,236	\$0.387200	\$1,798,248	9,433	\$0.320000	\$3,019	\$4,517,813	44,733,194	\$22,115,302
Jan 2025	60,800,745	\$0.394122	\$23,962,911	7,133,530	\$0.414100	\$2,953,995	9,433	\$0.320000	\$3,019	\$6,647,866	67,943,708	\$33,567,790
Feb 2025	59,321,246	\$0.394122	\$23,379,808	6,305,606	\$0.396400	\$2,499,542	9,433	\$0.320000	\$3,019	\$6,380,960	65,636,285	\$32,263,329
Mar 2025	49,895,628	\$0.394122	\$19,664,965	5,944,845	\$0.354500	\$2,107,448	9,433	\$0.320000	\$3,019	\$5,533,117	55,849,906	\$27,308,548
Apr 2025	31,642,747	\$0.394122	\$12,471,103	4,024,817	\$0.333900	\$1,343,886	9,433	\$0.320000	\$3,019	\$3,592,493	35,676,997	\$17,410,500
May 2025	13,924,935	\$0.394122	\$5,488,123	2,118,683	\$0.337700	\$715,479	9,433	\$0.320000	\$3,019	\$1,817,833	16,053,051	\$8,024,455
Jun 2025	7,770,509	\$0.394122	\$3,062,529	1,652,683	\$0.356200	\$588,686	9,433	\$0.320000	\$3,019	\$1,195,638	9,432,625	\$4,849,871
Jul 2025	6,849,118	\$0.394122	\$2,699,388	3,063,585	\$0.375800	\$1,151,295	9,433	\$0.320000	\$3,019	\$1,064,583	9,922,136	\$4,918,285
Aug 2025	5,299,477	\$0.394122	\$2,088,641	2,660,642	\$0.380800	\$1,013,173	9,433	\$0.320000	\$3,019	\$855,472	7,969,552	\$3,960,303
Sep 2025	6,171,201	\$0.394122	\$2,432,206	2,011,732	\$0.377600	\$759,630	9,433	\$0.320000	\$3,019	\$1,074,366	8,192,366	\$4,269,220
<b>Total</b>	<b>300,561,414</b>		<b>\$118,457,866</b>	<b>44,723,692</b>		<b>\$16,569,925</b>	<b>113,196</b>		<b>\$36,223</b>	<b>\$35,663,116</b>	<b>345,398,302</b>	<b>\$170,727,129</b>

Notes:

- (1) Recoverable Unit Gas Cost that underlies the BGSS rate in effect at the time of the sale.
- (2) Gas Cost Recovery rate is calculated in accordance with the methodology described in the respective service classifications as approved by the BPU in Docket No. GX01050304.

South Jersey Gas Company  
Other Gas Cost Recoveries

	Rider "I" Opt In BSC - Balancing Service Charges			Rider "I" Opt Out BSC - Balancing Service Charges			Rider "J" BSC - Balancing Service Charges			Non-Commodity			D-2 Demand Charge			Total Other Gas Cost Recoveries *	
	Sales (Therms)	Applicable Recoverable		Sales (Therms)	Applicable Recoverable		Sales (Therms)	Applicable Recoverable		Sales (Therms)	Applicable Recoverable		Sales (Therms)	Applicable Recoverable		Sales (Therms)	Gas Cost Recovery
		Unit Gas Cost	Gas Cost Recovery		Unit Gas Cost	Gas Cost Recovery		Unit Gas Cost	Gas Cost Recovery		Unit Gas Cost	Gas Cost Recovery		Unit Gas Cost	Gas Cost Recovery		
Oct 2024	901,336	\$0.064322	\$57,976	11,462,734	\$0.002276	\$26,089	11,274,975	\$0.064322	\$725,229	1,609,944	\$0.212308	\$341,804	959	7.734825	7,417.70	25,249,948	1,158,516
Nov 2024	976,663	\$0.064322	\$62,821	11,854,084	\$0.002276	\$26,980	19,678,475	\$0.064322	\$1,265,759	2,173,649	\$0.212308	\$461,483	959	7.734825	7,417.70	34,683,830	1,824,461
Dec 2024	1,036,466	\$0.064322	\$66,668	11,878,341	\$0.002276	\$27,035	53,771,582	\$0.064322	\$3,458,696	4,512,296	\$0.212308	\$957,996	959	7.734825	7,417.70	71,199,643	4,517,813
Jan 2025	999,029	\$0.064322	\$64,260	12,217,352	\$0.002276	\$27,807	79,811,938	\$0.064322	\$5,133,663	6,663,518	\$0.212308	\$1,414,718	959	7.734825	7,417.70	99,692,795	6,647,866
Feb 2025	794,786	\$0.064322	\$51,122	10,831,764	\$0.002276	\$24,653	77,471,096	\$0.064322	\$4,983,096	6,192,282	\$0.212308	\$1,314,671	959	7.734825	7,417.70	95,290,887	6,380,960
Mar 2025	1,142,419	\$0.064322	\$73,483	12,108,029	\$0.002276	\$27,558	65,854,322	\$0.064322	\$4,235,882	5,599,303	\$0.212308	\$1,188,777	959	7.734825	7,417.70	84,705,033	5,533,118
Apr 2025	904,838	\$0.064322	\$58,201	10,040,303	\$0.002276	\$22,852	42,240,009	\$0.064322	\$2,716,962	3,707,163	\$0.212308	\$787,060	959	7.734825	7,417.70	56,893,271	3,592,493
May 2025	931,906	\$0.064322	\$59,942	10,147,684	\$0.002276	\$23,096	19,982,340	\$0.064322	\$1,285,304	2,082,227	\$0.212308	\$442,073	959	7.734825	7,417.70	33,145,116	1,817,833
Jun 2025	698,809	\$0.064322	\$44,949	10,756,204	\$0.002276	\$24,481	12,008,823	\$0.064322	\$772,432	1,631,400	\$0.212308	\$346,359	959	7.734825	7,417.70	25,096,196	1,195,639
Jul 2025	553,957	\$0.064322	\$35,632	11,882,909	\$0.002276	\$27,045	10,919,122	\$0.064322	\$702,340	1,376,059	\$0.212308	\$292,148	959	7.734825	7,417.70	24,733,006	1,064,583
Aug 2025	881,701	\$0.064322	\$56,713	11,820,148	\$0.002276	\$26,903	8,421,238	\$0.064322	\$541,671	1,049,267	\$0.212308	\$222,768	959	7.734825	7,417.70	22,173,312	855,473
Sep 2025	697,975	\$0.064322	\$44,895	9,716,701	\$0.002276	\$22,115	10,526,779	\$0.064322	\$677,103	1,520,594	\$0.212308	\$322,834	959	7.734825	7,417.70	22,463,008	1,074,365
<b>Total</b>	<b>10,519,884</b>		<b>\$676,662</b>	<b>134,716,251</b>		<b>\$306,614</b>	<b>411,960,700</b>		<b>\$26,498,137</b>	<b>38,117,702</b>		<b>\$8,092,691</b>	<b>11,508</b>		<b>89,012.37</b>	<b>595,326,045</b>	<b>\$35,663,116</b>

\* All other recoveries besides Periodic and Monthly recoveries



**South Jersey Gas Company  
Monthly BGSS Non-Commodity Rate**

1. Projected Annual Demand Costs	\$11,106,454
2. Less: Interruptible, OSS and Capacity Release Credit	(\$3,013,777)
3. Total Costs	<u>\$8,092,678</u>
4. Projected Annual Firm Sales Quantities subject to the BGSS (LVS, EGS-LV Firm, EGS-LV Limited Firm, EGS, GSG-LV, NGV)	<u>38,117,702</u> Therms
5. Monthly Non-Commodity Rate excluding Sales Tax	<b>\$0.212308</b> /Therm
6. Monthly Non-Commodity Rate including Sales Tax	<b>\$0.226373</b> /Therm

**South Jersey Gas Company**  
**Statement of Injections and Withdrawals - Natural Gas Inventory**  
**For the Projected Period October 1, 2024 through September 30, 2025**

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Period	Injections		Inventory (Dth)		Withdrawals			Ending Inventory	
	Amount	Dth	Beginning	Ending	Sendout (Dth)	Average Relief Rate	Cost of Sendout from Storage	Ending Inventory (Dth)	Ending Inventory (\$)
<b>Beginning Inventory</b>								8,025,137	\$16,055,247
Oct 2024	\$1,652,973	690,734	8,025,137	8,603,460	112,411	\$2.1404	\$240,602	8,603,460	\$17,467,619
Nov 2024	\$904,383	327,386	8,603,460	8,351,124	579,722	\$2.0244	\$1,173,586	8,351,124	\$17,198,415
Dec 2024	\$861,205	283,080	8,351,124	7,095,342	1,538,863	\$2.0048	\$3,085,125	7,095,342	\$14,974,495
Jan 2025	\$952,661	282,660	7,095,342	5,192,186	2,185,816	\$2.0615	\$4,506,121	5,192,186	\$11,421,035
Feb 2025	\$924,387	292,594	5,192,186	3,331,127	2,153,654	\$2.2096	\$4,758,768	3,331,127	\$7,586,654
Mar 2025	\$946,500	359,513	3,331,127	2,452,837	1,237,803	\$2.1976	\$2,720,227	2,452,837	\$5,812,927
Apr 2025	\$2,693,880	976,709	2,452,837	3,099,621	329,925	\$2.4670	\$813,935	3,099,621	\$7,692,872
May 2025	\$2,852,815	1,022,689	3,099,621	4,093,410	28,900	\$2.4679	\$71,323	4,093,410	\$10,474,365
Jun 2025	\$2,949,094	1,022,688	4,093,410	5,095,848	20,250	\$2.5486	\$51,608	5,095,848	\$13,371,850
Jul 2025	\$3,286,743	1,021,776	5,095,848	6,094,624	23,000	\$2.6340	\$60,583	6,094,624	\$16,598,010
Aug 2025	\$3,349,828	1,023,135	6,094,624	7,091,759	26,000	\$2.6873	\$69,870	7,091,759	\$19,877,968
Sep 2025	\$3,312,110	1,024,192	7,091,759	8,105,945	10,006	\$2.7840	\$27,857	8,105,945	\$23,162,222

**South Jersey Gas Company**  
**For the Projected Period October 1, 2024 through September 30, 2025**  
**Calculation of Non-Firm Gas Cost Recovery Rates**

	(1)	(2)	(3)	(4)	(5) (2) + (3) + (4)
	<u>Tariff ITS \$/Thm</u>	<u>BGSS-Monthly w/line loss \$/Thm</u>	<u>NIBT \$/Thm</u>	<u>Taxes</u>	<u>Total IGS \$/Thm</u>
<b>Oct 2024</b>	\$0.083600	\$0.247489	\$1.445400	\$0.112154	\$1.805043
<b>Nov 2024</b>	\$0.083600	\$0.271934	\$1.445400	\$0.113773	\$1.831107
<b>Dec 2024</b>	\$0.083600	\$0.324272	\$1.445400	\$0.117241	\$1.886912
<b>Jan 2025</b>	\$0.083600	\$0.351455	\$1.445400	\$0.119042	\$1.915897
<b>Feb 2025</b>	\$0.083600	\$0.333603	\$1.445400	\$0.117859	\$1.896862
<b>Mar 2025</b>	\$0.083600	\$0.291206	\$1.445400	\$0.115050	\$1.851656
<b>Apr 2025</b>	\$0.083600	\$0.276802	\$1.445400	\$0.114096	\$1.836298
<b>May 2025</b>	\$0.083600	\$0.280555	\$1.445400	\$0.114345	\$1.840300
<b>Jun 2025</b>	\$0.083600	\$0.299219	\$1.445400	\$0.115581	\$1.860199
<b>Jul 2025</b>	\$0.083600	\$0.319200	\$1.445400	\$0.116905	\$1.881505
<b>Aug 2025</b>	\$0.083600	\$0.324170	\$1.445400	\$0.117234	\$1.886804
<b>Sep 2025</b>	\$0.083600	\$0.320925	\$1.445400	\$0.117019	\$1.883344

**South Jersey Gas Company**  
**Monthly Interruptible/Off-System/Capacity Release Credits**  
**For the Projected Period October 1, 2024 through September 30, 2025**

Schedule JGF-9

(1)      (2)      (3)      (4)      (5)      (5)      (7)      (8)      (9)      (10)      (11)      (12)      (13)      (14)

	Interruptible				Capacity Release				(9) Adelphia Contract	Off-System Sales				Total Credit To BGSS
	Volumes (Dth)	Rate (\$/Dth)	Total Margins (\$)	85% Credit to BGSS (\$)	Volumes (Dth)	Rate (\$/Dth)	Total Margins (\$)	85% Credit to BGSS (\$)	Additional 15% Credit To BGSS	Volumes (Dth)	Rate (\$/Dth)	Total Margins (\$)	85% Credit to BGSS (\$)	
Oct 2024	90,134	\$0.83080	\$74,883	\$63,651	8,635,980	\$0.08021	\$692,658	\$588,759	\$4,168	1,060,000	\$0.98774	\$1,047,000	\$889,950	\$1,546,528
Nov 2024	97,666	\$0.83080	\$81,141	\$68,970	3,977,400	\$0.33822	\$1,345,254	\$1,143,466	\$4,168	1,575,000	\$1.26873	\$1,998,250	1,698,513	\$2,915,117
Dec 2024	103,647	\$0.83080	\$86,110	\$73,193	4,109,980	\$0.33822	\$1,390,096	\$1,181,581	\$4,168	1,627,500	\$1.25154	\$2,036,875	1,731,344	\$2,990,286
Jan 2025	99,903	\$0.83080	\$82,999	\$70,549	4,109,980	\$0.33822	\$1,390,096	\$1,181,581	\$4,168	1,627,500	\$1.59542	\$2,596,542	2,207,060	\$3,463,358
Feb 2025	79,479	\$0.83080	\$66,031	\$56,126	3,712,240	\$0.33822	\$1,255,570	\$1,067,235	\$4,168	1,470,000	\$1.68753	\$2,480,667	2,108,567	\$3,236,096
Mar 2025	114,242	\$0.83080	\$94,912	\$80,675	4,109,980	\$0.33822	\$1,390,096	\$1,181,581	\$4,168	1,627,500	\$1.59542	\$2,596,542	2,207,060	\$3,473,484
Apr 2025	90,484	\$0.83080	\$75,174	\$63,898	8,357,400	\$0.08021	\$670,314	\$569,767	\$4,168	1,050,000	\$0.99238	\$1,042,000	885,700	\$1,523,533
May 2025	93,191	\$0.83080	\$77,423	\$65,809	8,635,980	\$0.08021	\$692,658	\$588,759	\$4,168	1,035,000	\$1.00990	\$1,045,250	888,463	\$1,547,199
Jun 2025	69,881	\$0.83080	\$58,057	\$49,349	8,357,400	\$0.08021	\$670,314	\$569,767	\$4,168	1,050,000	\$0.99238	\$1,042,000	885,700	\$1,508,984
Jul 2025	55,396	\$0.83080	\$46,023	\$39,119	8,635,980	\$0.08021	\$692,658	\$588,759	\$4,168	1,035,000	\$1.00990	\$1,045,250	888,463	\$1,520,509
Aug 2025	88,170	\$0.83080	\$73,252	\$62,264	8,635,980	\$0.08021	\$692,658	\$588,759	\$4,168	1,035,000	\$1.00990	\$1,045,250	888,463	\$1,543,654
Sep 2025	69,797	\$0.83080	\$57,988	\$49,290	8,357,400	\$0.08021	\$670,314	\$569,767	\$4,168	1,050,000	\$0.99238	\$1,042,000	885,700	\$1,508,925
<b>Total</b>	<b>1,051,988</b>	<b>\$0.83080</b>	<b>\$873,992</b>	<b>\$742,893</b>	<b>79,635,700</b>	<b>\$0.14507</b>	<b>\$11,552,685</b>	<b>\$9,819,781</b>	<b>\$50,015</b>	<b>15,242,500</b>	<b>\$1.24767</b>	<b>\$19,017,625</b>	<b>\$16,164,983</b>	<b>\$26,777,672</b>

**South Jersey Gas Company**  
**Statement of Annual Reconciliation of Gas Costs and Recoveries**  
**For the Period October 1, 2023 through September 30, 2024**

Period	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
	Recoverable Costs			Gas Cost Recoveries					(Over) Under Recovery	
	Gas Sendout	Less Supplier Refunds, Credits & Other (a)	Net Recoverable Costs (1-2)	From Firm Sales			Non Firm Sales	Total Recoveries (6+7)	Monthly (Over)Under Recovery (3-8)	Cumulative (Over) Under Recovery
				Periodic	Monthly	Total				
<b>Under-recovery at October 1, 2023</b>										\$7,297,530 (b)
Oct-23	\$11,696,980	\$3,564,436	\$8,132,544	\$3,793,178	\$1,514,505	\$5,307,683	\$74,068	\$5,381,751	\$2,750,793	\$10,048,323
Nov-23	\$19,184,589	\$8,521,821	\$10,662,768	\$7,198,766	\$2,812,735	\$10,011,501	\$81,282	\$10,092,782	\$569,985	\$10,618,308
Dec-23	\$22,533,266	\$9,375,926	\$13,157,340	\$13,773,162	\$5,045,052	\$18,818,214	\$101,392	\$18,919,606	(\$5,762,266)	\$4,856,042
Jan-24	\$33,272,925	\$9,709,319	\$23,563,606	\$18,960,602	\$6,896,619	\$25,857,222	\$124,068	\$25,981,290	(\$2,417,684)	\$2,438,357
Feb-24	\$22,819,806	\$6,733,132	\$16,086,675	\$19,145,457	\$6,949,290	\$26,094,747	\$106,461	\$26,201,208	(\$10,114,533)	(\$7,676,175)
Mar-24	\$17,871,371	\$6,797,667	\$11,073,704	\$14,631,005	\$5,424,726	\$20,055,731	\$82,340	\$20,138,072	(\$9,064,368)	(\$16,740,543)
Apr-24	\$14,367,560	\$2,730,463	\$11,637,097	\$11,280,892	\$4,085,937	\$15,366,828	\$82,954	\$15,449,782	(\$3,812,685)	(\$20,553,229)
May-24 *	\$12,332,703	\$2,984,779	\$9,347,924	\$5,505,583	\$2,272,496	\$7,778,078	\$77,907	\$7,855,986	\$1,491,938	(\$19,061,290)
Jun-24 *	\$11,833,293	\$3,582,548	\$8,250,745	\$3,151,297	\$1,610,918	\$4,762,215	\$58,420	\$4,820,635	\$3,430,109	(\$15,631,181)
Jul-24 *	\$12,750,877	\$3,867,854	\$8,883,023	\$2,768,878	\$1,900,630	\$4,669,508	\$46,311	\$4,715,819	\$4,167,204	(\$11,463,977)
Aug-24 *	\$12,544,771	\$3,997,604	\$8,547,167	\$2,066,693	\$1,575,846	\$3,642,539	\$73,710	\$3,716,249	\$4,830,918	(\$6,633,059)
Sep-24 *	\$11,986,999	\$3,997,239	\$7,989,760	\$2,371,053	\$1,598,942	\$3,969,995	\$58,351	\$4,028,346	\$3,961,414	(\$2,671,645)
	\$203,195,139	\$65,862,788	\$137,332,351	\$104,646,565	\$41,687,697	\$146,334,262	\$967,264	\$147,301,526	(\$9,969,175)	

Interest Expense (Sch JGF-14) (\$389,729)  
Total Opening Balance, (Sch JGF-3) (\$3,061,374)

\* Forecast

(a) Includes supplier refunds, shared margins credits, storage incentive mechanism, interruptible and off-system sales costs of gas, and company gas use costs credited to the customers

(b) Represents opening balance as of September 30th.

**South Jersey Gas Company**  
**Statement of Combined Gas Sendout**  
**For the Period October 1, 2023 through September 30, 2024**

	(1)	(2)	(3=2/1)	(4)	(5)	(6)	(7=6/5)	(8)	(9)	(10=9/8)
	<b>Purchases</b>			<b>Inventory</b>				<b>Sendout</b>		
<b>Period</b>	<b>Dth's</b>	<b>Amount</b>	<b>Average Rate</b>	<b>Beginning</b>	<b>Ending</b>	<b>Ending Amount</b>	<b>Average Rate</b>	<b>Dth's</b>	<b>Amount</b>	<b>Average Rate</b>
<b>Beginning Inventory</b>					7,575,646	\$18,544,779	\$2.4479			
Oct-23	2,713,258	\$13,209,169	\$4.8684	7,575,646	8,484,577	\$20,056,968	\$2.3639	1,804,327	\$11,696,980	\$6.48274
Nov-23	4,552,813	\$18,685,226	\$4.1041	8,484,577	8,158,443	\$19,557,605	\$2.3972	4,878,947	\$19,184,589	\$3.93212
Dec-23	5,037,446	\$20,763,758	\$4.1219	8,158,443	7,198,266	\$17,788,098	\$2.4712	5,997,623	\$22,533,266	\$3.75703
Jan-24	5,493,550	\$28,531,637	\$5.1937	7,198,266	4,951,584	\$13,046,809	\$2.6349	7,740,232	\$33,272,925	\$4.29870
Feb-24	4,393,085	\$19,230,249	\$4.3774	4,951,584	3,233,928	\$9,457,252	\$2.9244	6,110,741	\$22,819,806	\$3.73438
Mar-24	3,472,070	\$13,988,354	\$4.0288	3,233,928	1,554,219	\$5,574,235	\$3.5865	5,151,779	\$17,871,371	\$3.46897
Apr-24	3,319,778	\$15,775,671	\$4.7520	1,554,219	2,633,106	\$6,982,346	\$2.6518	2,240,891	\$14,367,560	\$6.41154
May-24 *	3,626,349	\$14,158,964	\$3.9045	2,633,106	3,957,259	\$8,808,608	\$2.2259	2,302,196	\$12,332,703	\$5.35693
Jun-24 *	3,030,451	\$13,919,413	\$4.5932	3,957,259	5,057,262	\$10,894,728	\$2.1543	1,930,448	\$11,833,293	\$6.12982
Jul-24 *	3,204,579	\$15,290,297	\$4.7714	5,057,262	6,155,777	\$13,434,148	\$2.1824	2,106,064	\$12,750,877	\$6.05436
Aug-24 *	3,186,706	\$15,218,169	\$4.7755	6,155,777	7,257,498	\$16,107,546	\$2.2194	2,084,985	\$12,544,771	\$6.01672
Sep-24 *	3,042,691	\$14,680,458	\$4.8248	7,257,498	8,375,220	\$18,801,004	\$2.2448	1,924,969	\$11,986,999	\$6.22711
	<u>45,072,776</u>	<u>\$203,451,364</u>						<u>44,273,202</u>	<u>\$203,195,139</u>	

\*Forecast

**South Jersey Gas Company**  
**Statement of Combined Gas Sendout**  
**For the Period October 1, 2023 through September 30, 2024**

	(1)	(2)	(3)	(4=3/1)	(5)	(6)	(7)	(8)	(9=7+8/5)
	<b>Purchases</b>				<b>Sendout</b>				
	<b>Average Commodity Rate</b>				<b>Average Commodity Rate</b>				
<b>Period</b>	<b>Dth's</b>	<b>Demand &amp; Storage</b>	<b>Commodity</b>	<b>\$/dth</b>	<b>Dth's</b>	<b>Demand &amp; Storage</b>	<b>Commodity</b>	<b>Other Commodity Costs</b>	<b>\$/dth</b>
Oct-23	2,713,258	\$7,285,442	\$5,914,798	\$2.1800	1,804,327	\$7,285,442	\$4,956,708	(\$545,170)	\$2.4450
Nov-23	4,552,813	\$7,244,198	\$11,432,359	\$2.5111	4,878,947	\$7,244,198	\$11,896,354	\$44,037	\$2.4473
Dec-23	5,037,446	\$7,180,176	\$13,580,387	\$2.6959	5,997,623	\$7,180,176	\$15,411,511	(\$58,421)	\$2.5599
Jan-24	5,493,550	\$7,496,995	\$19,283,444	\$3.5102	7,740,232	\$7,496,995	\$23,892,521	\$1,883,409	\$3.3301
Feb-24	4,393,085	\$7,383,169	\$11,783,613	\$2.6823	6,110,741	\$7,383,169	\$15,230,177	\$206,460	\$2.5261
Mar-24	3,472,070	\$7,344,215	\$6,621,763	\$1.9072	5,151,779	\$7,344,215	\$10,451,825	\$75,331	\$2.0434
Apr-24	3,319,778	\$7,104,749	\$8,654,161	\$2.6068	2,240,891	\$7,104,749	\$7,129,684	\$133,126	\$3.2410
May-24	* 3,626,349	\$7,205,637	\$6,953,327	\$1.9174	2,302,196	\$7,205,637	\$5,127,066	\$0	\$2.2270
Jun-24	* 3,030,451	\$7,022,630	\$6,896,783	\$2.2758	1,930,448	\$7,022,630	\$4,810,663	\$0	\$2.4920
Jul-24	* 3,204,579	\$7,271,888	\$8,018,409	\$2.5022	2,106,064	\$7,271,888	\$5,478,988	\$0	\$2.6015
Aug-24	* 3,186,706	\$7,146,954	\$8,071,215	\$2.5328	2,084,985	\$7,146,954	\$5,397,817	\$0	\$2.5889
Sep-24	* 3,042,691	\$7,021,377	\$7,659,081	\$2.5172	1,924,969	\$7,021,377	\$4,965,622	\$0	\$2.5796
	<u>45,072,776</u>	<u>\$86,707,430</u>	<u>\$114,869,340</u>	<u>\$2.5485</u>	<u>44,273,202</u>	<u>\$86,707,430</u>	<u>\$114,748,937</u>	<u>\$1,738,772</u>	<u>\$2.6311</u>

\* Forecast

**South Jersey Gas Company**  
**Monthly Interruptible/Off-System/Capacity Release Credits**  
**For the Period October 1, 2023 through September 30, 2024**

	(1)	(2)	(3)	(4)	(5)	(5)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	<b>Interruptible</b>				<b>Capacity Releases</b>				<b>Adelphia Contract</b>	<b>Off System Sales</b>				
<b>Period</b>	<b>Volumes Dths</b>	<b>Average Rate</b>	<b>Total Amount</b>	<b>85% Credit To BGSS</b>	<b>Volumes Dths</b>	<b>Average Rate</b>	<b>Total Amount</b>	<b>Credit 85% To BGSS</b>	<b>**Additional 15% Credit To BGSS</b>	<b>Volumes Dths</b>	<b>Average Rate</b>	<b>Total Amount</b>	<b>Credit 85% To BGSS</b>	<b>Total Credit To BGSS</b>
Oct-23	84,909	\$0.8723	\$74,068	\$62,958	9,656,219	\$0.0976	\$942,911	\$801,475	\$4,380	465,000	\$3.9919	\$1,856,238	\$1,577,802	\$2,446,615
Nov-23	92,834	\$0.8756	\$81,282	\$69,089	8,876,310	\$0.2531	\$2,246,859	\$1,909,830	\$12,547	1,190,691	\$2.4826	\$2,955,989	\$2,512,591	\$4,504,058
Dec-23	108,032	\$0.9385	\$101,392	\$86,183	9,042,248	\$0.2687	\$2,429,757	\$2,065,294	\$25,009	1,452,326	\$2.3378	\$3,395,303	\$2,886,008	\$5,062,493
Jan-24	124,824	\$0.9939	\$124,068	\$105,458	6,656,780	\$0.3166	\$2,107,257	\$1,791,169	\$12,237	1,553,251	\$2.4410	\$3,791,468	\$3,222,748	\$5,131,611
Feb-24	115,446	\$0.9222	\$106,461	\$90,491	5,892,020	\$0.3359	\$1,979,325	\$1,682,426	\$10,950	1,098,980	\$2.3812	\$2,616,850	\$2,224,323	\$4,008,191
Mar-24	94,012	\$0.8759	\$82,340	\$69,989	7,187,580	\$0.2813	\$2,022,177	\$1,718,850	\$10,950	1,551,800	\$1.8567	\$2,881,303	\$2,449,107	\$4,248,897
Apr-24	96,453	\$0.8600	\$82,954	\$70,511	9,917,400	\$0.0945	\$936,989	\$796,441	\$4,438	537,039	\$2.1473	\$1,153,159	\$980,185	\$1,851,574
May-24 *	93,191	\$0.8308	\$77,423	\$65,809	8,635,980	\$0.0802	\$692,658	\$588,759	\$4,168	1,035,000	\$1.0099	\$1,045,250	\$888,463	\$1,547,199
Jun-24 *	69,881	\$0.8308	\$58,057	\$49,349	8,357,400	\$0.0802	\$670,314	\$569,767	\$4,168	1,050,000	\$0.9924	\$1,042,000	\$885,700	\$1,508,983
Jul-24 *	55,396	\$0.8308	\$46,023	\$39,119	8,635,980	\$0.0802	\$692,658	\$588,759	\$4,168	1,035,000	\$1.0099	\$1,045,250	\$888,463	\$1,520,509
Aug-24 *	88,170	\$0.8308	\$73,252	\$62,264	8,635,980	\$0.0802	\$692,658	\$588,759	\$4,168	1,035,000	\$1.0099	\$1,045,250	\$888,463	\$1,543,653
Sep-24 *	69,797	\$0.8308	\$57,988	\$49,290	8,357,400	\$0.0802	\$670,314	\$569,767	\$4,168	1,050,000	\$0.9924	\$1,042,000	\$885,700	\$1,508,924
	1,092,943	\$0.8832	\$965,307	\$820,511	99,851,297	\$0.1611	\$16,083,877	\$13,671,296	\$101,350	13,054,087	\$1.8286	\$23,870,060	\$20,289,551	\$34,882,708

\* Forecast

\*\* Reflects 100% capacity release credits or off-system sales margins derived from the use of pipeline capacity under the contract between the Company and Adelphia Gateway, LLC.



**South Jersey Gas Company**  
**Gas Costs Recovered Through Sales**  
**For the Period October 1, 2023 through September 30, 2024**

<u>Period</u>	<u>Firm</u>					<u>Total Amount Credited To BGSS</u>	
	<u>Periodic</u>		<u>Monthly</u>		<u>Total</u>		
	<u>Dth</u>	<u>\$</u>	<u>Dth</u>	<u>\$</u>	<u>Dth</u>		
Oct-23	795,512	\$3,793,178	144,671	\$1,588,574	940,182	\$5,381,751	
Nov-23	1,854,053	\$7,198,766	223,143	\$2,894,017	2,077,196	\$10,092,782	
Dec-23	3,538,747	\$13,773,162	362,068	\$5,146,444	3,900,815	\$18,919,606	
Jan-24	4,870,905	\$18,960,602	522,763	\$7,020,688	5,393,668	\$25,981,290	
Feb-24	4,918,080	\$19,145,457	505,394	\$7,055,751	5,423,475	\$26,201,208	
Mar-24	3,764,506	\$14,631,005	485,071	\$5,507,066	4,249,577	\$20,138,072	
Apr-24	2,897,048	\$11,280,892	398,999	\$4,168,891	3,296,048	\$15,449,782	
May-24	*	1,414,412	\$5,505,583	217,324	\$2,350,403	1,631,735	\$7,855,986
Jun-24	*	809,584	\$3,151,297	163,735	\$1,669,338	973,319	\$4,820,635
Jul-24	*	711,338	\$2,768,878	307,410	\$1,946,941	1,018,748	\$4,715,819
Aug-24	*	530,944	\$2,066,693	267,775	\$1,649,556	798,718	\$3,716,249
Sep-24	*	609,135	\$2,371,053	200,381	\$1,657,292	809,517	\$4,028,346
<b>TOTAL</b>		<u>26,714,263</u>	<u>\$104,646,565</u>	<u>3,798,734</u>	<u>\$42,654,961</u>	<u>30,512,997</u>	<u>\$147,301,526</u>

\* Forecast

**South Jersey Gas Company**  
**Gas Costs Recovered Through Sales**  
**For the Period October 1, 2023 through September 30, 2024**

Period	Non-Firm						Total Amount Credited To BGSS
	IGS		ITS		Total		
	<u>Dth</u>	<u>\$</u>	<u>Dth</u>	<u>\$</u>	<u>Dth</u>	<u>\$</u>	
Oct-23	-	\$0	84,909	\$74,068	84,909	\$74,068	\$5,381,751
Nov-23	-	\$0	92,834	\$81,282	92,834	\$81,282	\$10,092,782
Dec-23	-	\$0	108,032	\$101,392	108,032	\$101,392	\$18,919,606
Jan-24	-	\$0	124,824	\$124,068	124,824	\$124,068	\$25,981,290
Feb-24	-	\$0	115,446	\$106,461	115,446	\$106,461	\$26,201,208
Mar-24	-	\$0	94,012	\$82,340	94,012	\$82,340	\$20,138,072
Apr-24	-	\$0	96,453	\$82,954	96,453	\$82,954	\$15,449,782
May-24	*	-	93,191	\$77,907	93,191	\$77,907	\$7,855,986
Jun-24	*	-	69,881	\$58,420	69,881	\$58,420	\$4,820,635
Jul-24	*	-	55,396	\$46,311	55,396	\$46,311	\$4,715,819
Aug-24	*	-	88,170	\$73,710	88,170	\$73,710	\$3,716,249
Sep-24	*	-	69,797	\$58,351	69,797	\$58,351	\$4,028,346
<b>TOTAL</b>	<b>-</b>	<b>\$0</b>	<b>1,092,943</b>	<b>\$967,264</b>	<b>1,092,943</b>	<b>\$967,264</b>	<b>\$147,301,526</b>

\* Forecast

**South Jersey Gas Company**  
**Computation of Interest on Cumulative (Over) Under Recovery**  
**For the Period October 1, 2023 through September 30, 2024**

<b>Period</b>	<b>Under/(Over) Beginning</b>	<b>Under/(Over) Ending</b>	<b>Under/(Over) Average Balance</b>	<b>Monthly Interest Rate (a)</b>	<b>Computed Interest (Expense)</b>	<b>Cumulative Computed Interest (Expense)</b>
Oct-23	\$7,297,530	\$10,048,323	\$8,672,926	0.5775%	\$50,086	\$50,086
Nov-23	\$10,048,323	\$10,618,308	\$10,333,315	0.5775%	\$59,675	\$109,761
Dec-23	\$10,618,308	\$4,856,042	\$7,737,175	0.5775%	\$44,682	\$154,443
Jan-24	\$4,856,042	\$2,438,357	\$3,647,199	0.5775%	\$21,063	\$175,506
Feb-24	\$2,438,357	(\$7,676,175)	(\$2,618,909)	0.5775%	(\$15,124)	\$160,382
Mar-24	(\$7,676,175)	(\$16,740,543)	(\$12,208,359)	0.5775%	(\$70,503)	\$89,878
Apr-24	(\$16,740,543)	(\$20,553,229)	(\$18,646,886)	0.5775%	(\$107,686)	(\$17,807)
May-24	* (\$20,553,229)	(\$19,061,290)	(\$19,807,259)	0.5775%	(\$114,387)	(\$132,194)
Jun-24	* (\$19,061,290)	(\$15,631,181)	(\$17,346,236)	0.5775%	(\$100,175)	(\$232,369)
Jul-24	* (\$15,631,181)	(\$11,463,977)	(\$13,547,579)	0.5775%	(\$78,237)	(\$310,606)
Aug-24	* (\$11,463,977)	(\$6,633,059)	(\$9,048,518)	0.5775%	(\$52,255)	(\$362,861)
Sep-24	* (\$6,633,059)	(\$2,671,645)	(\$4,652,352)	0.5775%	(\$26,867)	(\$389,729)

\* Forecast

Pursuant to Docket Nos. GR87091101 and GR89080731, the Company is utilizing the monthly offset methodology. Interest is forecasted to be credited to ratepayers since interest on over-recoveries exceeds interest on under-recoveries.

**South Jersey Gas Company**  
**Statement of Injections and Withdrawals - Natural Gas Inventory**  
**For the Period October 1, 2023 through September 30, 2024**

Period	Injections		Inventory (Dth's)		Withdrawals			Ending Inventory	
	Dth's	Amount	Beginning	Ending	Sendout	Average Rate	Cost of Sendout from Storage	Ending Inventory (Dth's)	Ending Inventory (\$)
<b>Beginning Inventory</b>								7,216,929	\$15,595,973
Oct-23	888,318	\$1,395,774	7,216,929	8,086,801	18,446	\$2.39553	\$44,188	8,086,801	\$16,947,558
Nov-23	275,142	\$687,361	8,086,801	7,769,317	592,626	\$1.97944	\$1,173,065	7,769,317	\$16,461,855
Dec-23	189,686	\$416,384	7,769,317	6,822,404	1,136,599	\$1.83953	\$2,090,809	6,822,404	\$14,787,430
Jan-24	92,512	\$284,779	6,822,404	4,614,720	2,300,196	\$2.05121	\$4,718,193	4,614,720	\$10,354,016
Feb-24	122,753	\$216,330	4,614,720	2,904,036	1,833,437	\$2.05899	\$3,775,030	2,904,036	\$6,795,317
Mar-24	275,482	\$256,507	2,904,036	1,232,427	1,947,091	\$2.10239	\$4,093,548	1,232,427	\$2,958,276
Apr-24	1,149,521	\$1,390,688	1,232,427	2,244,123	137,825	\$1.81785	\$250,545	2,244,123	\$4,098,418
May-24 *	1,461,072	\$2,044,770	2,244,123	3,576,176	100,023	\$1.91244	\$191,288	3,576,176	\$5,951,900
Jun-24 *	1,223,406	\$2,292,051	3,576,176	4,684,079	91,373	\$1.94857	\$178,047	4,684,079	\$8,065,904
Jul-24 *	1,223,403	\$2,752,901	4,684,079	5,790,694	92,658	\$1.97918	\$183,387	5,790,694	\$10,635,419
Aug-24 *	1,223,403	\$2,886,619	5,790,694	6,899,915	90,052	\$2.07734	\$187,069	6,899,915	\$13,334,970
Sep-24 *	1,223,410	\$2,878,928	6,899,915	8,025,137	74,058	\$2.14219	\$158,647	8,025,137	\$16,055,251

\* Forecast

**South Jersey Gas Company**  
**Statement of Injections and Withdrawals - LNG Inventory**  
**For the Period October 1, 2023 through September 30, 2024**

Period	Injections		Liquefier Costs	Inventory (Dth's)		Withdrawals			Ending Inventory	
	Dth's	Amount	Amount	Beginning	Ending	Dth's	Average Relief Rate	Amount	Ending Inventory (Dth's)	Ending Inventory (\$)
<b>Beginning Inventory</b>									358,717	\$2,948,806
Oct-23	43,755	\$57,630	\$139,682	358,717	397,776	4,696	\$7.81699	\$36,709	397,776	\$3,109,409
Nov-23	-	\$0	\$55,157	397,776	389,126	8,650	\$7.95565	\$68,816	389,126	\$3,095,751
Dec-23	-	\$0	\$10,809	389,126	375,862	13,264	\$7.98343	\$105,892	375,862	\$3,000,668
Jan-24	-	\$0	\$3,864	375,862	336,864	38,998	\$7.99371	\$311,739	336,864	\$2,692,793
Feb-24	-	\$0	\$25,400	336,864	329,892	6,972	\$8.06911	\$56,258	329,892	\$2,661,936
Mar-24	-	\$0	\$19,871	329,892	321,792	8,100	\$8.12935	\$65,848	321,792	\$2,615,959
Apr-24	71,626	\$108,401	\$192,450	321,792	388,983	4,435	\$7.41402	\$32,881	388,983	\$2,883,928
May-24	*	-	\$32,000	388,983	381,083	7,900	\$7.49629	\$59,221	381,083	\$2,856,708
Jun-24	*	-	\$32,000	381,083	373,183	7,900	\$7.58026	\$59,884	373,183	\$2,828,824
Jul-24	*	-	\$32,000	373,183	365,083	8,100	\$7.66601	\$62,095	365,083	\$2,798,729
Aug-24	*	-	\$32,000	365,083	357,583	7,500	\$7.75366	\$58,152	357,583	\$2,772,577
Sep-24	*	-	\$32,000	357,583	350,083	7,500	\$7.84315	\$58,824	350,083	\$2,745,753

\* Forecast



**SOUTH JERSEY GAS COMPANY**

**B.P.U.N.J. No. 14 - GAS**

**Sixth Revised Sheet No. 6  
Superseding Fifth Revised Sheet No. 6**

**RESIDENTIAL SERVICE (RSG)**

**APPLICABLE TO USE OF SERVICE FOR:**

All residential purposes. Customer may elect Firm Sales Service or Firm Transportation Service. To be eligible for Firm Transportation Service RSG, a customer must hold clear and marketable title to gas that is made available for delivery to the customer’s residence on the Company’s system.

**CHARACTER OF SERVICE** Firm Sales Service and Firm Transportation Service.

**MONTHLY RATE:** <sup>(1)</sup>

**Customer Charge:** \$10.502563 per month

**Delivery Charge:**

(a) Residential Non-Heating Customers  
Firm Sales Service and Firm Transportation Service \$1.~~232286~~-219023 per therm

(b) Residential Heating Customers  
Firm Sales Service and Firm Transportation Service \$1.~~307111~~-293848 per therm

**Basic Gas Supply Service (“BGSS”) Charge:**

All consumption for customers who elect Firm Sales Service. See Rider “A” of this Tariff.

**APPLICABLE RIDERS:**

Basic Gas Supply Service Clause: BGSS charges are depicted in Rider “A” of this Tariff.

Infrastructure Investment Program The rates set forth above have been adjusted, as is appropriate, pursuant to Rider “B” of this Tariff.

Transportation Initiation Clause: The rates set forth above have been adjusted, as is appropriate, pursuant to Rider “C” of this Tariff.

Societal Benefits Clause: The rates set forth above have been adjusted, as is appropriate, pursuant to Rider “E” of this Tariff.

Temperature Adjustment Clause: The rates set forth above have been adjusted, as is appropriate, pursuant to Rider “F” of this Tariff.

<sup>(1)</sup> Please refer to Appendix A for components of Monthly Rates and Price to Compare

Issued \_\_\_\_\_  
by South Jersey Gas Company,  
B. Schomber, President

Effective with service rendered  
on and after \_\_\_\_\_

Filed pursuant to Order in Docket No. \_\_\_\_\_  
of the Board of Public Utilities, State of New Jersey, dated \_\_\_\_\_

**SOUTH JERSEY GAS COMPANY**

**B.P.U.N.J. No. 14 - GAS**

**Sixth Revised Sheet No. 10  
Superseding Fifth Revised Sheet No. 10**

**GENERAL SERVICE (GSG)**

**APPLICABLE TO USE OF SERVICE FOR:**

All Commercial and Industrial Customers who would not qualify for any other Rate Schedule. A customer qualifying for service under Rate Schedule GSG may elect either Firm Sales Service or Firm Transportation Service. To be eligible for Firm Transportation Service under this Rate Schedule GSG, a customer must hold clear and marketable title to gas that is made available for delivery to customer's facility on the Company's system.

**CHARACTER OF SERVICE:**

Firm Sales Service or Firm Transportation Service.

**MONTHLY RATE: <sup>(1)</sup>**

**Customer Charge:**

\$40.496175 per month

**Delivery Charges:**

Firm Sales Service and Firm Transportation Service \$1.~~095803~~082540 per therm

**Basic Gas Supply Service ("BGSS") Charge:**

All consumption for customers who elect Firm Sales Service See Rider "A" of this Tariff.

**LINE LOSS:**

Line Loss shall be 1.43% as provided in Special Provision (o).

**APPLICABLE RIDERS:**

Basic Gas Supply Service Clause:	BGSS charges are depicted in Rider "A" of this Tariff.
Infrastructure Investment Program	The rates set forth above have been adjusted, as is appropriate, pursuant to Rider "B" of this Tariff.
Transportation Initiation Clause:	The rates set forth above have been adjusted, as is appropriate, pursuant to Rider "C" of this Tariff.
Societal Benefits Clause:	The rates set forth above have been adjusted, as is appropriate, pursuant to Rider "E" of this Tariff.
Temperature Adjustment Clause:	The rates set forth above have been adjusted, as is appropriate, pursuant to Rider "F" of this Tariff.

<sup>(1)</sup> Please refer to Appendix A for components of Monthly Rates and Price to Compare.

Issued \_\_\_\_\_  
by South Jersey Gas Company,  
B. Schomber, President

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**SOUTH JERSEY GAS COMPANY**

**B.P.U.N.J. No. 14 - GAS**

**Sixth Revised Sheet No. 14  
Superseding Fifth Revised Sheet No. 14**

**GENERAL SERVICE – LARGE VOLUME (GSG-LV)**

**APPLICABLE TO USE OF SERVICE FOR:**

All Commercial and Industrial Customers who would not qualify for any other Rate Schedule (other than Rate Schedule GSG), and who has an annualized usage of 100,000 therms or more,. A customer qualifying for service under Rate Schedule GSG-LV may elect either Firm Sales Service or Firm Transportation Service. To be eligible for Firm Transportation Service under this Rate Schedule GSG-LV, a customer must hold clear and marketable title to gas that is made available for delivery to customer’s facility on the Company’s system.

**CHARACTER OF SERVICE:**

Firm Sales Service or Firm Transportation Service.

**MONTHLY RATE: <sup>(1)</sup>**

**Customer Charge:**

\$264.003500 per month

**Delivery Charges:**

Firm Sales Service and Firm Transportation Service<sup>(2)</sup>

Demand Charge:

D-1FT: \$14.199998 per Mcf of Contract Demand

Volumetric Charge:

\$.664847-651584 per therm

**Basic Gas Supply Service (“BGSS”) Charge:**

All consumption for customers who elect  
Firm Sales Service

See Rider “A” of this Tariff.

**LINE LOSS:**

Line Loss shall be 1.43% as provided in Special Provision (o).

<sup>(1)</sup> Please refer to Appendix A for components of Monthly Rates and Price to Compare.

<sup>(2)</sup> See Special Provision (p) of this Rate Schedule GSG-LV, regarding appropriate balancing charges.

Issued \_\_\_\_\_  
by South Jersey Gas Company,  
B. Schomber, President

Effective with service rendered  
on and after \_\_\_\_\_

Filed pursuant to Order in Docket No. \_\_\_\_\_  
of the Board of Public Utilities, State of New Jersey, dated \_\_\_\_\_

**SOUTH JERSEY GAS COMPANY**

**B.P.U.N.J. No. 14 - GAS**

**Third Revised Sheet No. 24  
Superseding Second Revised Sheet No. 24**

**COMPREHENSIVE TRANSPORTATION SERVICE (CTS)  
(Continued)**

Provisions of this Rate Schedule CTS for gas delivered, including gas deliveries resulting in imbalances, prior to the implementation of the Rate Schedule GSG-LV Monthly BGSS rate.

In order to be reinstated as an eligible Aggregator/Marketer, following termination of aggregator/ Marketer status for Deficiency Imbalances or Excess Imbalances as set forth above, the Aggregator/Marketer in addition to meeting all other applicable requirements must post and maintain for one (1) year security in a credit facility satisfactory to the Company in an amount equal to two (2) times that which would otherwise be required by the Company. At the conclusion of that year and assuming no additional occurrence of Deficiency Imbalances or Excess Imbalances as described above, the Aggregator/Marketer will be released from its obligation to provide security in excess of that otherwise required by the Company. If an additional Deficiency Imbalance or Excess Imbalance as described above occurs during that one-year period, the Aggregator/Marketer will be disqualified as an Aggregator/Marketer upon the Company's system for an additional one (1) year period. As used in this Paragraph (m), ACD shall mean the aggregate of all Contract Demands, expressed in dekatherms, of all customers served by an Aggregator/Marketer under this Rate Schedule CTS.

- (p) The receipt of gas by the Company for transportation under this Rate Schedule CTS shall equal the delivery of said gas to the customer on a daily basis, less a percentage for line loss. The line loss factor to be utilized will by the Company-wide line loss percentage.
- (q) Customers subscribing to this Rate Schedule CTS may elect the "opt-out" provision provided for in the Standard Gas Service Agreement (LV). Such an "opt-out" customer will have no right or entitlement to have base load gas provided by the Company. Provided, however, that a customer electing the "opt-out" provision shall be eligible to receive balancing services from the Company pursuant to appropriate rate schedules and riders. In the case that an "opt-out" customer cannot provide for its capacity, gas supply, or both, the customer must either discontinue the use of base load gas or have it provided by South Jersey at the incremental price. The incremental price charged to an "opt-out" customer shall be the sum of: (1) the highest commodity cost of gas paid by the Company during the month in which the "opt-out" customer uses "Company" gas; and (2) the higher of the cost of incremental capacity needed to serve the returning "opt-out" customer or the system weighted average cost of capacity, plus other charges which must be paid by customers eligible for South Jersey's Monthly BGSS charge. The incremental price will be charged to the customer until the effective date of a new Standard Gas Service Agreement.
- (r) An "opt-out" customer will become eligible to purchase base load gas from the Company or transport gas without "opt-out" status, upon six months' notice to the Company of intention to no longer be an "opt-out" customer, provided that prior to the expiration of the six month notice period, the customer shall have entered into a new Standard Gas Service Agreement which includes the customer's agreement to purchase base load gas or transport without an "opt-out" status for a term of not less than one year. Upon the effective date of the new Standard Gas Service Agreement, which shall be no sooner than the end of the six month period in said notice, the customer shall no longer be obligated to pay the incremental prices set forth above. However, said customer will then be obligated to pay the higher balancing charge of \$0.~~818460~~685830 per Dt, including taxes. The Company will not have the right to waive this six month notice requirement.

Issued \_\_\_\_\_  
by South Jersey Gas Company,  
B. Schomber, President

Effective with service rendered  
on and after \_\_\_\_\_

Filed pursuant to Order in Docket No. \_\_\_\_\_ of the Board of  
Public Utilities, State of New Jersey, dated \_\_\_\_\_

**SOUTH JERSEY GAS COMPANY**

**B.P.U.N.J. No. 14 - GAS**

**Sixth Revised Sheet No. 25  
Superseding Fifth Revised Sheet No. 25**

**LARGE VOLUME SERVICE (LVS)**

**APPLICABLE TO USE OF SERVICE FOR:**

Firm Sales Service and Firm Transportation Service pursuant to this Rate Schedule LVS, shall be available to all Industrial Customers with a Contract Demand and a minimum annualized average use of 200 Mcf per day. To be eligible for Firm Transportation Service under this Rate Schedule LVS, a customer must hold clear and marketable title to gas that is made available for delivery to customer's facility on the Company's system.

**CHARACTER OF SERVICE:**

Firm Sales Service, Limited Firm Sales Service, Firm Transportation Service, and Limited Firm Transportation Service.

**MONTHLY RATE: <sup>(1)</sup>**

**Firm:**

**Customer Charge:**

\$1,225.003963 per month

**Delivery Charge:**

**Firm Sales Service and Firm Transportation Service**

Demand Charge:	D-1FT: \$22.000043 per Mcf of Contract Demand
Volumetric Charge:	\$.211548 per therm

**Basic Gas Supply Service ("BGSS") Charge:**

Demand Charge:	D-2: \$16. <del>502043</del> <u>494513</u> per Mcf of Contract Demand.
Volumetric Charge:	See Rider "A" of this Tariff.

<sup>(1)</sup> Please refer to Appendix A for components of Monthly Rates.

Issued \_\_\_\_\_  
by South Jersey Gas Company,  
B. Schomber, President

Effective with service rendered  
on and after \_\_\_\_\_

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of the Board of Public Utilities, State of New Jersey, dated \_\_\_\_\_

**SOUTH JERSEY GAS COMPANY**

**B.P.U.N.J. No. 14 - GAS**

**Third Revised Sheet No. 30  
Superseding Second Revised Sheet No. 30**

**LARGE VOLUME SERVICE (LVS)**

(Continued)

- (l) A Firm Transportation Service customer scheduling gas for delivery may not schedule less than one dekatherm of gas for delivery under this Rate Schedule LVS on any day. All scheduling must be done in whole number dekatherms and not in fractions thereof.
- (m) The BGSS D-2 Demand Charge will equal the Company's system weighted average interstate pipeline demand charge plus the system weighted average gas reservation charge both as of October 1 of each year. The BGSS D-2 Demand Charge is subject to annual adjustment, to be made in the same proceeding in which the Company's annual Periodic BGSS Rate is established for the BGSS Year pursuant to Rider "A" of this Tariff. The BGSS D-2 Demand Charge shall not be less than the sum of the following: (1) the demand charge invoiced by Transcontinental Gas Pipe Line Corporation for its FT service; (2) the Pipeline Capacity Factor; and (3) one dollar (\$1.00) per Dt.
- (n) The Pipeline Capacity Factor will recover the difference between the Company's system weighted average pipeline demand cost and the demand cost of Transcontinental Gas Pipe Line Corporation's FT charge.
- (o) Customers subscribing to this Rate Schedule LVS may elect the "opt-out" provision provided for in the Standard Gas Service Agreement (LV). Such an "opt-out" customer will have no right or entitlement to have base load gas provided by the Company. Provided, however, that a customer electing the "opt-out" provision shall be eligible to receive balancing services from the Company pursuant to appropriate rate schedules and riders. In the case that an "opt-out" customer cannot provide for its capacity, gas supply, or both, the customer must either discontinue the use of base load gas or have it provided by South Jersey at the incremental price. The incremental price charged to an "opt-out" customer shall be the sum of: (1) the highest commodity cost of gas paid by the Company during the month in which the "opt-out" customer uses "Company" gas; and (2) the higher of the cost of incremental capacity needed to serve the returning "opt-out" customer or the system weighted average cost of capacity, plus other charges which must be paid by customers eligible for South Jersey's Monthly BGSS charge. The incremental price will be charged to the customer until the effective date of a new Standard Gas Service Agreement.
- (p) An "opt-out" customer will become eligible to purchase base load gas from the Company, or transport gas without "opt-out" status, upon six months' notice to the Company of intention to no longer be an "opt-out" customer, provided that prior to the expiration of the six month notice period, the customer shall have entered into a new Standard Gas Service Agreement which includes the customer's agreement to purchase base load gas or transport without an "opt-out" status for a term of not less than one year. Upon the effective date of the six month period in said notice, the customer shall no longer be obligated to pay the incremental prices set forth above. However, said customer will then be obligated to pay the higher balancing charge of ~~\$0.81846~~ \$0.685830 per Dt, including taxes. The Company will not have the right to waive this six month notice requirement.

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B. Schomber, President

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**SOUTH JERSEY GAS COMPANY**

**B.P.U.N.J. No. 14 - GAS**

**Sixth Revised Sheet No. 31  
Superseding Fifth Revised Sheet No. 31**

**FIRM ELECTRIC SERVICE (FES)**

**APPLICABLE TO USE OF SERVICE FOR:**

All gas that is purchased or transported to generate electricity. Provided, however, that in order to qualify for this Rate Schedule FES, a customer must have a Winter Daily Contract Demand of 1,000 Mcf per day or more, or a Summer Daily Contract Demand of 2,000 Mcf per day or more, or both. To be eligible for Firm Transportation Service under this Rate Schedule FES, a customer must hold clear and marketable title to gas that is made available for delivery to customer's facility on the Company's system.

**CHARACTER OF SERVICE:**

Firm Sales Service and Firm Transportation Service.

**MONTHLY RATE <sup>(1)</sup>(2)**

**WINTER (November – March):**

**Demand Charge:**

D-1 \$3.089100 per Mcf of Winter Daily Contract Demand  
D-2 \$8.~~251022~~247257 per Mcf of Daily Billing Determinant or \$0 for Firm Transportation

customers

**Volumetric Charge:**

C-1: \$.144627 per therm of consumption  
C-2: FES Monthly Commodity Rate, pursuant to Rider "A" and Special Provision (x), OR Customer Owned Gas Clause, Rider "D"  
C-3: \$.173700 per therm of consumption  
C-4: Escalator Rate – Charge may change monthly pursuant to Standard Gas Service Addendum.  
**Minimum Bill:** The monthly D-1 and D-2 charges, irrespective of use.

**SUMMER (April – October):**

**Demand Charge:**

D-1 \$3.089100 per Mcf of Summer Daily Contract Demand  
D-2 \$8.~~251022~~247257 per Mcf of Daily Billing Determinant or \$0 for Firm Transportation

customers

**Volumetric Charge:**

C-1: \$.144627 per therm of consumption  
C-2: FES Monthly Commodity Rate, pursuant to Rider "A" and Special Provision (x), OR Customer Owned Gas Clause, Rider "D"  
C-3: \$.173700 per therm of consumption  
C-4: Escalator Rate – Charge may change monthly pursuant to Standard Gas Service Addendum.

(1) Please refer to Appendix A for components of Monthly Rates.

(2) Please refer to Special Provision (p)

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**SOUTH JERSEY GAS COMPANY**

**B.P.U.N.J. No. 14 - GAS**

**Sixth Revised Sheet No. 38  
Superseding Fifth Revised Sheet No. 38**

**ELECTRIC GENERATION SERVICE (EGS)**

**APPLICABLE TO USE OF SERVICE FOR:**

Residential, commercial and industrial uses for electric generation facilities (excluding back-up generator equipment); all Prime Movers; and all engine driven equipment (whether or not used for electric generation). Provided, however, that in order to be eligible for this Rate Schedule EGS, a customer must have a Firm Daily Contract Demand of less than 200 Mcf per day; provided, however, that a residential EGS customer will have no Firm Daily Contract Demand. To be eligible for Firm Transportation Service under this Rate Schedule EGS, a customer must hold clear and marketable title to gas that is made available for delivery to customer's facility on the Company's system.

**CHARACTER OF SERVICE:**

Firm Sales Service and Firm Transportation Service

**MONTHLY RATE:** <sup>(1)(2)</sup>

**Residential Customer Charge:**

\$10.502563 per month

**Residential Delivery Charge**

**Residential Volumetric Charge:** \$.~~421112~~420233 per therm

**Commercial and Industrial Customer Charge:**

\$91.996050 per month

**Commercial and Industrial Delivery Charge:**

**Commercial and Industrial Demand Charge:**

D-1 Charge: \$9.750003 per Mcf of contract

**Volumetric Charges:**

Winter Season (effective during billing months of November through March):

All Consumption for Firm Sales Service and Firm Transportation Service

\$.~~407980~~394717 per therm

<sup>(1)</sup> Please refer to Appendix A for components of Monthly Rates.

<sup>(2)</sup> See Special Provision (k) of this Rate Schedule EGS, regarding appropriate balancing charges.

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**SOUTH JERSEY GAS COMPANY**

**B.P.U.N.J. No. 14 - GAS**

**Sixth Revised Sheet No. 39  
Superseding Fifth Revised Sheet No. 39**

**ELECTRIC GENERATION SERVICE (EGS)**  
(Continued)

Summer Season (effective during billing months of April through October):

All Consumption for Firm Sales Service and Firm Transportation Service

~~\$.375992~~-362729 per therm

**Basic Gas Supply Service (“BGSS”) Charge:**

Applicable to customers who elect Firm Sales Service

See Rider “A” of this Tariff.

**LINE LOSS:**

Line Loss shall be 1.43% as provided in Special Provision (p).

**APPLICABLE RIDERS:**

Basic Gas Supply Service Clause:	BGSS charges are depicted in Rider “A” of this Tariff.
Infrastructure Investment Program	The rates set forth above have been adjusted, as is appropriate, pursuant to Rider “B” of this Tariff.
Societal Benefits Clause:	The rates set forth above have been adjusted, as is appropriate, pursuant to Rider “E” of this Tariff.
Balancing Service Clause	The rates set forth above have been adjusted, as is appropriate, pursuant to Rider “J” of this Tariff. However, also see Special Provision (k) regarding Rider “I”.
Energy Efficiency Tracker:	The rates set forth above have been adjusted, as is appropriate, pursuant to Rider “N” of this Tariff.

**TERMS OF PAYMENT:**

Payment of all bills must be received in full at the Company's designated office within fifteen (15) days of the billing date; provided however, the Company shall take into account any postal service delays of which the Company is advised. If the fifteenth (15th) day falls on a non-business day, the due date shall be extended to the next business day. Should the customer fail to make payment as specified, the Company may, beginning on the twenty-sixth (26th) day, assess simple interest at a rate equal to the prime rate as published in the Money Rates column in The Wall Street Journal. A late payment charge shall not be assessed on a residential customer, or on State, county or municipal government entities.

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**SOUTH JERSEY GAS COMPANY**

**B.P.U.N.J. No. 14 - GAS**

**Sixth Revised Sheet No. 43  
Superseding Fifth Revised Sheet No. 43**

**ELECTRIC GENERATION SERVICE – LARGE VOLUME (EGS-LV)**

**APPLICABLE TO USE OF SERVICE FOR:**

All commercial and industrial electric generation facilities; all Prime Movers and all engine driven equipment (whether or not used for electric generation). Provided, however, that in order to be eligible for this Rate Schedule EGS-LV, a customer must have a Firm Daily Contract Demand of 200 Mcf per day or more. To be eligible for Firm Transportation Service under this Rate Schedule EGS-LVS, a customer must hold clear and marketable title to gas that is made available for delivery to customer's facility on the Company's system.

**CHARACTER OF SERVICE:**

Firm Sales Service, Firm Transportation Service, Limited Firm Sales Service and Limited Firm Transportation Service.

**MONTHLY RATE:** <sup>(1)</sup>

**Customer Charge:**

\$874.996738 per month

**FIRM:**

**Demand Charges:** <sup>(2)</sup>

D-1 \$29.441185 per Mcf of Firm Daily Contract Demand.

D-2 \$16.~~587216~~575946 per Mcf of Firm Daily Contract Demand or \$0 for Firm Transportation customers.

**Volumetric Charge:**

C-1: \$.144912 per therm of consumption

C-2: As depicted in the Monthly BGSS Subrider of Rider "A" of this Tariff, OR Customer Owned Gas Clause, Rider "D"

**Minimum Bill:** Monthly D-1 and D-2 charges, irrespective of use.

**LIMITED FIRM:**

**Demand Charge:**

D-2 \$8.~~251022~~247257 per Mcf of Limited Firm Daily Contract Demand or \$0 for Limited Firm Transportation customers

**Volumetric Charge:** <sup>(2)</sup>

C-1: \$.144627 per therm of consumption

C-2: As depicted in the Monthly BGSS Subrider of Rider "A" of this Tariff, OR Customer Owned Gas Clause, Rider "D"

C-3 \$.173700 per therm for all consumption within Limited Firm Contract Demand level.<sup>1</sup>

**Minimum Bill:** Monthly D-2 charge, irrespective of use.

<sup>(1)</sup> Please refer to Appendix A for components of Monthly Rates.

<sup>(2)</sup> Please refer to Special Provision (j).

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**SOUTH JERSEY GAS COMPANY**

**B.P.U.N.J. No. 14 - GAS**

**Third Revised Sheet No. 48  
Superseding Second Revised Sheet No. 48**

**ELECTRIC GENERATION SERVICE – LARGE VOLUME (EGS-LV)**  
(Continued)

base load gas or have it provided by South Jersey at the incremental price. The incremental price charged to an “opt-out” customer shall be the sum of: (1) the highest commodity cost of gas paid by the Company during the month in which the “opt-out” customer uses “Company” gas; and (2) the higher of the cost of incremental capacity needed to serve the returning “opt-out” customer or the system weighted average cost of capacity, plus other charges which must be paid by customers eligible for South Jersey’s Monthly BGSS charge.

- (o) An “opt-out” customer will become eligible to purchase base load gas from the Company, or transport gas without “opt-out” status upon six months’ notice to the Company of intention to no longer be an “opt-out” customer. It will not be necessary for an EGS-LV “opt-out” customer to execute a new Standard Gas Service Agreement in order to purchase base load gas from the Company or transport gas without “opt-out” status. However, the customer must commit to purchase base load gas or transport gas without “opt-out” status for a minimum of one year. At the end of the six month period specified in said notice, the customer shall no longer be obligated to pay the incremental prices set forth above. However, said customer will then be obligated to pay the higher balancing charge of \$0.~~81846~~685830 per Dt, including taxes. The Company will not have the right to waive this six month notice requirement.
- (p) Customer shall contract for service under the Company’s Standard Gas Service Agreement (EGS).

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**SOUTH JERSEY GAS COMPANY**

**B.P.U.N.J. No. 14 - GAS**

**Twenty-Second Revised Sheet No. 65  
Superseding Twenty-First Revised Sheet No. 65**

**RIDER "A"  
BASIC GAS SUPPLY SERVICE CLAUSE ("BGSSC")**

**APPLICABLE TO:**

- Rate Schedule RSG - Residential Service
  - Rate Schedule GSG - General Service
  - Rate Schedule GSG-LV - General Service – Large Volume
  - Rate Schedule LVS - Large Volume Service
  - Rate Schedule FES - Firm Electric Service
  - Rate Schedule EGS - Electric Generation Service
  - Rate Schedule EGS-LV - Electric Generation Service - Large Volume
  - Rate Schedule NGV - Natural Gas Vehicle
- Twentieth

**APPLICABLE RATES:**

**Periodic BGSS Subrider (Effective ~~October 1, 2023~~ \_\_\_\_\_):**

<u>Rate Schedule</u>	<u>BGSS Rate Before Taxes (per therm)</u>	<u>BGSS Rate With Taxes (per therm)</u>
RSG	\$0. <del>389249394122</del>	\$0. <del>415037420233</del>
GSG (under 5,000 therms)	\$0. <del>389249394122</del>	\$0. <del>415037420233</del>

**Monthly BGSS Subrider (Effective June 1, 2024):**

<u>Rate Schedule</u>	<u>BGSS Rate Before Taxes (per therm)</u>	<u>BGSS Rate With Taxes (per therm)</u>
LVS C-2	\$0.290894	\$0.310166
FES	\$0.203532	\$0.217016
EGS	\$0.340083	\$0.362613
EGS-LV Firm C-2	\$0.290640	\$0.309895
EGS-LV Limited Firm C-2	\$0.315489	\$0.336390
GSG-LV	\$0.340083	\$0.362613
GSG (5,000 therms or greater)	\$0.340083	\$0.362613
NGV	\$0.340083	\$0.362613

The above Periodic and Monthly BGSS rates shall include the BGSS cost savings established in Rider "M" to this Tariff.

**FILING:**

This Subrider shall be applicable to all customers served under Rate Schedules RSG, and those GSG customers who do not meet the "Monthly Threshold". This Periodic BGSS Subrider shall recover gas costs associated with service to customers served under this Subrider.

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**SOUTH JERSEY GAS COMPANY**

**B.P.U.N.J. No. 14 - GAS**

**Third Revised Sheet No. 68  
Superseding Second Revised Sheet No. 68**

**RIDER "A"  
BASIC GAS SUPPLY SERVICE CLAUSE ("BGSSC")  
(Continued)**

The Company will file self-implementing Monthly BGSS rates on the second day following the close of trading of the NYMEX Henry Hub gas contracts for each month. Within each monthly filing, the Company will provide the following:

- (1) Documentation regarding the NYMEX Henry Hub close;
- (2) Supporting schedules that document the actual/projected costs and sales volumes used to derive the monthly gas cost factor; and

**MONTHLY FORMULA:**

The formula for determining the Monthly BGSS rate shall be the sum of the following:

- (1) The Company will calculate a Commodity Cost which will be comprised of the sum of arithmetic average of
  - (i) the closing price of the NYMEX Henry Hub gas contract for the following month and
  - (ii) the weighted average of the estimated Index Prices, for the respective locations at which the Company purchases its gas, to be published in Inside FERC's Gas Market Report for the remaining BGSS Year. Further, the calculation will not include hedging.
- (2) An estimate shall be made of the variable costs of transportation and fuel and line loss for the subject month, to the extent not included in (1), above
- (3) A Non-Commodity Cost component that includes gas costs other than the Commodity Cost of Gas, including but not limited to all fixed pipeline costs, fixed supplier costs, fixed storage costs, pipeline refunds and similar credits, and other credits directed by the Board. The Non-Commodity Cost component shall be calculated on an equal per-therm basis for the entire BGSS Year. This subparagraph (3) is not applicable to FES customers.

The result of the calculation from the Monthly Formula above shall be adjusted for Rate Schedules LVS and EGS-LV (Firm and Limited Firm) to derive the Monthly BGSS Rates by deducting therefrom the volumetric equivalent of the D-2 charges within the respective Rates Schedules. Said deductions shall be as follows:

<u>Rate Schedule</u>	<u>D-2 Deduction</u>	<u>Including Taxes</u>
LVS		\$.052447052423
EGS-LV Firm		\$.052718052682
EGS-LV Limited Firm		\$.026224026212

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**SOUTH JERSEY GAS COMPANY**

**B.P.U.N.J. No. 14 - GAS**

**Third Revised Sheet No. 86  
Superseding Second Revised Sheet No. 86**

**RIDER "I"  
BALANCING SERVICE CLAUSE - LARGE VOLUME (BSC-LV)**

**APPLICABLE TO:**

Rate Schedule GSG-LV	-	General Service-Large Volume
Rate Schedule LVS	-	Large Volume Service
Rate Schedule FES	-	Firm Electric Service
Rate Schedule EGS	-	Electric Generation Service
Rate Schedule EGS-LV	-	Electric Generation Service – Large Volume
Rate Schedule ITS	-	Interruptible Transportation Service
Rate Schedule CTS	-	Comprehensive Transportation Service
Rate Schedule NGV	-	Natural Gas Vehicle

This Rider "I" shall be known as the Balancing Service Clause - Large Volume (BSC-LV) and will be applicable to all EGS-LV and FES customers who utilize Rider "D" to this Tariff, and to all LVS and EGS-LV Firm Transportation Service, and ITS customers. This Rider "I" will also be applicable to all Rate Schedule GSG-LV Firm Transportation Service and NGV Firm Transportation customers who have installed electronic meter reading equipment, pursuant to the provisions of Section 6.1 of the General Terms and Conditions of this Tariff and who elect to take their balancing service under this Rider "I", rather than under Rider "J". The Volumetric Charge, under the monthly Rate Section shall be the only element in this Rider applicable to Firm Sales Service customers subscribing to Rate Schedules LVS and EGS-LV.

**MONTHLY RATE:**

Volumetric Charge:

BS-1: \$0.~~002103~~-002427 per therm for all gas delivered under Rate Schedules LVS, EGS-LV, FES, NGV and CTS who "opt-out" as provided for in the Standard Gas Service Agreements (LV), (FES) and (EGS).

BS-1: \$0.~~001846~~-068583 per therm for all gas delivered under Rate Schedules GSG-LV, EGS, and under Rate Schedules LVS, EGS-LV, FES, NGV and CTS who do not "opt-out", including Firm Sales Service customers

Cash-Out Charges and Credits:

To be determined monthly in accordance with the methodology set forth in Paragraphs (12), (13) and (14) of this Rider "I".

**DEFINITIONS:**

- (1) "Gas Consumption" means the volume of gas utilized by the customer, as measured at the customer's meter. Gas Consumption will be displayed on the Third Party Marketer Portal (the "Portal"). However, the responsibility for balancing shall remain with the customer even if the Portal is inoperative.
- (2) On any day during which gas receipts for a customer's account exceed Gas Consumption, after adjustment to reflect line loss and sales authorized by the Company for this customer, a daily "Excess Imbalance" results. Provided, however, that as to those ITS customers, who had an annualized average use of 27 Mcf per day or less of gas, Daily Excess Imbalances shall be computed on a monthly basis.

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**SOUTH JERSEY GAS COMPANY**

**Third Revised Sheet No. 92**

**B.P.U.N.J. No. 14 - GAS**

**Superseding Second Revised Sheet No. 92**

**RIDER "J"**  
**BALANCING SERVICE CLAUSE - GENERAL SERVICE (BSC-GS)**

**APPLICABLE TO:**

- Rate Schedule RSG - Residential Service Gas
- Rate Schedule GSG - General Service Gas
- Rate Schedule GSG-LV - General Service Gas – Large Volume
- Rate Schedule EGS - Electric Generation Service
- Rate Schedule NGV - Natural Gas Vehicle

This Rider "J" shall be known as the Balancing Service Clause - General Service (BSC-GS) and will be applicable to all RSG Firm Transportation Service customers and GSG Firm Transportation Service customers. This Rider "J" will also be applicable to GSG-LV, NGV and EGS Firm Transportation customers who elect to take balancing service under this Rider "J". Provided, however, that pursuant to the terms of Rider "I" certain GSG-LV, NGV and EGS Firm Transportation Service customers may elect to take balancing service pursuant to Rider "I". The Volumetric Charge, under the Monthly Rate Section, shall be the only element in this Rider applicable to Firm Sales Service customers subscribing to Rate Schedules RSG,GSG, GSG-LV, NGV and EGS.

**MONTHLY RATE:**

Volumetric Charge:

BS-1: \$.~~081846~~068583 per therm for all gas delivered under the applicable rate schedules in addition to the following:

**DCQ AND BUY-OUT CHARGE:**

- (1) "Daily Contract Quantity" (DCQ) for all customers except for Rate Schedule RSG Firm Transportation Service customers shall mean a quantity of gas determined annually by the company. The DCQ shall be determined for each of the forthcoming twelve (12) months by dividing the customer's weather-normalized usage for each of the most recent twelve (12) months by the total number of days in each month. The Company may adjust the customer's DCQ during any twelve (12) month period, due to changes in the customer's gas equipment or pattern of usage or other acceptable information provided by the customer. For New Customers, the customer's initial DCQ will be estimated by the Company, based upon the rating of the customer's gas equipment and expected utilization of the equipment. Customer will be obligated to deliver or cause to be delivered to the Company's city gate station the customer's DCQ each day for the customer's account.

The DCQ for Rate Schedule RSG Firm Transportation Service customers shall mean a quantity of gas determined by the Company. The DCQ shall be determined separately for Rate Schedule RSG Firm Transportation Service customers who are heating customers, and for those who are non-heating customers ("Heating Group" and "Non-Heating Group"). The DCQ for both the Heating Group and the Non-Heating Group shall be determined on a Company system-wide, weather normalized basis. The Company will determine the DCQ for each customer in the Heating Group, which will be the same for all members of the Heating Group, and for each customer in the Non-Heating Group, which will be the same for all members of the Non-Heating Group, each month. The Aggregator/Marketer will be obligated to deliver or cause to be delivered to the Company's City Gate Station, each day, the DCQ for each customer within that Aggregator/Marketer's Aggregated Group.

A review of service provided to Rate Schedule RSG Firm Transportation Service customers shall be performed after twelve (12) months service, and every twelve (12) months thereafter. Upon such review, in the

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SOUTH JERSEY GAS COMPANY  
Schedule of Rate Components  
Appendix A - Effective \_\_\_\_\_

<b>RESIDENTIAL GAS SERVICE (RSG) - NONHEAT CUSTOMER</b>					
	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<b>CUSTOMER CHARGE</b>		9.850000		0.652563	<b>10.502563</b>
<b>DELIVERY CHARGE (per therm):</b>					
Base Rate		0.897170		0.059438	0.956608
IIP	B	0.010798	0.000000	0.000715	0.011513
TIC	C	0.000728	0.000000	0.000048	0.000776
SBC:					
RAC	E, G	0.055318	0.000000	0.003665	0.058983
CLEP	E, K	0.025189	0.000000	0.001669	0.026858
USF	E	<u>0.016600</u>	<u>0.000000</u>	<u>0.001100</u>	<u>0.017700</u>
Total SBC		0.097107	0.000000	0.006434	0.103541
CIP	M	0.034622	0.000000	0.002294	0.036916
EET	N	0.038533	0.000000	0.002553	0.041086
Balancing Service Charge BS-1	J	0.064322	0.000000	0.004261	0.068583
Balancing Service Charge BUY-OUT PRICE (Applicable to Transportation Customers Only)	J				Rate Set Monthly
<b>TOTAL DELIVERY CHARGE</b>		1.143280	0.000000	0.075743	<b>1.219023</b>
<b>BGSS: (Applicable To Sales Customers Only)</b>	A	0.394122	0.000000	0.026111	<b>0.420233</b>

SOUTH JERSEY GAS COMPANY  
Schedule of Rate Components  
Appendix A - Effective \_\_\_\_\_

<b>RESIDENTIAL GAS SERVICE (RSG) - HEAT CUSTOMER</b>					
	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<b>CUSTOMER CHARGE</b>		9.850000		0.652563	<b>10.502563</b>
<b>DELIVERY CHARGE (per therm):</b>					
Base Rate		0.897170		0.059438	0.956608
IIP	B	0.010798	0.000000	0.000715	0.011513
TIC	C	0.000728	0.000000	0.000048	0.000776
SBC:					
RAC	E, G	0.055318	0.000000	0.003665	0.058983
CLEP	E, K	0.025189	0.000000	0.001669	0.026858
USF	E	<u>0.016600</u>	<u>0.000000</u>	<u>0.001100</u>	<u>0.017700</u>
Total SBC		<u>0.097107</u>	<u>0.000000</u>	<u>0.006434</u>	<u>0.103541</u>
CIP	M	0.104798	0.000000	0.006943	0.111741
EET	N	0.038533	0.000000	0.002553	0.041086
Balancing Service Charge BS-1	J	0.064322	0.000000	0.004261	0.068583
Balancing Service Charge BUY-OUT PRICE (Applicable to Transportation Customers Only)	J				Rate Set Monthly
<b>Total Delivery Charge</b>		<b>1.213456</b>	<b>0.000000</b>	<b>0.080392</b>	<b>1.293848</b>
<b>BGSS: (Applicable To Sales Customers Only)</b>	A	0.394122	0.000000	0.026111	<b>0.420233</b>

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<b>GENERAL SERVICE (GSG)</b>					
	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<b>CUSTOMER CHARGE</b>		37.980000		2.516175	<b>40.496175</b>
<b>DELIVERY CHARGE (per therm):</b>					
Base Rate		0.723187		0.047911	0.771098
IIP	B	0.008606	0.000000	0.000570	0.009176
TIC	C	0.000728	0.000000	0.000048	0.000776
SBC:					
RAC	E, G	0.055318	0.000000	0.003665	0.058983
CLEP	E, K	0.025189	0.000000	0.001669	0.026858
USF	E	<u>0.016600</u>	<u>0.000000</u>	<u>0.001100</u>	<u>0.017700</u>
Total SBC		0.097107	0.000000	0.006434	0.103541
CIP	M	0.082795	0.000000	0.005485	0.088280
EET	N	0.038533	0.000000	0.002553	0.041086
Balancing Service Charge BS-1	J	0.064322	0.000000	0.004261	0.068583
Balancing Service Charge BUY-OUT PRICE (Applicable to Transportation Customers Only)	J				Rate Set Monthly
<b>Total Delivery Charge</b>		1.015278	0.000000	0.067262	<b>1.082540</b>
<b>BGSS: (Applicable To Sales Customers Only using less than 5,000 therms annually)</b>	A	0.394122	0.000000	0.026111	<b>0.420233</b>
<b>BGSS: (Applicable To Sales Customers Only using 5,000 therms annually or greater)</b>	A				<b>RATE SET MONTHLY</b>



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**GENERAL SERVICE-LV (GSG-LV)**

	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<b>CUSTOMER CHARGE</b>		247.600000		16.403500	<b>264.003500</b>
<b>D-1 Demand Charge (Mcf)</b>		13.317700		0.882298	<b>14.199998</b>
<b><u>DELIVERY CHARGE (per therm):</u></b>					
Base Rate		0.359109		0.023791	0.382900
IIP	B	0.004851	0.000000	0.000321	0.005172
TIC	C	0.000728	0.000000	0.000048	0.000776
SBC:					
RAC	E, G	0.055318	0.000000	0.003665	0.058983
CLEP	E, K	0.025189	0.000000	0.001669	0.026858
USF	E	<u>0.016600</u>	<u>0.000000</u>	<u>0.001100</u>	<u>0.017700</u>
Total SBC		0.097107	0.000000	0.006434	0.103541
CIP	M	0.046449	0.000000	0.003077	0.049526
EET	N	0.038533	0.000000	0.002553	0.041086
Balancing Service Charge BS-1	J	0.064322	0.000000	0.004261	0.068583
Balancing Service Charge BUY-OUT PRICE (Applicable to Transportation Customers Only)	J				Rate Set Monthly
<b>Total Delivery Charge</b>		0.611099	0.000000	0.040485	<b>0.651584</b>
<b><u>BGSS: (Applicable Sales Customers Only)</u></b>	A				<b>RATE SET MONTHLY</b>

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**COMPREHENSIVE TRANSPORTATION SERVICE (CTS)**

	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<b>FIRM</b>					
<b><u>CUSTOMER CHARGE</u></b>		820.630000		54.366738	<b>874.996738</b>
<b><u>D-1 Demand Charge (Mcf)</u></b>		34.701100		2.298948	<b>37.000048</b>
<b><u>DELIVERY CHARGE (per therm):</u></b>					
Base Rate		0.091136		0.006038	0.097174
IIP	B	0.003001	0.000000	0.000199	0.003200
SBC:					
RAC	E, G	0.055318	0.000000	0.003665	0.058983
CLEP	E, K	0.025189	0.000000	0.001669	0.026858
USF	E	<u>0.016600</u>	<u>0.000000</u>	<u>0.001100</u>	<u>0.017700</u>
Total SBC		0.097107	0.000000	0.006434	0.103541
EET	N	0.038533	0.000000	0.002553	0.041086
<b>Total Delivery Charge</b>		0.229777	0.000000	0.015224	0.245001
Balancing Service Charge BS-1	I	0.064322	0.000000	0.004261	0.068583
Balancing Service Charge BS-1 (Opt Out Provision)	I	0.002276	0.000000	0.000151	0.002427
BUY-OUT PRICE					RATE SET MONTHLY
<b>LIMITED FIRM</b>					
<b><u>CUSTOMER CHARGE</u></b>		500.000000		33.125000	<b>533.125000</b>
<b><u>DELIVERY CHARGE (per therm):</u></b>					
Base Rate		0.058400		0.003900	0.062300
SBC:					
RAC	E, G	0.055318	0.000000	0.003665	0.058983
CLEP	E, K	0.025189	0.000000	0.001669	0.026858
USF	E	<u>0.016600</u>	<u>0.000000</u>	<u>0.001100</u>	<u>0.017700</u>
Total SBC		0.097107	0.000000	0.006434	0.103541
EET	N	0.038533	0.000000	0.002553	0.041086
<b>Total Delivery Charge</b>		0.194040	0.000000	0.012887	0.206927
Balancing Service Charge BS-1	I	0.064322	0.000000	0.004261	0.068583
Balancing Service Charge BS-1 (Opt Out Provision)	I	0.002276	0.000000	0.000151	0.002427
BUY-OUT PRICE					RATE SET MONTHLY

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<b>LARGE VOLUME SERVICE (LVS)</b>					
	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<b>FIRM</b>					
<b>CUSTOMER CHARGE</b>		1,148.890000		76.113963	<b>1,225.003963</b>
<b>D-1 Demand Charge (Mcf)</b>		20.633100		1.366943	<b>22.000043</b>
<b>D-2 DEMAND BGSS(Applicable to Sales Customers Only)</b>	A	15.469649	0.000000	1.024864	<b>16.494513</b>
<b>DELIVERY CHARGE (per therm):</b>					
Base Rate		0.061199		0.004054	0.065253
IIP	B	0.001564	0.000000	0.000104	0.001668
SBC:					
RAC	E, G	0.055318	0.000000	0.003665	0.058983
CLEP	E, K	0.025189	0.000000	0.001669	0.026858
USF	E	<u>0.016600</u>	<u>0.000000</u>	<u>0.001100</u>	<u>0.017700</u>
Total SBC		<u>0.097107</u>	<u>0.000000</u>	<u>0.006434</u>	<u>0.103541</u>
EET	N	0.038533	0.000000	0.002553	0.041086
<b>Total Delivery Charge</b>		<b>0.198403</b>	<b>0.000000</b>	<b>0.013145</b>	<b>0.211548</b>
Balancing Service Charge BS-1	I	0.064322	0.000000	0.004261	0.068583
Balancing Service Charge BS-1 (Opt Out Provision) (Applicable to Transportation Customers Only)	I	0.002276	0.000000	0.000151	0.002427
Balancing Service Charge CASH OUT CHARGE (CREDIT) (Applicable Transportation Customers Only)	I				RATE SET MONTHLY
<b>BGSS: (Applicable Sales Customers Only)</b>	A				<b>RATE SET MONTHLY</b>
<b>LIMITED FIRM</b>					
<b>CUSTOMER CHARGE</b>		500.000000		33.125000	<b>533.125000</b>
<b>DELIVERY CHARGE (per therm):</b>					
Base Rate		0.148587		0.009844	0.158431
IIP	B	0.001564	0.000000	0.000104	0.001668
SBC:					
RAC	E, G	0.055318	0.000000	0.003665	0.058983
CLEP	E, K	0.025189	0.000000	0.001669	0.026858
USF	E	<u>0.016600</u>	<u>0.000000</u>	<u>0.001100</u>	<u>0.017700</u>
Total SBC		<u>0.097107</u>	<u>0.000000</u>	<u>0.006434</u>	<u>0.103541</u>
EET	N	0.038533	0.000000	0.002553	0.041086
<b>Total Delivery Charge</b>		<b>0.285791</b>	<b>0.000000</b>	<b>0.018935</b>	<b>0.304726</b>
Balancing Service Charge BS-1	I	0.064322	0.000000	0.004261	0.068583
Balancing Service Charge BS-1 (Opt Out Provision) (Applicable to Transportation Customers Only)	I	0.002276	0.000000	0.000151	0.002427
BUY-OUT PRICE	I				RATE SET MONTHLY

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<b>FIRM ELECTRIC SALES (FES)</b>	<b>RIDER</b>	<b>RATE</b>	<b>PUA</b>	<b>NJ SALES TAX</b>	<b>TARIFF RATE</b>
<b>WINTER</b>					
<b>D-1 DEMAND (MCF) (Rate is negotiated. Shown here is the benchmark rate.)</b>		2.897200		0.191900	<b>3.089100</b>
<b>D-2 DEMAND BGSS(MCF) (Applicable to Sales Customers Only)</b>	A	7.734825	0.000000	0.512432	<b>8.247257</b>
<b>DELIVERY CHARGE (per therm):</b>					
SBC:					
RAC	E, G	0.055318	0.000000	0.003665	0.058983
CLEP	E, K	0.025189	0.000000	0.001669	0.026858
USF	E	<u>0.016600</u>	<u>0.000000</u>	<u>0.001100</u>	<u>0.017700</u>
Total SBC		0.097107	0.000000	0.006434	0.103541
EET	N	0.038533	0.000000	0.002553	0.041086
<b>Total Delivery Charge</b>		0.135640	0.000000	0.008987	<b>0.144627</b>
<b>C-3 All Therms (Rate is negotiated. Shown here is the benchmark rate.)</b>		0.162900		0.010800	<b>0.173700</b>
<b>C-4 Escalator Rate (To be determined as prescribed in the Company's Tariff)</b>					<b>RATE SET MONTHLY</b>
Balancing Service Charge CASH OUT CHARGE (CREDIT) (Applicable to Firm Transportatin Customers Only)	I				RATE SET MONTHLY
<b>BGSS: (Applicable To Sales Customers Only)</b>	A				<b>RATE SET MONTHLY</b>
<b>SUMMER</b>					
<b>D-1 DEMAND (MCF) (Rate is negotiated. Shown here is the benchmark rate.)</b>		2.897200		0.191900	<b>3.089100</b>
<b>D-2 DEMAND BGSS(MCF) (Applicable to Sales Customers Only)</b>	A	7.734825	0.000000	0.512432	<b>8.247257</b>
SBC:					
RAC	E, G	0.055318	0.000000	0.003665	0.058983
CLEP	E, K	0.025189	0.000000	0.001669	0.026858
USF	E	0.016600	0.000000	0.001100	0.017700
EET	N	0.038533	0.000000	0.002553	0.041086
<b>Total Delivery Charge</b>		0.135640	0.000000	0.008987	<b>0.144627</b>
<b>C-3 All Therms (Rate is negotiated. Shown here is the benchmark rate.)</b>		0.162900		0.010800	<b>0.173700</b>
<b>C-4 Escalator Rate (To be determined as prescribed in the Company's Tariff)</b>					<b>RATE SET MONTHLY</b>
Balancing Service Charge CASH OUT CHARGE (CREDIT) (Applicable to Firm Transportatin Customers Only)	I				RATE SET MONTHLY
<b>BGSS: (Applicable To Sales Customers Only)</b>	A				<b>RATE SET MONTHLY</b>

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<b><u>ELECTRIC GENERATION SERVICE (EGS) - RESIDENTIAL</u></b>					
	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<b><u>CUSTOMER CHARGE</u></b>		9.850000		0.652563	<b>10.502563</b>
<b><u>DELIVERY CHARGE (per therm):</u></b>					
Base Rate		0.180446		0.011955	0.192401
IIP	B	0.002099	0.000000	0.000139	0.002238
SBC:					
RAC	E, G	0.055318	0.000000	0.003665	0.058983
CLEP	E, K	0.025189	0.000000	0.001669	0.026858
USF	E	<u>0.016600</u>	<u>0.000000</u>	<u>0.001100</u>	<u>0.017700</u>
Total SBC		0.097107	0.000000	0.006434	0.103541
EET	N	0.038533	0.000000	0.002553	0.041086
Balancing Service Charge BS-1	J	0.064322	0.000000	0.004261	0.068583
<b>Total Delivery Charge</b>		0.382507	0.000000	0.025342	0.407849
<b><u>BGSS: (Applicable To Sales Customers Only)</u></b>	A	0.394122	0.000000	0.026111	<b>0.420233</b>

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<b><u>ELECTRIC GENERATION SERVICE (EGS) - COMMERCIAL/INDUSTRIAL</u></b>					
	<b><u>RIDER</u></b>	<b><u>RATE</u></b>	<b><u>PUA</u></b>	<b><u>NJ SALES TAX</u></b>	<b><u>TARIFF RATE</u></b>
<b><u>CUSTOMER CHARGE</u></b>		86.280000		5.716050	<b>91.996050</b>
<b><u>D-1 DEMAND (MCF)</u></b>		9.144200		0.605803	<b>9.750003</b>
<b><u>DELIVERY CHARGE (per therm):</u></b>					
Base Rate - Winter Season (Nov - Mar)		0.168130		0.011139	0.179269
Base Rate - Summer Season (Apr - Oct)		0.138130		0.009151	0.147281
IIP	B	0.002099	0.000000	0.000139	0.002238
SBC:					
RAC	E, G	0.055318	0.000000	0.003665	0.058983
CLEP	E, K	0.025189	0.000000	0.001669	0.026858
USF	E	<u>0.016600</u>	<u>0.000000</u>	<u>0.001100</u>	<u>0.017700</u>
	Total SBC	0.097107	0.000000	0.006434	0.103541
EET	N	0.038533	0.000000	0.002553	0.041086
Balancing Service Charge BS-1	J	0.064322	0.000000	0.004261	0.068583
		<b>Total Delivery Charge - Winter Season</b>	0.370191	0.000000	<b>0.394717</b>
		<b>Total Delivery Charge - Summer Season</b>	0.340191	0.000000	<b>0.362729</b>
<b><u>BGSS: (Applicable To Sales Customers Only)</u></b>	A				<b>RATE SET MONTHLY</b>

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<u>ELECTRIC GENERATION SERVICE-LV (EGS-LV)</u>	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<b>FIRM</b>					
<b><u>CUSTOMER CHARGE</u></b>		820.630000		54.366738	<b>874.996738</b>
<b><u>D-1 DEMAND (MCF) (Rate is negotiated. Shown here is the benchmark rate.)</u></b>		27.611897		1.829288	<b>29.441185</b>
<b><u>D-2 DEMAND BGSS (MCF) (Applicable to Sales Customers Only)</u></b>	A	15.546022	0.000000	1.029924	<b>16.575946</b>
<b><u>DELIVERY CHARGE (per therm):</u></b>					
IIP	B	0.000267	0.000000	0.000018	0.000285
SBC:					
RAC	E, G	0.055318	0.000000	0.003665	0.058983
CLEP	E, K	0.025189	0.000000	0.001669	0.026858
USF	E	<u>0.016600</u>	<u>0.000000</u>	<u>0.001100</u>	<u>0.017700</u>
		0.097107	0.000000	0.006434	0.103541
EET	N	0.038533	0.000000	0.002553	0.041086
<b>Total Delivery Charge</b>		0.135907	0.000000	0.009005	<b>0.144912</b>
Balancing Service Charge BS-1	I	0.064322	0.000000	0.004261	0.068583
Balancing Service Charge BS-1 (Opt Out Provision)	I	0.002276	0.000000	0.000151	0.002427
Balancing Service Charge CASH OUT CHARGE (CREDIT) (Applicable to Firm Transportatin Customers Only)	I				RATE SET MONTHLY
<b><u>BGSS: (Applicable To Sales Customers Only)</u></b>	A				<b>RATE SET MONTHLY</b>
<b>LIMITED FIRM</b>					
<b><u>D-2 DEMAND BGSS(MCF) (Applicable to Sales Customers Only)</u></b>	A	7.734825	0.000000	0.512432	<b>8.247257</b>
<b><u>DELIVERY CHARGE (per therm):</u></b>					
SBC:					
RAC	E, K	0.055318	0.000000	0.003665	0.058983
CLEP	E, G	0.025189	0.000000	0.001669	0.026858
USF	E	<u>0.016600</u>	<u>0.000000</u>	<u>0.001100</u>	<u>0.017700</u>
		0.097107	0.000000	0.006434	0.103541
EET	N	0.038533	0.000000	0.002553	0.041086
<b>Total Delivery Charge</b>		0.135640	0.000000	0.008987	<b>0.144627</b>
<b><u>C-3 (Rate is negotiated. Shown here is the benchmark rate.)</u></b>		0.162900		0.010800	<b>0.173700</b>
Balancing Service Charge BS-1	I	0.064322	0.000000	0.004261	0.068583
Balancing Service Charge BS-1 (Opt Out Provision)	I	0.002276	0.000000	0.000151	0.002427
Balancing Service Charge CASH OUT CHARGE (CREDIT) (Applicable to Firm Transportatin Customers Only)	I				RATE SET MONTHLY
<b><u>BGSS: (Applicable To Sales Customers Only)</u></b>	A				<b>RATE SET MONTHLY</b>

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<u>YARD LIGHTING SERVICE (YLS)</u>	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
MONTHLY CHARGE / INSTALL		15.798780		1.046669	16.845449
<b>STREET LIGHTING SERVICE (SLS)</b>					
MONTHLY CHARGE / INSTALL		18.987976		1.257953	20.245929
<b>INTERRUPTIBLE GAS SALES (IGS)</b>					
Commodity					Rate Set Monthly
SBC:					
RAC	E, K	0.055318	0.000000	0.003665	0.058983
USF	E	0.016600	0.000000	0.001100	0.017700
Total SBC:		0.071918	0.000000	0.004765	0.076683
EET	N	0.038533	0.000000	0.002553	0.041086



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<u>INTERRUPTIBLE TRANSPORTATION (ITS)</u>		<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<b>CUSTOMER CHARGE</b>			<b>500.000000</b>		<b>33.125000</b>	<b>533.125000</b>
<b>TRANSPORTATION CHARGE A</b>			<b>0.078400</b>		<b>0.005200</b>	<b>0.083600</b>
SBC:						
RAC		E, K	0.055318	0.000000	0.003665	0.058983
CLEP		E, G	0.025189	0.000000	0.001669	0.026858
USF		E	<u>0.016600</u>	<u>0.000000</u>	<u>0.001100</u>	<u>0.017700</u>
	Total SBC:		0.097107	0.000000	0.006434	0.103541
EET		N	0.038533	0.000000	0.002553	0.041086
<b>TRANSPORTATION CHARGE B</b>			<b>0.143200</b>		<b>0.009500</b>	<b>0.152700</b>
SBC:						
RAC		E, K	0.055318	0.000000	0.003665	0.058983
CLEP		E, G	0.025189	0.000000	0.001669	0.026858
USF		E	<u>0.016600</u>	<u>0.000000</u>	<u>0.001100</u>	<u>0.017700</u>
	Total SBC:		0.097107	0.000000	0.006434	0.103541
EET		N	0.038533	0.000000	0.002553	0.041086
<b>TRANSPORTATION CHARGE C</b>			<b>0.203200</b>		<b>0.013500</b>	<b>0.216700</b>
SBC:						
RAC		E, K	0.055318	0.000000	0.003665	0.058983
CLEP		E, G	0.025189	0.000000	0.001669	0.026858
USF		E	<u>0.016600</u>	<u>0.000000</u>	<u>0.001100</u>	<u>0.017700</u>
	Total SBC:		0.097107	0.000000	0.006434	0.103541
EET		N	0.038533	0.000000	0.002553	0.041086

SOUTH JERSEY GAS COMPANY  
Schedule of Rate Components  
Appendix A - Effective \_\_\_\_\_

<b><u>NATURAL GAS VEHICLE (NGV)</u></b>		<b><u>RATE</u></b>	<b><u>PUA</u></b>	<b><u>NJ SALES TAX</u></b>	<b><u>TARIFF RATE</u></b>
<b><u>COMPANY OPERATED FUELING STATIONS</u></b>					
<b><u>DELIVERY CHARGE (per therm):</u></b>					
IIP	B	0.003736	0.000000	0.000248	0.003984
SBC					
RAC	E, K	0.055318	0.000000	0.003665	0.058983
CLEP	E, G	0.025189	0.000000	0.001669	0.026858
USF	E	<u>0.016600</u>	<u>0.000000</u>	<u>0.001100</u>	<u>0.017700</u>
	Total SBC:	0.097107	0.000000	0.006434	0.103541
EET	N	0.038533	0.000000	0.002553	0.041086
	<b>Total Delivery Charge</b>	<b>0.139376</b>	<b>0.000000</b>	<b>0.009235</b>	<b>0.148611</b>
	<b><u>DISTRIBUTION CHARGE</u></b>	<b>0.241844</b>	<b>0.000000</b>	<b>0.0160220</b>	<b>0.257866</b>
	<b><u>COMPRESSION CHARGE</u></b>	<b>0.656506</b>	<b>0.000000</b>	<b>0.043494</b>	<b>0.700000</b>
Balancing Service Charge BS-1	I	0.064322	0.000000	0.004261	0.068583
Balancing Service Charge BS-1 (Opt Out Provision) (Applicable for Transportation Customers Only)	I	0.002276	0.000000	0.000151	0.002427
Balancing Service Charge BS-1	J	0.064322	0.000000	0.004261	0.068583
<b><u>BGSS: (Applicable To Sales Customers Only)</u></b>	A				<b>RATE SET MONTHLY</b>
<b><u>CUSTOMER OPERATED FUELING STATIONS</u></b>					
<b><u>CUSTOMER CHARGE</u></b>					
		0 - 999 CF/hour	37.500000	2.484400	<b>39.984400</b>
		1,000 - 4,999 CF/hour	75.000000	4.968800	<b>79.968800</b>
		5,000 - 24,999 CF/hour	241.970000	16.030500	<b>258.000500</b>
		25,000 or Greater CF/hour	925.000000	61.281250	<b>986.281250</b>
<b><u>DELIVERY CHARGE (per therm):</u></b>					
IIP	B	0.003736	0.000000	0.000248	0.003984
SBC					
RAC	E, K	0.055318	0.000000	0.003665	0.058983
CLEP	E, G	0.025189	0.000000	0.001669	0.026858
USF	E	<u>0.016600</u>	<u>0.000000</u>	<u>0.001100</u>	<u>0.017700</u>
	Total SBC:	0.097107	0.000000	0.006434	0.103541
EET	N	0.038533	0.000000	0.002553	0.041086
	<b>Total Delivery Charge</b>	<b>0.139376</b>	<b>0.000000</b>	<b>0.009235</b>	<b>0.148611</b>
	<b><u>DISTRIBUTION CHARGE</u></b>	<b>0.241844</b>	<b>0.000000</b>	<b>0.016022</b>	<b>0.257866</b>
Balancing Service Charge BS-1	I	0.064322	0.000000	0.004261	0.068583
Balancing Service Charge BS-1 (Opt Out Provision) (Applicable for Transportation Customers Only)	I	0.002276	0.000000	0.000151	0.002427
Balancing Service Charge BS-1	J	0.064322	0.000000	0.004261	0.068583
<b><u>BGSS: (Applicable To Sales Customers Only)</u></b>	A				<b>RATE SET MONTHLY</b>
<b><u>Facilities Charge (Applicable only to Customers that elect the Company construct Compressed Natural Gas ("CNG") fueling Facilities located on Customer's property)</u></b>		0.276150		0.018295	<b>0.294445</b>

SOUTH JERSEY GAS COMPANY  
Appendix A - Effective

**Heat Residential Rate Schedule:**

	RSG FSS	RSG-FTS	Difference
BGSS	0.420233	0.000000	0.420233
Base Rate	0.956608	0.956608	0.000000
IIP	0.011513	0.011513	0.000000
CLEP	0.026858	0.026858	0.000000
RAC	0.058983	0.058983	0.000000
CIP	0.111741	0.111741	0.000000
USF	0.017700	0.017700	0.000000
TIC	0.000776	0.000776	0.000000
EET	0.041086	0.041086	0.000000
BSC "J" BS-1	0.068583	0.068583	0.000000
<b>Price to Compare</b>	<b>1.714081</b>	<b>1.293848</b>	<b>0.420233</b>

**NonHeat Residential Rate Schedule:**

	RSG FSS	RSG-FTS	Difference
BGSS	0.420233	0.000000	0.420233
CIP	0.036916	0.036916	0.000000
Base Rate	0.956608	0.956608	0.000000
IIP	0.011513	0.011513	0.000000
CLEP	0.026858	0.026858	0.000000
RAC	0.058983	0.058983	0.000000
USF	0.017700	0.017700	0.000000
TIC	0.000776	0.000776	0.000000
EET	0.041086	0.041086	0.000000
BSC "J" BS-1	0.068583	0.068583	0.000000
<b>Price to Compare</b>	<b>1.639256</b>	<b>1.219023</b>	<b>0.420233</b>

**GSG**

(Under 5,000 therms annually)

	GSG FSS	GSG-FTS	Difference
BGSS	0.420233	0.000000	0.420233
CIP	0.088280	0.088280	0.000000
Base Rates	0.771098	0.771098	0.000000
IIP	0.009176	0.009176	0.000000
CLEP	0.026858	0.026858	0.000000
RAC	0.058983	0.058983	0.000000
USF	0.017700	0.017700	0.000000
TIC	0.000776	0.000776	0.000000
EET	0.041086	0.041086	0.000000
BSC "J" BS-1	0.068583	0.068583	0.000000
<b>Price to Compare</b>	<b>1.502773</b>	<b>1.082540</b>	<b>0.420233</b>

**GSG**

(5,000 therms annually or greater)

	GSG FSS	GSG-FTS	Difference
BGSS	0.362613	0.000000	0.362613
CIP	0.088280	0.088280	0.000000
Base Rates	0.771098	0.771098	0.000000
IIP	0.009176	0.009176	0.000000
CLEP	0.026858	0.026858	0.000000
RAC	0.058983	0.058983	0.000000
USF	0.017700	0.017700	0.000000
TIC	0.000776	0.000776	0.000000
EET	0.041086	0.041086	0.000000
BSC "J" BS-1	0.068583	0.068583	0.000000
<b>Price to Compare</b>	<b>1.445153</b>	<b>1.082540</b>	<b>0.362613</b>

**GSG-LV**

Prior to 7/15/97

	GSG-LV FSS	GSG-LV-FTS	Difference
BGSS	0.362613	0.000000	0.362613
CIP	0.049526	0.049526	0.000000
Base Rates	0.382900	0.382900	0.000000
IIP	0.005172	0.005172	0.000000
CLEP	0.026858	0.026858	0.000000
RAC	0.058983	0.058983	0.000000
USF	0.017700	0.017700	0.000000
TIC	0.000776	0.000776	0.000000
EET	0.041086	0.041086	0.000000
BSC "J" BS-1	0.068583	0.068583	0.000000
<b>Price to Compare</b>	<b>1.014197</b>	<b>0.651584</b>	<b>0.362613</b>

**BEFORE THE  
NEW JERSEY BOARD OF PUBLIC UTILITIES**

**SOUTH JERSEY GAS COMPANY**

**Direct Testimony**

**of**

**Maria C. Mendoza**

**Director, Gas Supply  
SJI Utilities, Inc.**

**On Behalf of**

**South Jersey Gas Company**

1 **I. INTRODUCTION**

2 **Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

3 **A.** My name is Maria C. Mendoza and my business address is One South Jersey Place,  
4 Atlantic City, NJ 08401.

5 **Q. WHAT IS YOUR POSITION WITH SOUTH JERSEY GAS COMPANY?**

6 **A.** I am Director, Gas Supply for SJI Utilities Inc (“SJIU”). My current  
7 responsibilities include the management and oversight of all aspects of the Gas  
8 Supply Department for South Jersey Gas Company (“South Jersey” or  
9 “Company”), including off-system sales, capacity planning, portfolio modeling,  
10 optimization, and forecasting for the Company.

11 **Q. WHAT ARE YOUR PROFESSIONAL QUALIFICATIONS?**

12 **A.** I received my Bachelor Degree in Industrial Engineering from Universidad  
13 Industrial de Santander in Colombia, South America. Subsequently, I moved to the  
14 United States where I graduated from Drexel University in 2011 with a Master of  
15 Business Administration. In 2012, I joined South Jersey as a Power Rotational  
16 Associate and in that role, which I held for three years, contributed to the  
17 implementation of new technology supporting the operations of the Utility and  
18 Construction areas of the Company. After completing my three-year term in the  
19 rotational program in 2015, I accepted a position in the Gas Supply Department as  
20 a Supervisor, Gas Scheduler. In that position, I had a number of responsibilities  
21 including trading, regulatory and accounting duties for the Gas Supply Department,  
22 and in July of 2023, I was promoted to my current position as Director, Gas Supply  
23 for SJIU.

1 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS**  
2 **PROCEEDING?**

3 **A.** The purpose of my testimony is to support the Company’s projected gas supply and  
4 requirements forecast, as well as the gas costs associated with meeting these needs  
5 for the 2023-2024 and 2024-2025 Basic Gas Supply Service (“BGSS”) Years,  
6 ending September 30, 2024 and September 30, 2025, respectively. In discussing  
7 the gas costs reflected in this filing, I will discuss the gas supply and related costs  
8 incurred as a result of the resolution of a contract dispute with Antero Resources  
9 Corporation (“Antero”) and related amortization which will be completed by  
10 September 30, 2024 as reflected in this filing. I also support proposed changes to  
11 the Company’s Balancing Service Clause (“BSC”) charges that are applicable to  
12 Rider “I” – BSC Large Volume (“BSC-LV”) and Rider “J” – BSC General Service  
13 (“BSC-GS”) transportation customers. In addition, I address certain affiliate gas  
14 supply and capacity release transactions, marketer-related issues and planned  
15 capacity additions as well as describe the Company’s hedging activities, cost offsets  
16 associated with margin sharing and pipeline refunds and Conservation Incentive  
17 Program (“CIP”) savings. I also address certain Federal Energy Regulatory  
18 Commission (“FERC”) pipeline activities expected to impact the 2023–2024 and  
19 2024–2025 BGSS/CIP Years. Finally, throughout my testimony, I describe  
20 compliance with various requirements contained in the New Jersey Board of Public  
21 Utilities’ (“BPU” or the “Board”) Order issued in South Jersey’s 2018 BGSS

1 proceeding in BPU Docket No. GR18060609<sup>1</sup> and in the 2022 BGSS proceeding  
2 in BPU Docket No. GR22060364<sup>2</sup>.

3 **Q. DO YOU SPONSOR ANY SCHEDULES AS PART OF YOUR**  
4 **TESTIMONY?**

5 **A.** Yes. My testimony includes the following schedules which were prepared under  
6 my supervision and direction, several of which contain information responsive to  
7 various Minimum Filing Requirements (“MFRs”) required by Board Order dated  
8 June 20, 2003 in BPU Docket No. GR02120945 *et. al*, as well as subsequent orders  
9 issued since that time:

10 (i) Schedule MCM-1 contains the Company’s projected gas send-out  
11 requirements and supplies for the 2024–2025 BGSS/CIP Year;

12 (ii) Schedule MCM-2 contains projected pipeline pricing for the 2024–  
13 2025 BGSS/CIP Year;

14 (iii) Schedule MCM-3 contains projected use of supplemental gas  
15 supplies for 2024–2025 BGSS/CIP Year;

16 (iv) Schedule MCM-4 contains actual and estimated annual gas  
17 requirements and supplies for the 2021–2026 period;

18 (v) Confidential Schedule MCM-5 contains South Jersey’s Gas  
19 Procurement Strategy and Plan as part of the SJI Utilities Risk Management

20 Policy. Confidential Schedule MCM-5 will be provided to Board Staff and

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<sup>1</sup> In re the Petition of South Jersey Gas Company to Revise the Level of its Basic Gas Supply Service (“BGSS”) Charge and Conservation Incentive Program (“CIP”) Charges for the Year Ending September 30, 2019, Docket No. GR18060609, Order dated May 18, 2019 (“2019 BGSS Order”)

<sup>2</sup> In re the Petition of South Jersey Gas Company to Revise the Level of its Basic Gas Supply Service (“BGSS”) Charge and Conservation Incentive Program (“CIP”) Charges for the Year Ending September 30, 2023 Docket No. GR22060364, Order dated September 7, 2022 (“2022 BGSS Order”)

1 the New Jersey Division of Rate Counsel (“Rate Counsel”) upon the  
2 execution of a mutually acceptable Non-Disclosure Agreement;

3 (vi) Schedule MCM-6 contains the Design Day Forecast for the 2024–  
4 2029 period;

5 (vii) Schedule MCM-7 contains actual peak day supply and demand for  
6 the five highest demand days for the 2021-2022, 2022-2023 and 2023–2024  
7 winter seasons;

8 (viii) Schedule MCM-8 contains actual and estimated supplier refunds for  
9 the 2023–2024 and 2024-2025 BGSS/CIP Years;

10 (ix) Schedule MCM-9 contains a summary of hedging activity for the  
11 four most recent quarterly hedging reports as of March 31, 2024;

12 (x) Confidential Schedule MCM-10 contains affiliate transactions  
13 between South Jersey and South Jersey Resources Group, Inc. (“SJRG”),  
14 including delivery points for all purchase and sale transactions and  
15 comparable daily/monthly price index information for purchase and sale  
16 transactions done at fixed price, for the period from May 2023 through April  
17 2024 Confidential Schedule MCM-10 will be provided to Board Staff and  
18 Rate Counsel upon execution of a mutually acceptable Non-Disclosure  
19 Agreement;

20 (xi) Schedule MCM-11 contains summaries of interstate pipeline filings  
21 submitted to FERC;

22 (xii) Schedule MCM-12 contains calculations of the charges applicable  
23 to Rider “I” - BSC-LV and Rider “J” - BSC-GS;



1 (xiii) Schedule MCM-13 contains a summary of transportation and  
2 storage contracts and capacity contract changes;

3 (xiv) Schedule MCM-14 contains the projected spot/natural gas purchase  
4 requirements and commodity prices for the 2023–2024 and 2024–2025  
5 BGSS/CIP Years; and

6 (xv) Schedule MCM-15 Contains Asset Management Agreement  
7 (“AMA”) valuation calculations covering transactions that involve baseload  
8 AMAs. In accordance with MFR-20, to the extent the Company enters into  
9 baseload AMAs, the Company will prepare an analysis produced at the time  
10 the AMA is executed that will set forth how much, if any, of the AMA  
11 management fee will be excluded from the formula used to determine AMA  
12 management fee sharing between the Company and its Periodic BGSS  
13 customers because the excluded portion of the fee is the product of an  
14 agreement by the Company to provide the Asset Manager with a benefit  
15 under the AMA that is forecasted to increase the commodity costs to  
16 Periodic BGSS customers.

17  
18 **II. GAS SUPPLY AND REQUIREMENTS FORECAST**

19 **Q. PLEASE EXPLAIN GENERALLY THE COMPANY’S GAS SUPPLY AND**  
20 **REQUIREMENTS FORECAST FOR THE 2024–2025 BGSS/CIP YEAR.**

21 **A.** The gas quantities shown on Schedule MCM-1 are based on a mixture of gas supply  
22 sources determined by the Company to yield the best gas cost mixture while  
23 providing security of supply and system integrity. The Company utilized the New

1 York Mercantile Exchange (“NYMEX”) Strip Pricing as of May 8, 2024, currently  
2 hedged positions and contractual agreements when determining the prices and  
3 quantities of gas, which are shown on Schedule MCM-2 and Schedule MCM-14.

4 For the 2024–2025 BGSS/CIP Year, we are projecting in Schedule MCM-  
5 1 that firm customer requirements and projected storage injections will be met  
6 predominantly through annual, seasonal and short term purchases from third-party  
7 sellers on the Transcontinental Gas Pipe Line Company, LLC (“Transco”),  
8 Columbia Gas Transmission, LLC (“Columbia”), and Eastern Gas Transmission  
9 and Storage (“EGTS”) pipeline systems of 4.5 million dekatherms (“MMDth”), 3.5  
10 MMDth, and 0.4 MMDth respectively as well as pipeline storage withdrawals of  
11 8.1 MMDth and liquefied natural gas (“LNG”) withdrawals of 0.2 MMDth.

12 **Q. PLEASE PROVIDE THE HISTORIC AND PROSPECTIVE SUPPLY AND**  
13 **REQUIREMENTS FOR THE 2024-2025 BGSS YEAR.**

14 **A.** The data shown on Schedule MCM-4 (page 1 of 3) provides the actual requirements  
15 and supplies by component on an annual heating season and non-heating season  
16 basis for the two prior gas supply years, November 2021 – October 2022 and  
17 November 2022 – October 2023. The data shown on Schedule MCM-4 (page 2 of  
18 3) provides information for the reconciliation period November 2023 – October  
19 2024, including actual data for the November 2023 – March 2024 heating season  
20 and estimated data for the April 2024 – October 2025 non-heating season. Schedule  
21 MCM-1 provides prospective information for the 2024-2025 BGSS/CIP Year,  
22 while Schedule MCM-4 (page 3 of 3) provides the same information on a

1 prospective basis for the subsequent gas supply years November 2024 – October  
2 2025 and November 2025 - October 2026.

3 **Q. PLEASE PROVIDE AN OVERVIEW OF THE COMPANY’S SUPPLY BY**  
4 **INTERSTATE PIPELINE.**

5 **A. Supplies on Transco**

6 Transco is South Jersey's largest provider of pipeline transportation capacity, and it  
7 is also the provider of six (6) of the eight (8) gas storage services. Additionally, the  
8 Company has a winter season peaking transportation service with Transco, which  
9 is available for the period December 1 through the last day of February of each year  
10 under Rate Schedule PSFT.

11 **Supplies on Columbia**

12 Columbia is South Jersey’s second-largest provider of interstate pipeline services.  
13 The Company holds several firm transportation services with Columbia under Rate  
14 Schedule FTS, and one long-term firm transportation service under Rate Schedules  
15 NTS. In addition, South Jersey subscribes to a firm storage service under  
16 Columbia’s Rate Schedule FSS along with an associated firm storage transportation  
17 service under Rate Schedule SST.

18 The Company’s Maximum Daily Quantity (“MDQ”) for its FTS service is  
19 85,043 Dth/day and its MDQ with its NTS service is 22,511 Dth/day, for a  
20 combined deliverability of 107,554 Dth/day. Each of the referenced services is  
21 available on a year-round basis.

22 **Supplies on EGTS, previously known as Dominion Transmission, Inc.**

1 The Company's EGTS GSS storage service provides for the delivery of up to  
2 10,000 Dth/day during the winter season. This storage supply is delivered to the  
3 Company's city gate via a Transco Leidy Line transportation service.

4 **Q. PLEASE EXPLAIN HOW THE PIPELINE STORAGE SERVICES WILL**  
5 **HELP MEET THE COMPANY'S REQUIREMENTS DURING THE 2024-**  
6 **2025 BGSS/CIP YEAR.**

7 **A.** Schedule MCM-1 (lines 30 and 34) reflect the injection of direct purchased gas into  
8 storage services during the 2024-2025 summer season of approximately 8.5  
9 MMDth. Schedule MCM-1 (lines 31 and 35) also reflects the amount of gas  
10 projected to be withdrawn from pipeline storage services of approximately 8.1  
11 MMDth, to meet the Company's requirements during the 2024-2025 winter season.  
12 The pipeline storage services are essential to meeting demand during the winter  
13 season and serve as to balance the variation in demand all year long.

14 **Q. PLEASE EXPLAIN HOW THE COMPANY USES LNG TO MEET ITS**  
15 **CURRENT AND FORECASTED NEEDS.**

16 **A.** In Schedule MCM-1 (line 26), the Company is projecting that its LNG sendout  
17 requirement during the 2024-2025 BGSS/CIP Year will be 125,100 Dth. South  
18 Jersey requires a stable LNG supply source to maintain gas service to its customers  
19 during the winter season to meet peak sendout requirements, and to stand ready to  
20 supply its customers should an interruption of gas supplies occur on the system of  
21 one or more of its pipeline suppliers. For these reasons, in response to changes in  
22 the LNG marketplace in 2012, South Jersey secured its LNG supply requirements  
23 through the operation of its own liquefaction facility, which went into service in

1 November 2016. This facility helps to ensure that LNG is available at a reasonable  
2 cost and not subject to LNG marketplace volatility.

3 **Q. PLEASE EXPLAIN THE COMPANY’S DESIGN DAY ANALYSIS AND**  
4 **HOW IT IMPACTS THIS FILING.**

5 **A.** South Jersey, like other gas utilities, must plan to meet customer needs on a design  
6 day (a day in which our service area would experience an average daily temperature  
7 of 2 degrees Fahrenheit or 63 heating degree days). Schedule MCM-6 represents  
8 the Company’s design day forecast (“Design Day Forecast”) as compared to  
9 Company entitlements for the 2024-2025 through 2028-2029 winter seasons. This  
10 forecast is used by South Jersey to evaluate its ability to meet customer  
11 requirements on the projected coldest day scenario, which is based on South  
12 Jersey’s actual experience in January 1994. For the purpose of this analysis, the  
13 Company updated the forecasting model to incorporate updated customer growth  
14 rates for residential and commercial customers and updated heating use factors.  
15 Incorporating the most recent available data into the design day model provides a  
16 reflection of the effects that energy efficiency programs and conservation incentive  
17 programs have had in recent years and are projected to have in future years.  
18 Schedule MCM-7 contains information related to the actual peak day supply and  
19 demand for the Company’s five (5) highest send-out days for each of the last three  
20 winter seasons.

1 Pursuant to the 2003 BGSS Order.<sup>3</sup>, South Jersey agreed to revise its design  
2 day analysis to include in the calculation of demand requirements, design day  
3 volumes associated with customers served under all sales rate schedules and  
4 transportation customers served under Rate Schedules RSG, GSG, GSG-LV, EGS,  
5 LVS, CTS and EGS-LV. In addition, South Jersey agreed to exclude from design  
6 day planning, design day volumes associated with transportation customers served  
7 under rate schedules LVS, CTS and EGS-LV that opt-out of the right or entitlement  
8 to have base load provided by the Company in accordance with provisions of our  
9 tariff. To date, all eligible customers served under rate schedules LVS, CTS and  
10 EGS-LV have opted out and this has been reflected in the design day forecast.

11 For design day planning purposes, South Jersey will rely on 100% of the  
12 daily projected transportation volumes (not acquire backup capacity) associated  
13 with transportation customers served under rate schedules RSG, GSG, GSG-LV  
14 and EGS (as well as those customers, if any, served under rate schedules LVS, CTS  
15 and EGS-LV who do not opt-out) if their volumes are less than or equal to 105,000  
16 Dth/day. Should South Jersey project that the transportation volumes associated  
17 with these rate schedules will exceed 105,000 Dth/day, then South Jersey will rely  
18 on 50% of transportation volumes associated with RSG, GSG, GSG-LV and EGS  
19 transportation customers (as well as those customers, if any, served under rate  
20 schedules LVS, CTS and EGS-LV who do not opt-out) that exceed 105,000

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<sup>3</sup> In the Matter of the Petition of South Jersey Gas Company for Approval of Increased Base Rate Tariff Rates and Charges for the Gas Service and Other Tariff Revisions, Docket No. GR03080683, et.al, Order dated April 29, 2003 (“2003 BGSS Order”)

1 Dth/day. Schedule MCM-6 details the Company’s design day requirements as  
2 compared to available capacity entitlements through the 2028-2029 winter season.

3

4 **III. COST OF GAS**

5 **Q. PLEASE EXPLAIN HOW THE COMPANY MANAGES THE COST OF**  
6 **GAS.**

7 **A.** The Company has taken reasonable steps to reduce its gas costs and manage the  
8 high volatility experienced in the natural gas commodities market during the recent  
9 years. South Jersey’s efforts to reduce costs and manage volatility have included  
10 (1) continuing to execute its Gas Procurement Strategy and Plan, which include  
11 financial hedging strategies, on file with the Board, (2) employing its gas storage  
12 resources to reduce exposure to some of the volatility associated with wintertime  
13 price swings. Petitioner’s purchases of gas supply have been effectuated at prices  
14 consistent with market conditions required by N.J.S.A. 48:3-58(t) and (3)  
15 maximizing credits to firm customers through the optimization of its gas supply  
16 and upstream capacity management, which has resulted in the inclusion of a credit  
17 to BGSS gas costs of \$26.8 million, which represents eighty-five percent (85%) of  
18 the gross margin generated by off-system sales, interruptible sales and  
19 transportation and capacity releases and 100 percent (100%) of capacity release  
20 credits, off-system sales margins and other margins derived from the use of the  
21 Adelpia Gateway LLC (“Adelpia”) FT-28 contract. The Company will continue  
22 to monitor market conditions and look for opportunities to lower costs and benefit

1 our customers. Further details regarding the Company's efforts are discussed  
2 below.

3 **Market Responsive Pipeline Supplies**

4 The Company has direct connections with two interstate pipeline companies,  
5 Transco and Columbia. South Jersey also secures firm storage and transportation  
6 services from EGTS and Adelphia whose pipeline systems are located upstream of  
7 the Transco and Columbia systems, respectively. Natural gas stored and  
8 transported by EGTS is delivered into Transco's Leidy Line system for ultimate  
9 delivery to South Jersey. Natural gas transported on the Adelphia system is  
10 delivered into Columbia for ultimate delivery to South Jersey. As required by the  
11 governing MFRs, Schedule MCM-13 presents changes to the Company's portfolio  
12 of interstate pipeline contracts through the period ending September 30, 2025.

13 South Jersey intends to utilize the "open access" status of its pipeline  
14 suppliers to the maximum extent possible to facilitate its ongoing policy of best-  
15 value gas purchasing, with consideration given to security of supply along with  
16 contractual obligations and hedged supplies. With this objective, South Jersey is  
17 projecting that all the natural gas purchases reflected in Schedule MCM-14 for the  
18 2023-2024 and the 2024-2025 BGSS/CIP Years will be priced on a market  
19 responsive basis, with the exception of those hedged purchases made under the  
20 provisions of the Company's Gas Procurement Strategy and Plan which are  
21 attached hereto as Confidential Schedule MCM-5. As indicated earlier in my  
22 testimony, this schedule will be provided to Board Staff and Rate Counsel upon  
23 execution of a mutually acceptable Non-Disclosure Agreement.



1           **Demand Charges**

2           The projected pipeline demand charges shown in Schedule MCM-2 associated with  
3           the purchase of storage and transportation services on the Transco, Columbia,  
4           EGTS and Adelphia pipeline systems reflect the currently effective FERC approved  
5           jurisdictional rates contained in each pipeline’s FERC Gas Tariff. These rates were  
6           held constant throughout the 2024-2025 BGSS/CIP Year.

7                         In January 2019, the Company entered into an agreement with Transco to  
8           turn back a total of 22,256 Dth/day of Zone 1- Zone 3 production area capacity for  
9           a term of ten (10) years that became effective October 1, 2020. The Company  
10          released this path of capacity to various counterparties over many years as the most  
11          liquid pools to supply this long-haul capacity are in Transco’s Zones 3 and 4. The  
12          turn back of this capacity saves customers over \$800,000 annually.

13           **Commodity Charges**

14          The delivered commodity gas prices reflected in Schedule MCM-14 for the 2024-  
15          2025 BGSS/CIP Year were derived based on the Company's Gas Procurement  
16          Strategy and Plan, which is explained in Confidential Schedule MCM-5. These  
17          guidelines were developed with a number of goals in mind, including the  
18          management of price risk through diversity of purchases, providing a framework  
19          from which sound purchasing decisions can be made and the establishment of  
20          criteria for price hedging.

21                         The commodity prices in Schedule MCM-14 for gas purchased and  
22          delivered under Transco Rate Schedules FT and PSFT, along with gas purchased  
23          and delivered on Columbia Rate Schedules FTS and NTS, were based on the

1 average of the NYMEX close as of May 8, 2024, along with the estimated  
2 production and market area indices at the various locations where we expect to  
3 purchase gas during the 2024-2025 BGSS/CIP Year. The estimates of indices were  
4 gathered from industry publications along with discussions held with other market  
5 participants including brokers, marketers and other gas distribution companies.  
6 Additionally, any currently hedged positions as shown in the quarterly hedging  
7 report most recently filed with the Board are included in the commodity price  
8 estimate. Also incorporated in these commodity prices are the appropriate pipeline  
9 fuel retainage and transportation costs assessed when delivering gas to South  
10 Jersey's city gate stations.

11 **LNG Commodity Charges**

12 The commodity price of the LNG as shown in Schedule MCM-14 was based on the  
13 delivered cost of LNG using the NYMEX strip on May 8, 2024, along with costs  
14 related to processing natural gas into liquefied natural gas.

15 **Q. WHAT ARE THE COSTS RELATED TO THE ANTERO CONTRACT**  
16 **DISPUTE THAT SOUTH JERSEY HAS INCLUDED IN THE BGSS RATES**  
17 **PROPOSED IN THIS PROCEEDING?**

18 **A.** Pursuant to the Board's May 2021 Order<sup>4</sup>, South Jersey was authorized to recover,  
19 through its Periodic BGSS Rate over a two-year period, \$24,246,132 of gas supply  
20 and related costs incurred as a result of the resolution of a contract dispute with  
21 Antero Resources Corporation ("Antero"), including the following costs.

22

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<sup>4</sup> In re the Matter of the Petition of South Jersey Gas Company to Revise the Level of Its Basic Gas Supply Service ("BGSS") Charge and Conservation Incentive Program ("CIP") Charges for the Year Ending September 30, 2021, Docket No. GR20060383, Order dated May 5, 2021 ("May 2021 Order")

1	Disputed Costs:	\$20,545,460.30
2	Interest Paid to Antero:	\$2,344,542.67
3	Legal Costs:	\$1,280,124.91
4	Court Bond:	<u>\$76,003.99</u>
5		
6	<b>Total</b>	<b>\$24,246,131.87</b>

7

8 The Board approved fifty percent (50%), or \$12,123,066, recovery of Antero costs

9 within the 2020-2021 BGSS/CIP Year. The Board also ordered the remaining fifty

10 percent (50%), or \$12,123,066, of Antero costs would be recovered in the 2021-

11 2022 BGSS/CIP Year. Thus, the May 2021 Order approved an amortization of the

12 Antero costs that would result in the full recovery of these costs by September 30,

13 2022. By its November 17 Order<sup>5</sup>, the Board extended the Antero amortization

14 period through September 30, 2024. The associated recovery is covered in the

15 testimony of James G. Fredericks.

16

17 **IV. BALANCING SERVICE CLAUSE (“BSC”) CHARGES**

18 **Q. IS THE COMPANY PROPOSING ANY CHANGE TO ITS CURRENT BSC**

19 **CHARGES?**

20 **A.** Yes. Within its Rider “I”, the Company maintains two separate provisions for per

21 therm volumetric charges related to balancing as follows: (1) An Opt-Out provision

22 for customers under Rate Schedules LVS, EGS-LV, FES, NGV and CTS who “Opt-

23 Out” and forego any right or entitlement to purchase the Company’s firm system

24 gas during the term of their standing Standard Gas Service Agreement; and (2) A

25 Non Opt-Out provision for customers under Rate Schedules GSG-LV, EGS, LVS,

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<sup>5</sup> In re the Petition of South Jersey Gas Company to Revise the Level of its Basic Gas Supply Service (“BGSS”) Charge and Conservation Incentive Program (“CIP”) Charges for the Year Ending September 30, 2022, Docket No. GR21060881, Order dated November 17, 2021 (“November 2021 Order”)

1 EGS-LV, FES, NGV and CTS who do not Opt Out (*i.e.*, do not select the Opt Out  
2 provision).

3 Related to its Rider “I”, the Company proposes to increase its current Opt-  
4 Out balancing charge of \$0.002103 per therm to \$0.002427 per therm, and the  
5 Company proposes to decrease its current Non Opt-Out balancing charge of  
6 \$0.081846 per therm to \$0.068583 per therm, which is equal to the Company’s  
7 proposed Rider “J” BSC rate<sup>6</sup>. Both changes are proposed to be effective October  
8 1, 2024.

9 Related to its Rider “J”, the Company is proposing, for all applicable Rate  
10 Schedules per its current tariff, to decrease its current balancing charge of  
11 \$0.081846 per therm to \$0.068583 per therm, effective October 1, 2024.

12 **Q. PLEASE EXPLAIN THE COMPANY’S RIDER “I” BALANCING**  
13 **SERVICE CHARGE CALCULATION.**

14 **A.** The proposed Rider “I” calculation is provided in Schedule MCM-12, page 1 of 2.  
15 The calculation presented therein reflects updated inventory amounts, which are  
16 based on the middle value of the last five (5) years of updated supply inventory.  
17 Each yearly inventory data point is representing a twelve (12) month average  
18 supply and include LNG, updated storage carrying costs, the calculated percentage  
19 of balancing that pertains to single coldest January day volume requirements and  
20 updated balancing costs. The determination of the proposed pre-tax balancing rate,  
21 based on annual firm therms over the past twelve (12) months, is also provided.

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<sup>6</sup> All rates quoted herein include applicable taxes

1 **Q. PLEASE EXPLAIN THE COMPANY’S RIDER “J” BALANCING**  
2 **SERVICE CHARGE CALCULATION.**

3 **A.** Rider “J” has been revised to comply with the requirements of the 2019 BGSS  
4 Order. The proposed Rider “J” calculation is provided in Schedule MCM-12, page  
5 2 of 2. The calculation presented therein is identical to Rider “I”, but also includes  
6 the following: (1) updated pipeline demand charges and BGSS incentive credits, as  
7 Rider “J” pertains to the Company’s General Service customers, and (2) commodity  
8 costs from the prior winter season, which are intended to send appropriate price  
9 signals to marketers/transportation customers to incent them to bring in the amount  
10 of gas used by customers on a monthly basis. The Company continues to evaluate  
11 whether and how to revise its tariff to include a separate standby charge, as  
12 appropriate.

13 **V. AFFILIATE GAS SUPPLY TRANSACTIONS, NON-BIDDABLE**  
14 **CAPACITY RELEASES AND RELATED ISSUES**

15  
16 **Q. PLEASE EXPLAIN ALL AFFILIATE GAS SUPPLY TRANSACTIONS**  
17 **ENTERED INTO AS OF APRIL 2024.**

18 **A.** Please refer to Confidential Schedule MCM-10 for details, including date, rate and  
19 terms of all gas and capacity sales as of April 2024 to our affiliate SJRG for the  
20 2024-2025 BGSS/CIP Year. As noted above, Confidential Schedule MCM-10 will  
21 be provided to Board Staff and Rate Counsel upon execution of a mutually  
22 acceptable Non-Disclosure Agreement. Should market opportunities present  
23 themselves, we would expect additional transactions to maximize the value of  
24 Company assets for the benefit of BGSS customers.

1 **Q. WERE THERE ANY CAPACITY RELEASES IDENTIFIED IN**  
2 **CONFIDENTIAL SCHEDULE MCM-10 RELEASED ON A NON-**  
3 **BIDDABLE BASIS? IF SO, PLEASE EXPLAIN THE PROCESS AND THE**  
4 **BENEFITS TO THE BGSS.**

5 **A.** Excluding any CIP-related capacity releases, there were no new capacity releases  
6 made on a non-biddable basis included in Confidential Schedule MCM-10. The  
7 Company regularly evaluates its capacity portfolio to determine the volume and  
8 type of off-system sales and/or capacity releases that would be of the greatest  
9 benefit to the BGSS. For all capacity releases to an affiliate other than CIP-related  
10 releases, South Jersey will initially solicit bids by posting the capacity for a term of  
11 one (1) year or less. To the extent the bids do not attract offers of at least 100% of  
12 maximum rates, South Jersey reserves the right to release the capacity for a term  
13 greater than one (1) year at maximum rates.

14  
15 **VI. ADDITIONAL CAPACITY**

16 **Q. HAS THE COMPANY CONTRACTED FOR ADDITIONAL CAPACITY**  
17 **AND IF SO, HOW?**

18 **A.** Yes, the Company has contracted for additional capacity as described below.

19 **Adelphia/PennEast Capacity**

20 During the winters of 2014 and 2018 when prices spiked, the Company  
21 determined it was prudent to address the need for annually increasing city gate  
22 peaking requirements by subscribing to incremental firm city gate capacity.

1           The economic impact of addressing this need has been of great concern.  
2           However, South Jersey’s primary responsibility is to provide firm, reliable, and  
3           uninterrupted service to our customers which is a non-negotiable obligation.

4           In August 2014, the Company entered into a Precedent Agreement for firm  
5           transportation capacity with PennEast Pipeline Company, LLC (“PennEast”). The  
6           PennEast capacity would have provided supply at lower Marcellus production area  
7           prices as opposed to the volatile Transco Z-6 prices. As the PennEast project met  
8           with increasing regulatory delays, the project sought to amend its FERC application  
9           into two phases. “Phase 1” was to be located in Pennsylvania and “Phase 2”  
10          extending into New Jersey.

11          In November 2017, Adelphia announced a two-zone project with a  
12          termination point in Marcus Hook, Pennsylvania. This presented an opportunity  
13          for South Jersey to access the Marcellus shale supply while building on reliability  
14          and supply diversification.

15          In December 2019, the FERC issued Adelphia a certificate to construct  
16          and operate.

17          In January 2020, South Jersey agreed to amend the Precedent Agreement  
18          with PennEast at a lower volume and rate, with a receipt point intended to be an  
19          interconnection with Adelphia pipeline which would in turn interconnect  
20          downstream with Columbia pipeline and bring the Marcellus production priced  
21          supply to the South Jersey’s service territory. This capacity path presented an  
22          opportunity to 1) bring lower priced supply into the service territory and more  
23          importantly 2) meet the growing need for additional capacity identified in South

1 Jersey's Ten-Year Forecast of Requirements and Entitlements referenced earlier in  
2 my testimony.

3 In August 2020, the Company entered a Precedent Agreement with  
4 Adelphia to bring supply from the interconnection with PennEast to the  
5 interconnection with Columbia to the Company's city gate station.

6 In February 2021, the Company executed a Firm Transportation Agreement  
7 for pipeline capacity with Adelphia. The transportation contract quantity is 75,000  
8 Dth/day at \$0.30 per Dth. The terms of the agreement provide South Jersey the  
9 option to extend the contract after the first five (5) years. However, it is at the  
10 Company's discretion to exercise the option.

11 In September 2021, the PennEast developers announced they would cease  
12 all further development of the project. As a result, the Company no longer had the  
13 opportunity to acquire the pipeline capacity related to the PennEast project as  
14 originally anticipated. However, given the deficit of city gate capacity in South  
15 Jersey's long-term planning, the Company proceeded with the Adelphia Precedent  
16 Agreement and continued negotiating a facilities agreement with Columbia to bring  
17 the supply to the Company's service territory.

18 The project viability assessment of South Jersey incorporating this  
19 transportation asset into its portfolio included the modeling of 75,000 Dth/Day of  
20 Adelphia firm capacity built into the Company's Ten-Year Forecast of  
21 Requirements and Entitlements. The results of the model indicated that with this  
22 addition, South Jersey would be able to eliminate peaking supply ranging from  
23 35,000 Dth/Day for the Winter of 2018-2019 to up to 100,000 Dth/Day at the end



1 of the ten-year window. A comparison between the current state of South Jersey’s  
2 installed capacity versus one that included this incremental capacity on the  
3 Adelpia/Columbia pipeline resulted in an increase in transportation demand costs  
4 for the 2018-2028 period. However, in a condition of extreme weather, the impact  
5 of this additional capacity also represented significant commodity savings,  
6 eliminated peak day shortfalls in the long run, added an extra layer of supply  
7 diversification and most critically improved reliability of supply.

8 The Adelpia capacity was in service on September 1, 2022, and fully  
9 operational at the Company city gate on September 1, 2023. The associated  
10 demand fees from this capacity are included in the filing. Additionally, and  
11 pursuant to Board’s 2022 BGSS Order, the Company agreed to credit BGSS  
12 customers effective September 1, 2022, with all capacity release credits or off-  
13 system sales margins (including the Company’s usual 15% share) derived from the  
14 use of pipeline capacity under contract between the Company and Adelpia  
15 Gateway, LLC (“Adelpia”) for the 75,000 Dth/Day of firm transportation capacity  
16 and under a contract between the Company and Columbia for 75,000 Dth of firm  
17 transportation capacity in service since September 2023. The Company has  
18 continued to share 100% of any capacity release credits derived from the Adelpia  
19 contract during the current term of this FT agreement of approximately \$1 million  
20 in total for the 2023-2024 and 2024-2025 BGSS/CIP Years

21 **Transco’s Regional Energy Access (REA) Expansion Project (“REA**  
22 **Expansion”)**

1 The Company’s Transco city gates are located on the restricted and fully subscribed  
2 Marcus Hook lateral, which makes it difficult to acquire city gate peaking services  
3 and does not offer any guarantee of future availability. This portion of Transco’s  
4 system has been the focus of increasingly restrictive Operational Flow Orders  
5 (“OFOs”), which severely limit or eliminate any non-primary deliveries on the  
6 Marcus Hook lateral. These OFOs continue to grow which, considering that the  
7 lateral is 100% subscribed by firm shippers, makes it extremely risky for the  
8 company to enter into third-party peaking arrangements in the near term and  
9 impossible to be a reliable supply source in the long term. For these reasons, the  
10 Company entered into a Precedent Agreement for Firm Transportation Service  
11 under the REA Expansion with Transco on December 9, 2019. The transportation  
12 contract quantity is 25,000 Dth/day at the negotiated rate of \$0.65 per Dth/day. The  
13 current target in-service date for this project is the fourth quarter of 2024.

14 The REA Expansion provides an economic benefit by avoiding the worst  
15 impact of price spikes, but even more importantly, it provides the reliability that  
16 South Jersey is obligated to provide to its customers.

17 **Q. IS THE COMPANY CONSIDERING FUTURE MODIFICATIONS TO**  
18 **THE PIPELINE PORTFOLIO?**

19 **A.** Yes, as stated previously and considering the PennEast project elimination,  
20 the Company intends to continue to pursue opportunities to access lower cost  
21 commodity relative to the Adelphia/Columbia path during the term of those  
22 agreements. The Company will conduct a reassessment upon the conclusion of the  
23 5-year term of the Adelphia/Columbia agreements to evaluate the potential for

1 extension and define the associated terms. The considerations in the evaluation  
2 will include customer firm requirements, access to an additional supply source  
3 which provides redundancy and relative value added by the additional demand  
4 charges and related commodity costs. Additional considerations could include new  
5 supply availability from traditional and non-traditional supply sources.

6 **Cabot Supply**

7 In January 2015, South Jersey entered into three (3) long term supply agreements  
8 directly associated with the new pipeline capacity agreements identified above that  
9 will provide significantly discounted supply and offset the demand and variable  
10 charges associated with those new capacity agreements. The first agreement  
11 provides supply into the Tennessee 300 line at Gibson, which will be moved to the  
12 Tennessee/Columbia interconnect and then transported to South Jersey's city gate  
13 via Columbia. This supply is priced at NYMEX last day settle less \$0.88. The  
14 commodity price has been negotiated to offset the per Dth demand charge of both  
15 the Tennessee capacity and the Columbia capacity such that South Jersey will  
16 obtain the supply at its city gate at a price equal to the NYMEX price. The delivery  
17 period began November 2018 and continues for ten (10) years.

18 The second agreement which was intended to provide supply into the  
19 PennEast project is no longer in effect.

20 The third agreement also no longer in effect would provide winter only  
21 supply into the PennEast project, which will be moved to the PennEast/Transco  
22 interconnect and then transported to South Jersey's city gate via Transco.

1           **Supplier Refunds**

2           The Company’s actual supplier refunds for both the 2023-2024 and 2024-2025  
3           BGSS/CIP Years are shown in Schedule MCM-8. The refunds shown for the 2023-  
4           2024 BGSS/CIP Year reflect the sharing of penalty revenues with non-penalized  
5           shippers. As of now, there is no projection for refunds taking place in the 2024-  
6           2025 BGSS/CIP Year.

7  
8           **VII. HEDGING PROGRAM**

9           **Q. PLEASE EXPLAIN, GENERALLY, THE COMPANY’S EXISTING**  
10           **HEDGING PROGRAM.**

11          **A.**     South Jersey manages its hedging program in accordance with the Commodity  
12           Purchasing Guidelines contained in its Financial and Physical Natural Gas  
13           Transaction Risk Management Policy and Procedures (“Policy and Procedures”)  
14           reviewed and approved by the Company’s Risk Management Committee (“RMC”).  
15           South Jersey’s RMC is responsible for approving and reviewing these hedging  
16           programs, while the Gas Supply Department is responsible for executing the  
17           hedging strategies outlined in the Policy and Procedures.

18                   The intent of the hedging program and strategies is to provide commodity  
19           price stabilization at the lowest reasonable cost. South Jersey’s hedging program  
20           consists of the following four hedging strategies: 1) A Non-Discretionary Strategy  
21           - the Company purchases two (2) and 1/2 futures contracts per month for the  
22           eighteen (18) month period beginning with the 7<sup>th</sup> month and continuing through  
23           the 24<sup>th</sup> month of the current NYMEX strip; 2) A Planalytics Strategy - the  
24           Company purchases futures contracts based on suggestions from the Planalytics

1 Energy Buyer hedging tool; 3) A Storage Incentive Mechanism Strategy - the  
2 Company purchases futures contracts for the summer injection period establishing  
3 a benchmark and then manages the physical injections to improve upon the  
4 benchmark; and 4) A Discretionary Strategy - the Company exercises managerial  
5 discretion to utilize futures, options, fixed priced physical, or other derivatives  
6 when deemed appropriate. Furthermore, the Commodity Purchasing Guidelines  
7 require that individual monthly targets be set prior to the beginning of each BGSS  
8 year and that 100% of the minimum required hedging activity be complete for any  
9 BGSS year (October 1 - September 30) prior to October 1 of that year.

10 All hedging gains and losses, as well as the cost of any derivatives and  
11 related transaction fees, are passed through the BGSS clause and as such are subject  
12 to periodic review by the Board. Speculative trading is not practiced by the  
13 Company.

14 **Q. HOW DOES THE COMPANY REPORT ON ITS HEDGING PROGRAM?**

15 **A.** The Gas Supply Department prepares and distributes, on a quarterly basis, a  
16 detailed report of hedging positions for the current and prospective BGSS years.  
17 The reports are presented to and reviewed by South Jersey's RMC and are provided  
18 to the Board as required. The reports contain the details of each hedging strategy  
19 and a summary of all hedging strategies, including the percentage of BGSS sendout  
20 currently hedged.

21 The four most recent quarterly hedging reports as of March 2024 are  
22 contained in Schedule MCM-9.

23

1 **VIII. MARGIN SHARING AND PIPELINE REFUND BGSS COST OFFSETS**

2 **Q. PLEASE EXPLAIN ALL BGSS COST OFFSETS, INCLUDING**  
3 **INTERRUPTIBLE MARGINS, OFF-SYSTEM SALES AND CAPACITY**  
4 **RELEASE MARGINS, PIPELINE REFUNDS AND OTHER CREDITS, IF**  
5 **ANY, FOR THE RECONCILIATION AND PROJECTED PERIODS.**

6 **A.** For the 2023-2024 BGSS/CIP Year, as shown on Schedule JGF-12, eighty five  
7 percent (85%) of gross margin generated by off-system sales and off-system and  
8 on system capacity releases offset BGSS costs in accordance with the 2019 BGSS  
9 Order, and eighty five percent (85%) of gross margin generated by interruptible  
10 sales offset BGSS costs pursuant to the 2003 BGSS Order. Additionally, it includes  
11 one hundred percent (100%) of gross margin generated by off-system sales and on  
12 system capacity releases derived from the Adelphia capacity.

13 For the 2024-2025 BGSS/CIP Year, as shown on Schedule JGF-9, eighty five  
14 percent (85%) of gross margin generated by off-system sales, off-system and on  
15 system capacity releases, and gross margin generated by interruptible sales offset  
16 BGSS costs pursuant to the 2003 BGSS Order. Additionally, it includes one  
17 hundred percent (100%) of gross margin generated by off-system sales and on  
18 system capacity releases derived from the Adelphia capacity.

19 These estimates are based on normal weather, historical actual information,  
20 and current market conditions.

21 Additionally, the Company's actual and projected pipeline refunds for both  
22 the 2023–2024 and 2024-2025 BGSS/CIP Years are shown in Schedule MCM-8  
23 along with the applicable FERC docket numbers.

1 **IX. CIP**

2 **Q. PLEASE EXPLAIN THE COMPANY’S CURRENT AND ANTICIPATED**  
3 **CIP ACTIONS.**

4 **A.** By Order dated May 21, 2014 in Docket No. GR13030185 (the “CIP Continuation  
5 Order”), the Board approved the continuation of the Company’s CIP, with certain  
6 modifications, which became effective with the CIP accrual year beginning  
7 October 1, 2014. Those modifications, which include the Modified BGSS Savings  
8 Test, have been reflected in this CIP filing and are discussed in more detail in the  
9 Prepared Direct Testimony of Daniel P. Yardley.

10 Savings for the 2024-2025 BGSS Year include \$2,243,369 of Category One  
11 Permanent BGSS Savings, which are defined in the CIP Continuation Order as  
12 permanent savings realized from permanent capacity releases and contract  
13 terminations. The Category One Permanent BGSS Savings of \$2,243,369 includes  
14 \$1,360,159 of savings associated with the termination of the SS-1 storage service  
15 provided by Transco and EGTS. The remaining \$883,210 of this savings is the  
16 result of a permanent CIP release of 1.7 million Dts of Washington Storage Service  
17 (WSS) on Transco that became effective May 1, 2006.

18 Pursuant to the November 2021 Order, effective June 1, 2022, two of the  
19 CIP capacity releases or 20,000 Dth/day Transco FT capacity and 16,468 Dth/day  
20 of Columbia FTS capacity previously released as Category One Permanent BGSS  
21 Savings shifted back to temporary releases in Category Two.

22 Additionally, on October 1, 2020, SJG turned back the Zone 1 Long Haul capacity  
23 on contracts #1003902 and #1002231 to Transco for a term of ten years. This action

1 along with the previously mentioned reclassified capacities and an existing CIP  
2 release of 10,000 Dth/day of Transco Long Haul capacity totals Category Two  
3 eligible BGSS savings of \$5,657,819 for the 2023–2024 BGSS Year.

4 Category Three BGSS savings associated with avoided capacity costs to  
5 meet residential customer growth total \$231,453. This amount has been calculated  
6 as set forth in the CIP Continuation Order and is supported by the Direct Testimony  
7 of Daniel P. Yardley. The total anticipated Category One, Two and Three savings  
8 eligible for the BGSS savings test for the 2023-2024 BGSS/CIP Year is \$8,132,641  
9

10 **X. FERC PIPELINE ACTIVITIES**

11 **Q. PLEASE EXPLAIN WHETHER ANY FERC PROCEEDINGS ARE**  
12 **ANTICIPATED TO IMPACT 2024-2025 BGSS/CIP YEAR COSTS.**

13 **A.** A summary of FERC proceedings which may impact BGSS costs during the  
14 applicable periods is attached as Schedule MCM-11. This Schedule reflects those  
15 proceedings that may have an operational and/or cost effect on the services that  
16 South Jersey receives from its pipeline suppliers.  
17

18 **XI. CONCLUSION**

19 **Q. PLEASE PROVIDE A BRIEF SUMMARY OF YOUR TESTIMONY.**

20 **A.** My testimony highlights activities the Company is undertaking to optimize the use  
21 of its gas supply portfolio and to minimize and stabilize costs to its customers. For  
22 the reasons set forth in this testimony, the Board should approve the Company's  
23 proposed BGSS, BSC and CIP rates for the 2024-2025 BGSS/CIP Year.



1 Q. DOES THAT CONCLUDE YOUR TESTIMONY?

2 A. Yes, it does.

**South Jersey Gas Company  
Supply/Demand Balance  
(in MDth's)**

	Oct 2024	Nov 2024	Dec 2024	Jan 2025	Feb 2025	Mar 2025	Apr 2025	May 2025	Jun 2025	Jul 2025	Aug 2025	Sep 2025	TOTAL
<b>Sendout</b>													
<b>Firm</b>	1,493.7	3,574.5	5,460.0	7,002.2	6,023.9	4,606.9	2,304.9	1,160.6	758.2	999.4	944.1	789.5	35,117.9
<b>Non-Firm</b>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Net Gas Sendout</b>	<b>1,493.7</b>	<b>3,574.5</b>	<b>5,460.0</b>	<b>7,002.2</b>	<b>6,023.9</b>	<b>4,606.9</b>	<b>2,304.9</b>	<b>1,160.6</b>	<b>758.2</b>	<b>999.4</b>	<b>944.1</b>	<b>789.5</b>	<b>35,117.9</b>
<b>Firm Supplies</b>	1,493.7	3,574.5	5,460.0	7,002.2	6,023.9	4,606.9	2,304.9	1,160.6	758.2	999.4	944.1	789.5	35,117.9
<b>Spot Supplies</b>	2,083.6	3,329.3	4,200.5	5,067.9	4,172.9	3,736.3	2,967.5	2,167.2	1,773.5	2,011.0	1,953.9	1,816.8	35,280.4
<b>Other</b>													
Take-back Peaking Supply	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Peaking Supplies	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total Supplemental Gas</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>TOTAL GAS PURCHASES</b>	<b>3,577.2</b>	<b>6,903.8</b>	<b>9,660.5</b>	<b>12,070.2</b>	<b>10,196.8</b>	<b>8,343.3</b>	<b>5,272.4</b>	<b>3,327.8</b>	<b>2,531.6</b>	<b>3,010.5</b>	<b>2,898.0</b>	<b>2,606.3</b>	<b>70,398.4</b>
<b>On-Site LNG Activity</b>													
LNG Refill	(90.7)	0.0	0.0	0.0	0.0	0.0	(138.2)	0.0	0.0	0.0	0.0	0.0	(228.9)
LNG (Boil-off)	0.0	0.0	8.2	8.1	7.5	8.1	6.5	7.2	7.0	7.0	7.0	6.5	73.1
LNG Peaking	6.5	8.5	21.8	61.9	17.5	8.9	0.0	0.0	0.0	0.0	0.0	0.0	125.1
<b>Storage Activity</b>													
Injections	(690.7)	(327.4)	(283.1)	(282.7)	(292.6)	(359.5)	(976.7)	(1,022.7)	(1,022.7)	(1,021.8)	(1,023.1)	(1,024.2)	(8,327.2)
Withdrawals	112.4	579.7	1,538.9	2,185.8	2,153.7	1,237.8	329.9	28.9	20.3	23.0	26.0	10.0	8,246.4
<b>Fuel Retainage</b>													
Injections	(16.5)	(8.4)	(7.1)	(7.1)	(7.4)	(8.9)	(18.7)	(19.3)	(19.3)	(19.3)	(19.3)	(19.3)	(170.8)
Withdrawals	(1.6)	(7.2)	(19.1)	(31.7)	(27.7)	(15.8)	(3.7)	(0.7)	(0.5)	(0.5)	(0.3)	(0.3)	(109.1)
<b>Net System Supply</b>	<b>2,896.6</b>	<b>7,149.0</b>	<b>10,920.1</b>	<b>14,004.5</b>	<b>12,047.7</b>	<b>9,213.8</b>	<b>4,471.5</b>	<b>2,321.2</b>	<b>1,516.4</b>	<b>1,998.8</b>	<b>1,888.3</b>	<b>1,579.0</b>	<b>70,007.0</b>

**South Jersey Gas Company**  
Projected Demand Charges and Storage Costs included in the May 31, 2024 BGSS Filing

STORAGE Demand	Contract No.	Cost Type	Billing Determinant			31	30	31	31	28	31	30	31	30	31	31	30	TOTAL
			Demand	Other	Capacity	Oct-2024	Nov-2024	Dec-2024	Jan-2025	Feb-2025	Mar-2025	Apr-2025	May-2025	Jun-2025	Jul-2025	Aug-2025	Sep-2025	
COL FSS	53000	Demand Capacity	52,891		3,473,022	\$2,93000	\$2,93000	\$2,93000	\$2,93000	\$2,93000	\$2,93000	\$2,93000	\$2,93000	\$2,93000	\$2,93000	\$2,93000	\$2,93000	\$1,859,647.56
						\$0,05230	\$0,05230	\$0,05230	\$0,05230	\$0,05230	\$0,05230	\$0,05230	\$0,05230	\$0,05230	\$0,05230	\$0,05230	\$0,05230	\$2,179,688.61
						\$336,609.68	\$336,609.68	\$336,609.68	\$336,609.68	\$336,609.68	\$336,609.68	\$336,609.68	\$336,609.68	\$336,609.68	\$336,609.68	\$336,609.68	\$336,609.68	\$4,039,316.17
EGTS GSS	300002	Demand Capacity	10,000		423,000	\$2,67490	\$2,67490	\$2,67490	\$2,67490	\$2,67490	\$2,67490	\$2,67490	\$2,67490	\$2,67490	\$2,67490	\$2,67490	\$2,67490	\$320,988.00
						\$0,02580	\$0,02580	\$0,02580	\$0,02580	\$0,02580	\$0,02580	\$0,02580	\$0,02580	\$0,02580	\$0,02580	\$0,02580	\$0,02580	\$130,960.80
						\$37,662.40	\$37,662.40	\$37,662.40	\$37,662.40	\$37,662.40	\$37,662.40	\$37,662.40	\$37,662.40	\$37,662.40	\$37,662.40	\$37,662.40	\$37,662.40	\$451,948.80
TR GSS	1000813	Demand Capacity	27,314		1,346,482	\$0,12068	\$0,12068	\$0,12068	\$0,12068	\$0,12068	\$0,12068	\$0,12068	\$0,12068	\$0,12068	\$0,12068	\$0,12068	\$0,12068	\$1,203,132.53
						\$0,00085	\$0,00085	\$0,00085	\$0,00085	\$0,00085	\$0,00085	\$0,00085	\$0,00085	\$0,00085	\$0,00085	\$0,00085	\$0,00085	\$417,746.04
						\$137,663.66	\$133,222.90	\$137,663.66	\$137,663.66	\$124,341.37	\$137,663.66	\$133,222.90	\$137,663.66	\$133,222.90	\$137,663.66	\$137,663.66	\$133,222.90	\$1,620,878.57
TR LSS	1000818	Demand Capacity	12,000		1,224,000	\$0,20541	\$0,20541	\$0,20541	\$0,20541	\$0,20541	\$0,20541	\$0,20541	\$0,20541	\$0,20541	\$0,20541	\$0,20541	\$0,20541	\$899,695.80
						\$0,00089	\$0,00089	\$0,00089	\$0,00089	\$0,00089	\$0,00089	\$0,00089	\$0,00089	\$0,00089	\$0,00089	\$0,00089	\$0,00089	\$397,616.40
						\$110,182.68	\$106,628.40	\$110,182.68	\$110,182.68	\$99,519.84	\$110,182.68	\$106,628.40	\$110,182.68	\$106,628.40	\$110,182.68	\$110,182.68	\$106,628.40	\$1,297,312.20
TR S-2	1000814	Demand Capacity	1,557		11,663	\$0,33512	\$0,33512	\$0,33512	\$0,33512	\$0,33512	\$0,33512	\$0,33512	\$0,33512	\$0,33512	\$0,33512	\$0,33512	\$0,33512	\$138,619.87
						\$0,01118	\$0,01118	\$0,01118	\$0,01118	\$0,01118	\$0,01118	\$0,01118	\$0,01118	\$0,01118	\$0,01118	\$0,01118	\$0,01118	\$47,593.20
						\$15,390.70	\$14,894.23	\$15,390.70	\$15,390.70	\$13,901.28	\$15,390.70	\$14,894.23	\$15,390.70	\$14,894.23	\$15,390.70	\$15,390.70	\$14,894.23	\$181,213.07
TR LNG	9014431	Demand Capacity	15,670		215,042	\$0,10316	\$0,10316	\$0,10316	\$0,10316	\$0,10316	\$0,10316	\$0,10316	\$0,10316	\$0,10316	\$0,10316	\$0,10316	\$0,10316	\$590,028.78
						\$0,01988	\$0,01988	\$0,01988	\$0,01988	\$0,01988	\$0,01988	\$0,01988	\$0,01988	\$0,01988	\$0,01988	\$0,01988	\$0,01988	\$1,560,387.76
						\$182,638.12	\$176,746.56	\$182,638.12	\$182,638.12	\$164,963.46	\$182,638.12	\$176,746.56	\$182,638.12	\$176,746.56	\$182,638.12	\$182,638.12	\$176,746.56	\$2,150,416.54
TR SS-2	1003971	Demand Capacity	16,043		1,764,675	\$0,36435	\$0,36435	\$0,36435	\$0,36435	\$0,36435	\$0,36435	\$0,36435	\$0,36435	\$0,36435	\$0,36435	\$0,36435	\$0,36435	\$2,133,522.47
						\$0,00110	\$0,00110	\$0,00110	\$0,00110	\$0,00110	\$0,00110	\$0,00110	\$0,00110	\$0,00110	\$0,00110	\$0,00110	\$0,00110	\$708,517.01
						\$241,378.70	\$233,592.29	\$241,378.70	\$241,378.70	\$218,019.47	\$241,378.70	\$233,592.29	\$241,378.70	\$233,592.29	\$241,378.70	\$241,378.70	\$233,592.29	\$2,842,039.48
TR ESS	9050779	Demand Capacity	27,814		232,314	\$0,02500	\$0,02500	\$0,02500	\$0,02500	\$0,02500	\$0,02500	\$0,02500	\$0,02500	\$0,02500	\$0,02500	\$0,02500	\$0,02500	\$253,802.75
						\$0,00346	\$0,00346	\$0,00346	\$0,00346	\$0,00346	\$0,00346	\$0,00346	\$0,00346	\$0,00346	\$0,00346	\$0,00346	\$0,00346	\$293,389.35
						\$46,473.85	\$44,974.69	\$46,473.85	\$46,473.85	\$41,976.38	\$46,473.85	\$44,974.69	\$46,473.85	\$44,974.69	\$46,473.85	\$46,473.85	\$44,974.69	\$547,192.10
			<b>Subtotal Storage Demand</b>			<b>\$1,107,999.78</b>	<b>\$1,084,331.15</b>	<b>\$1,107,999.78</b>	<b>\$1,107,999.78</b>	<b>\$1,036,993.88</b>	<b>\$1,107,999.78</b>	<b>\$1,084,331.15</b>	<b>\$1,107,999.78</b>	<b>\$1,084,331.15</b>	<b>\$1,107,999.78</b>	<b>\$1,107,999.78</b>	<b>\$1,084,331.15</b>	<b>\$13,130,316.93</b>

**South Jersey Gas Company**  
**Projected Demand Charges and Storage Costs included in the May 31, 2024 BGSS Filing**

Contract No.	Cost Type	Billing Determinant		31	30	31	31	28	31	30	31	30	31	31	30	TOTAL
		Demand	Other	Oct-2024	Nov-2024	Dec-2024	Jan-2025	Feb-2025	Mar-2025	Apr-2025	May-2025	Jun-2025	Jul-2025	Aug-2025	Sep-2025	
<b>FIRM TRANSPORT CAPACITY</b>																
COL ADELPHIA FTS	FTS-SJG-0028	Demand	75,000	\$0.30000	\$0.30000	\$0.30000	\$0.30000	\$0.30000	\$0.30000	\$0.30000	\$0.30000	\$0.30000	\$0.30000	\$0.30000	\$0.30000	\$8,212,500.00
COL SST	38086	Demand	26,445 52,891	\$10.51600	\$10.51600	\$10.51600	\$10.51600	\$10.51600	\$10.51600	\$10.51600	\$10.51600	\$10.51600	\$10.51600	\$10.51600	\$10.51600	\$1,668,573.72 \$3,337,210.54
COL FTS	38099	Demand	6,043	\$10.63500	\$10.63500	\$10.63500	\$10.63500	\$10.63500	\$10.63500	\$10.63500	\$10.63500	\$10.63500	\$10.63500	\$10.63500	\$10.63500	\$771,207.66
COL FTS	156147	Demand	9,000	\$10.63500	\$10.63500	\$10.63500	\$10.63500	\$10.63500	\$10.63500	\$10.63500	\$10.63500	\$10.63500	\$10.63500	\$10.63500	\$10.63500	\$1,148,580.00
COL FTS ESEP	161135	Demand	70,000	\$13.39600	\$13.39600	\$13.39600	\$13.39600	\$13.39600	\$13.39600	\$13.39600	\$13.39600	\$13.39600	\$13.39600	\$13.39600	\$13.39600	\$11,252,640.00
COL NTS	39305	Demand	22,511	\$10.76200	\$10.76200	\$10.76200	\$10.76200	\$10.76200	\$10.76200	\$10.76200	\$10.76200	\$10.76200	\$10.76200	\$10.76200	\$10.76200	\$2,907,160.58
TENN FTS	337061	Demand	78,000	\$12.16600	\$12.16600	\$12.16600	\$12.16600	\$12.16600	\$12.16600	\$12.16600	\$12.16600	\$12.16600	\$12.16600	\$12.16600	\$12.16600	\$11,387,376.00
COL FTS		Demand	75,000	\$10.63500	\$10.63500	\$10.63500	\$10.63500	\$10.63500	\$10.63500	\$10.63500	\$10.63500	\$10.63500	\$10.63500	\$10.63500	\$10.63500	\$9,571,500.00
TR FTS ZONE BASED RESV	1003902	Demand	120,915	\$0.51110	\$0.51110	\$0.51110	\$0.51110	\$0.51110	\$0.51110	\$0.51110	\$0.51110	\$0.51110	\$0.51110	\$0.51110	\$0.51110	\$6,256,941.95
TR FTS LONG HAUL TURN BACK DISCOUNT	1003902	Demand		\$0.00000	\$0.00000	\$0.00000	\$0.00000	\$0.00000	\$0.00000	\$0.00000	\$0.00000	\$0.00000	\$0.00000	\$0.00000	\$0.00000	\$0.00000
TR FTS DEMAND	1013599	Demand	21,608	\$0.12807	\$0.12807	\$0.12807	\$0.12807	\$0.12807	\$0.12807	\$0.12807	\$0.12807	\$0.12807	\$0.12807	\$0.12807	\$0.12807	\$2,766,930.00
TR FTS SS-1 (WINTER ONLY)	1044825	Demand	17,433	\$0.00000	\$0.12807	\$0.12807	\$0.12807	\$0.12807	\$0.12807	\$0.00000	\$0.00000	\$0.00000	\$0.00000	\$0.00000	\$0.00000	\$2,232,383.00
TR Res PSFT (Dec-Jan-Feb ONLY)	1005003	Demand	3,002	\$0.00000	\$0.00000	\$0.99088	\$0.99088	\$0.99088	\$0.00000	\$0.00000	\$0.00000	\$0.00000	\$0.00000	\$0.00000	\$0.00000	\$270,180.00
TR FTS CNJEP	9032686	Demand	105,000	\$0.12807	\$0.12807	\$0.12807	\$0.12807	\$0.12807	\$0.12807	\$0.12807	\$0.12807	\$0.12807	\$0.12807	\$0.12807	\$0.12790	\$13,525,000.00
TR REA		Demand	25,000	\$0.65000	\$0.65000	\$0.65000	\$0.65000	\$0.65000	\$0.65000	\$0.65000	\$0.65000	\$0.65000	\$0.65000	\$0.65000	\$0.65000	\$1,625,000.00
	TBD			\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$1,875,000.00
				\$503,750.00	\$487,500.00	\$503,750.00	\$503,750.00	\$455,000.00	\$503,750.00	\$487,500.00	\$503,750.00	\$487,500.00	\$503,750.00	\$503,750.00	\$487,500.00	\$5,931,250.00
		<b>Subtotal Firm Transport Demand</b>		<b>\$7,262,440.80</b>	<b>\$7,212,655.60</b>	<b>\$7,423,866.09</b>	<b>\$7,423,866.09</b>	<b>\$7,057,950.70</b>	<b>\$7,331,652.77</b>	<b>\$6,867,570.13</b>	<b>\$6,984,334.66</b>	<b>\$6,867,570.13</b>	<b>\$6,984,334.66</b>	<b>\$6,867,034.63</b>	<b>\$6,867,034.63</b>	<b>\$85,267,610.91</b>
		<b>Other Demand Costs</b>		\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$50,000.00
		Midstream Partners (Risk Management Consulting)		\$0.00	\$22,951.65	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$22,951.65
		ABB SENDOUT Model License Fee		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
		Planalytics Annual Fee- Hedging Tool		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$125,000.00
		ICE US OTC Commodity Markets, LLC		\$2,161.72	\$2,161.72	\$2,161.72	\$2,161.72	\$2,161.72	\$2,161.72	\$2,161.72	\$2,161.72	\$2,161.72	\$2,161.72	\$2,161.72	\$2,161.72	\$21,617.20
		Harbourfront									\$50,000.00				\$50,000.00	
		<b>Subtotal Other Demand Costs</b>		<b>\$7,161.72</b>	<b>\$30,113.37</b>	<b>\$7,161.72</b>	<b>\$7,161.72</b>	<b>\$7,161.72</b>	<b>\$7,161.72</b>	<b>\$7,161.72</b>	<b>\$7,161.72</b>	<b>\$7,161.72</b>	<b>\$7,161.72</b>	<b>\$7,161.72</b>	<b>\$7,161.72</b>	<b>\$283,892.29</b>
		<b>TOTAL DEMAND COSTS</b>		<b>\$8,277,602.30</b>	<b>\$8,277,100.11</b>	<b>\$8,539,027.59</b>	<b>\$8,539,027.59</b>	<b>\$8,102,106.30</b>	<b>\$8,446,814.27</b>	<b>\$7,959,063.00</b>	<b>\$8,149,496.16</b>	<b>\$7,959,063.00</b>	<b>\$8,224,496.16</b>	<b>\$8,099,496.16</b>	<b>\$7,958,527.50</b>	<b>\$98,681,820.15</b>



**South Jersey Gas Company**  
**Statement of Injections and Withdrawals - LNG Inventory**  
**For the period October 1, 2024 through September 30, 2025**

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
	<b>Injections</b>		<b>Liquefier Costs</b>	<b>Inventory (Dth)</b>		<b>Withdrawals</b>			<b>Ending Inventory</b>	
<u>Period</u>	<u>Amount</u>	<u>Dth</u>	<u>Amount</u>	<u>Beginning</u>	<u>Ending</u>	<u>Sendout (Dth)</u>	<u>Average Relief Rate</u>	<u>Cost of Sendout from Storage</u>	<u>Ending Inventory (Dth)</u>	<u>Ending Inventory (\$)</u>
<b>Beginning Inventory</b>									350,083	\$2,745,753
Oct 2024	\$ 243,826	90,717	\$200,000	350,083	434,300	6,500	\$7.8431	\$47,033	434,300	\$3,142,546
Nov 2024	\$ -	-	\$40,000	434,300	425,800	8,500	\$7.2359	\$62,288	425,800	\$3,120,258
Dec 2024	\$ -	-	\$50,000	425,800	395,800	30,000	\$7.3280	\$223,362	395,800	\$2,946,896
Jan 2025	\$ -	-	\$80,000	395,800	325,800	70,000	\$7.4454	\$535,328	325,800	\$2,491,568
Feb 2025	\$ -	-	\$28,000	325,800	300,800	25,000	\$7.6475	\$193,337	300,800	\$2,326,231
Mar 2025	\$ -	-	\$31,000	300,800	283,800	17,000	\$7.7335	\$133,221	283,800	\$2,224,010
Apr 2025	\$ 430,125	138,200	\$298,764	283,800	415,500	6,500	\$6.2894	\$45,483	415,500	\$2,907,416
May 2025	\$ -	-	\$32,000	415,500	408,300	7,200	\$6.9974	\$50,936	408,300	\$2,888,480
Jun 2025	\$ -	-	\$32,000	408,300	401,300	7,000	\$7.0744	\$50,069	401,300	\$2,870,411
Jul 2025	\$ -	-	\$32,000	401,300	394,300	7,000	\$7.1528	\$50,628	394,300	\$2,851,783
Aug 2025	\$ -	-	\$32,000	394,300	387,300	7,000	\$7.2325	\$51,196	387,300	\$2,832,587
Sep 2025	\$ -	-	\$32,000	387,300	380,800	6,500	\$7.3137	\$48,076	380,800	\$2,816,511

**SOUTH JERSEY GAS COMPANY**  
**ACTUAL ANNUAL REQUIREMENTS AND SUPPLIES**  
**NOVEMBER 2021 THROUGH OCTOBER 2023**

Quantities in MDts

	Quantities in MDts					
	1	2	3	5	6	7
	Nov 2021 through Oct 2022			Nov 2022 through Oct 2023		
	Actual	Actual	Actual	Actual	Actual	Actual
	Annual	Heating Season	Non-Heat Season	Annual	Heating Season	Non-Heat Season
<b>1 FIRM REQUIREMENTS</b>						
2 Residential	26,132	19,849	6,284	18,061	18,061	5,376
3 Commercial	9,840	6,652	3,189	9,079	6,173	2,907
4 GSG Ind	305	227	77	259	210	49
5 GSG Com- Ind LV	2,944	1,925	1,019	2,834	1,810	1,024
6						
<b>7 TOTAL FIRM SENDOUT EXCLUDING TRANSPORTATION (lines 17 thru 20)</b>	<b>39,222</b>	<b>28,653</b>	<b>10,569</b>	<b>30,233</b>	<b>26,253</b>	<b>9,356</b>
8						
9 Firm Transportation (FT)	<u>14,498</u>	<u>5,954</u>	<u>8,544</u>	<u>14,900</u>	<u>6,356</u>	<u>8,544</u>
10						
<b>11 TOTAL FIRM SENDOUT AND TRANSPORTATION (lines 22+24)</b>	<b>53,720</b>	<b>34,607</b>	<b>19,112</b>	<b>45,133</b>	<b>32,609</b>	<b>17,900</b>
12						
13 Interruptible Sales, Interruptible Transportation and Off-System Sales	<u>19,597</u>	<u>10,687</u>	<u>8,910</u>	<u>12,229</u>	<u>7,938</u>	<u>4,291</u>
14						
<b>15 TOTAL SENDOUT, TRANSPORTATION AND OFF-SYSTEM SALES (line 26+28)</b>	<b>73,316</b>	<b>45,294</b>	<b>28,022</b>	<b>62,738</b>	<b>40,547</b>	<b>22,191</b>
16						
17 Storage Injections	<u>8,774</u>	<u>904</u>	<u>7,870</u>	<u>8,152</u>	<u>1,005</u>	<u>7,146</u>
18						
<b>19 TOTAL REQUIREMENTS (lines 30+32)</b>	<b>82,090</b>	<b>46,198</b>	<b>35,892</b>	<b>70,890</b>	<b>41,553</b>	<b>29,337</b>
20						
<b>21 AVAILABLE SUPPLIES</b>						
22 Spot Direct Purchases - Transco & Columbia FT & City Gate	85,537	34,938	50,599	25,307	12,141	13,166
23 LNG	157	117	39	177	139	39
24 PSE&G Net Exchange	0	0	0	0	0	0
25 Peaking Supply	250	250	0	0	0	0
26 Columbia FT ESEP	17,904	10,570	7,334	15,593	10,570	5,023
27 Transportation Gas (Firm & Interruptible)	23,544	11,943	11,601	23,770	12,077	11,692
28						
<b>29 TOTAL SUPPLIES EXCLUDING STORAGE (lines 37 thru 42)</b>	<b>127,392</b>	<b>57,819</b>	<b>69,573</b>	<b>64,848</b>	<b>34,927</b>	<b>29,921</b>
30						
31 Storage Withdrawals	<u>8,729</u>	<u>8,029</u>	<u>700</u>	<u>8,170</u>	<u>7,870</u>	<u>299</u>
32						
<b>33 TOTAL SUPPLIES AND STORAGE (lines 44+46)</b>	<b>136,120</b>	<b>65,847</b>	<b>70,273</b>	<b>73,018</b>	<b>42,798</b>	<b>30,220</b>

**SOUTH JERSEY GAS COMPANY  
ANNUAL REQUIREMENTS AND SUPPLIES  
NOVEMBER 2023 THROUGH OCTOBER 2024  
ACTUAL HEATING SEASON - ESTIMATED NON-HEATING SEASON**

		Quantities in MDts		
		1	2	3
		Nov 2023 through Oct 2024		
		Estimated	Actual	Estimated
		Annual	Heating Season	Non-Heat Season
<b>1 FIRM REQUIREMENTS</b>				
2 Residential		18,443	18,443	0
3 Commercial		6,358	6,358	0
4 Commercial LV		203	203	0
5 Industrial		1,875	1,875	0
6 Total HF Sendout - Normal		10,065	0	10,065
7				
8 <b>TOTAL FIRM SENDOUT REQUIREMENTS (lines 19 thru 23)</b>		<b>36,945</b>	<b>26,880</b>	<b>10,065</b>
9				
10 Firm Transportation (FT) (WS = Actual SS)		<u>6,772</u>	<u>6,772</u>	0
11				
12 <b>TOTAL FIRM SENDOUT AND TRANSPORTATION (lines 25+27)</b>		<b>43,716</b>	<b>33,652</b>	<b>10,065</b>
13				
14 Available For Interruptible and Off-System Sales		<u>13,935</u>	<u>7,320</u>	<u>6,615</u>
15				
16 <b>TOTAL SENDOUT, TRANSPORTATION AND OFF-SYSTEM SALES (line 29+31)</b>		<b>57,651</b>	<b>40,972</b>	<b>16,680</b>
17				
18 Storage Injections		<u>8,819</u>	<u>964</u>	<u>7,855</u>
19				
20 <b>TOTAL REQUIREMENTS - NORMAL WEATHER (lines 33+35)</b>		<b>66,470</b>	<b>41,936</b>	<b>24,534</b>
21				
22 <b>AVAILABLE SUPPLIES</b>				
23 Spot Direct Purchases - Transco & Columbia FT & City Gate		67,970	12,608	55,361
24 LNG		66,580	80	66,500
25 Peaking Supply		0	0	0
26 Columbia ESEP		25,377	10,397	14,980
27 Transportation Gas (WS Actual - SS up to 105,000 dts/d)		34,617	12,147	22,470
28				
29 <b>TOTAL SUPPLIES EXCLUDING STORAGE (lines 40 thru 44)</b>		<b>194,543</b>	<b>35,232</b>	<b>159,311</b>
30				
31 Storage Withdrawals		<u>7,810</u>	<u>7,810</u>	0
32				
33 <b>TOTAL SUPPLIES PLUS STORAGE (lines 46+48)</b>		<b>202,353</b>	<b>43,042</b>	<b>159,311</b>



**SOUTH JERSEY GAS COMPANY  
ANNUAL REQUIREMENTS AND SUPPLIES  
NOVEMBER 2024 THROUGH OCTOBER 2026  
EXCLUDES OPT-OUT CUSTOMERS**

	Quantities in MDts			Quantities in MDts		
	1	2	3	1	2	3
	Nov 2024 through Oct 2025			Nov 2025 through Oct 2026		
	Estimated	Estimated	Estimated	Estimated	Estimated	Estimated
Annual	Heating Season	Non-Heat Season	Annual	Heating Season	Non-Heat Season	
1 <b>TOTAL FIRM SENDOUT AND TRANSPORTATION REQUIREMENTS (EXCLUDES OPT-OUT)</b>	<b>41,506</b>	<b>31,359</b>	<b>10,147</b>	<b>41,907</b>	<b>31,687</b>	<b>10,220</b>
2						
3 Storage Injections Based on Full Contract Quantities	<u>8,819</u>	<u>0</u>	<u>8,819</u>	<u>8,819</u>	<u>0</u>	<u>8,819</u>
4						
5 <b>TOTAL SENDOUT, STORAGE INJ. AND TRANS. REQ. - NORMAL WEATHER (lines 18+20)</b>	<b>50,324</b>	<b>31,359</b>	<b>18,965</b>	<b>50,726</b>	<b>31,687</b>	<b>19,039</b>
6						
7 Available For Non-Firm Sales (NFS) - Normal Weather	<u>14,325</u>	<u>7,710</u>	<u>6,615</u>	<u>14,325</u>	<u>7,710</u>	<u>6,615</u>
8						
9 <b>TOTAL SENDOUT - STORAGE INJ. - TRANS. REQ. &amp; AVAIL. NFS - NORMAL WEATHER (lines 22+24)</b>	<b>64,649</b>	<b>39,069</b>	<b>25,580</b>	<b>65,051</b>	<b>39,397</b>	<b>25,654</b>
10						
11 Firm Sendout and Transportation Requirements Added for Design Weather	<u>6,846</u>	<u>6,846</u>	<u>0</u>	<u>6,917</u>	<u>6,917</u>	<u>0</u>
12						
13 <b>TOTAL SENDOUT - STORAGE INJ. - TRANS. REQ. &amp; AVAIL. NFS - DESIGN WEATHER (lines 26+28)</b>	<b>71,495</b>	<b>45,915</b>	<b>25,580</b>	<b>71,569</b>	<b>45,915</b>	<b>25,654</b>
14						
15 <b>AVAILABLE SUPPLIES</b>						
16 Spot Purchases Based on Transco & Col. FT & City Gate Supplies - Cap. Red.For AMA & CIP Releases	99,008	42,133	56,875	105,131	45,194	59,936
17 LNG Withdrawals	199	132	67	199	132	67
18 Peaking Service	0	0	0	3,150	3,150	0
19 Columbia East Side Expansion Project	25,550	10,570	14,980	25,550	10,570	14,980
20 Transportation Gas (105,000 Dts per day)	38,325	15,855	22,470	30,084	10,351	19,732
21						
22 <b>TOTAL SUPPLIES EXCLUDING STORAGE (lines 33 thru 37)</b>	<b>163,082</b>	<b>68,690</b>	<b>94,392</b>	<b>164,113</b>	<b>69,398</b>	<b>94,715</b>
23						
24 Storage Withdrawals Full Contract Quantities	<u>8,819</u>	<u>8,819</u>	<u>0</u>	<u>8,819</u>	<u>8,819</u>	<u>0</u>
25						
26 <b>TOTAL SUPPLIES PLUS STORAGE (lines 39+41)</b>	<b>171,900</b>	<b>77,508</b>	<b>94,392</b>	<b>172,932</b>	<b>78,216</b>	<b>94,715</b>
27						
28 <b>WINTER RESERVE - NORMAL WEATHER (lines 43-22)</b>		46,149			46,529	
29						
30 <b>WINTER RESERVE - DESIGN WEATHER (lines 45-28)</b>		39,303			39,612	
31						
32 Amount in Storage November 1	8,819			8,819		
33						

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**SOUTH JERSEY GAS COMPANY**  
**DESIGN DAY FORECAST**  
**2024-25 THROUGH 2028-29**

	<u>2024-25</u>	<u>2025-26</u>	<u>2026-27</u>	<u>2027-28</u>	<u>2028-29</u>
<b>Summary of Requirements vs Supplies</b>					
Total Design Day Requirements	<b>604,948</b>	<b>612,008</b>	<b>618,140</b>	<b>622,955</b>	<b>629,703</b>
Total Design Day Supplies	<u>675,987</u>	<u>675,987</u>	<u>675,987</u>	<u>685,987</u>	<u>695,987</u>
Excess / (Shortfall)	<u>71,039</u>	<u>63,979</u>	<u>57,847</u>	<u>63,032</u>	<u>66,284</u>
<b>Design Day Degree Days</b>					
	<b>63.0</b>	<b>63.0</b>	<b>63.0</b>	<b>63.0</b>	<b>63.0</b>
Quantity in Dts	<b>2024-25</b>	<b>2025-26</b>	<b>2026-27</b>	<b>2027-28</b>	<b>2028-29</b>
<b>Total Design Day Sendout Requirements</b>	<u><b>604,948</b></u>	<u><b>612,008</b></u>	<u><b>618,140</b></u>	<u><b>622,955</b></u>	<u><b>629,703</b></u>
<b>Design Day Capacity Entitlements</b>					
<b>Pipeline City Gate Long-Term Capacity</b>					
	Contract #				
Transco FT (Long-haul)	1003902	128,651	128,651	128,651	128,651
Transco FT (Long-haul)	1002231	2,264	2,264	2,264	2,264
Transco (PSFT) (Long-haul)	1005003	3,002	3,002	3,002	3,002
Transco FT (Leidy Line)	1013599	41,608	41,608	41,608	41,608
Transco FT (Leidy Line)	1044825	17,433	17,433	17,433	17,433
Adelphia/Columbia FTS	28/284291	75,000	75,000	75,000	75,000
Columbia NTS	39305	22,511	22,511	22,511	22,511
Columbia FTS	38099	22,511	22,511	22,511	22,511
Columbia FTS	156147	9,000	9,000	9,000	9,000
Columbia FTS (ESEP)	161135	70,000	70,000	70,000	70,000
Transco REA FT		25,000	25,000	25,000	25,000
<b>Total Pipeline Services (lines 23 thru 32)</b>		416,980	416,980	416,980	416,980
<b>Underground Storage Services</b>					
Transco S-2		1,557	1,557	1,557	1,557
Transco GSS		27,314	27,314	27,314	27,314
Transco LSS		12,000	12,000	12,000	12,000
Transco LG-A		15,670	15,670	15,670	15,670
Transco SS-2		16,043	16,043	16,043	16,043
Columbia FSS		52,891	52,891	52,891	52,891
<b>Total Underground Storage (lines 37 thru 42)</b>		125,475	125,475	125,475	125,475
<b>Company Sources</b>					
City Gate Supplies - (Peaking)		-	-	10,000	20,000
Company LNG (110,000 Mcf pro-rated @ 20 hours - converted to Dts)		75,000	75,000	75,000	75,000
<b>Total Company Entitlement Sources (lines 34+44+47+48)</b>		617,455	617,455	627,455	637,455
<b>Company Entitlement Deficiency Before Transportation (50-18)</b>		<b>12,507</b>	<b>5,447</b>	<b>(685)</b>	<b>4,500</b>
<b>Transportation Sources</b>					
RSG-FT @ 100% of Jan 2024 Average Daily Load		4,755	4,755	4,755	4,755
GSG-FT & GSG-LV-FT @ 100% of Jan 2024 Average Daily Load		34,095	34,095	34,095	34,095
<b>Total Transportation Sources (lines 55+56)</b>		38,850	38,850	38,850	38,850
Incremental Capacity Available From Transco CNJEP (105,000-line 58)		66,150	66,150	66,150	66,150
<b>Total Transco CNJEP Capacity (lines 58+60)</b>		105,000	105,000	105,000	105,000
<b>Assets Released as Part of The Conservation Incentive Program</b>					
Transco FT (Long Haul)*		(10,000)	(10,000)	(10,000)	(10,000)
Transco FT (Leidy Line)*		(20,000)	(20,000)	(20,000)	(20,000)
Columbia FTS*		(16,468)	(16,468)	(16,468)	(16,468)
<b>Total Assets Released as Part of the CIP (lines 65 thru 67)</b>		(46,468)	(46,468)	(46,468)	(46,468)
<b>Total Net Design Day Supplies (lines 50+62+69)</b>		<u><b>675,987</b></u>	<u><b>675,987</b></u>	<u><b>675,987</b></u>	<u><b>685,987</b></u>
Excess / (Shortfall) Between Requirements & Entitlements (lines 71 -18)		71,039	63,979	57,847	63,032
Excess / (Shortfall) as a Percent of Sendout (lines 73/18)		11.7%	10.5%	9.4%	10.1%

**South Jersey Gas Company**  
**Actual Peak Day Supply and Demand**  
**Five Highest Demand Days For Each Of The Last Three Winter Season (Dts)**

WINTER SEASON	DATE OF HIGHEST DEMAND	SUPPLY SOURCES				TOTAL SENDOUT	FIRM SENDOUT	INTERR SENDOUT	TOTAL SENDOUT	DEGREE DAYS
		TRANSCO	COLUMBIA	PSE&G	LNG					
<b>2023-2024</b>	January 20, 2024	165,970	228,537	0	25,389	419,896	419,896	0	419,896	42.60
	January 17, 2024	221,064	196,346	0	167	417,572	417,572	5	417,577	42.30
	January 16, 2024	192,597	198,902	0	8,313	399,812	399,812	0	399,812	40.00
	January 21, 2024	159,720	223,810	0	56	383,586	383,586	0	383,586	43.00
	January 19, 2024	160,612	221,447	0	318	382,377	382,377	0	382,377	39.30
<b>2022-2023</b>	December 24, 2022	214,624	187,561	0	63,836	466,021	464,934	1,087	466,021	49.50
	February 3, 2023	223,885	195,350	0	16,897	436,132	436,127	5	436,132	43.00
	December 23, 2022	230,594	198,786	0	2,944	432,324	430,778	1,546	432,324	46.00
	December 25, 2022	202,962	175,710	0	7,469	386,141	385,130	1,011	386,141	43.00
	January 14, 2023	144,402	222,326	0	199	366,927	364,711	2,216	366,927	34.00
<b>2021-2022</b>	January 29, 2022	210,520	200,282	0	40,451	451,253	450,677	576	451,253	48.00
	January 15, 2022	214,615	224,613	0	6,965	446,193	445,584	609	446,193	42.00
	February 14, 2022	180,589	243,760	0	6,827	431,176	430,473	703	431,176	44.10
	January 21, 2022	198,460	223,756	0	887	423,103	422,610	493	423,103	47.00
	January 11, 2022	195,444	210,851	0	4,323	410,618	410,256	362	410,618	43.00

**South Jersey Gas Company**  
**Statement of Estimated Supplier Refunds**  
For the period October 1, 2023 through September 30, 2024

Period	Suppliers	Docket Number	Refund Amounts	Total
Oct 2023	Transco	RP24-57-000	\$6,744	\$6,744
Oct 2023	JE	Refund from June Prod -Journal Entry Needed	\$2,111	\$2,111
Nov 2023	Transco	RP23-980-000	\$164	\$164
Dec 2023	Columbia	RP24-00284-000	\$276,652.64	\$276,653
Dec 2023	Transco	RP24-68-000	\$44.69	\$44.69
Jan 2024	JE	Reclass Marketer Imbalance	(\$5,688)	(\$5,688)
Feb 2024	JE	Adjustment was made because the refunded amount was included in the monthly demand obligation	(\$276,959)	(\$276,959)
Mar 2024			\$0	\$0
Apr 2024			\$0	\$0
May 2024			\$0	\$0
Jun 2024			\$0	\$0
Jul 2024			\$0	\$0
Aug 2024			\$0	\$0
Sep 2024			\$0	\$0
<b>Total</b>			<b>\$3,070</b>	<b>\$3,070</b>

**South Jersey Gas Company**  
**Statement of Estimated Supplier Refunds**  
For the period October 1, 2024 through September 30, 2025

<b>Period</b>	<b>Suppliers</b>	<b>Docket Number</b>	<b>Refund Amounts</b>	<b>Total</b>
Oct 2024			\$0	\$0
Nov 2024			\$0	\$0
Dec 2024			\$0	\$0
Jan 2025			\$0	\$0
Feb 2025			\$0	\$0
Mar 2025			\$0	\$0
Apr 2025			\$0	\$0
May 2025			\$0	\$0
Jun 2025			\$0	\$0
Jul 2025			\$0	\$0
Aug 2025			\$0	\$0
Sep 2025			\$0	\$0
			<b>Total</b>	<b>\$0</b>

**South Jersey Gas Company  
Summary of Hedging Activity  
October 2023 - September 2024  
As of March 31, 2024**

Supply Month	BGSS Sendout* (000)	Total Hedged (000)	Program Hedges			
			Non-Discr (000)	Planalytics (000)	Sim (000)	Disc (000)
October-23	1,360	820	450	370	-	-
November-23	3,112	1,970	450	400	1,120	-
December-23	5,104	2,390	450	820	1,120	-
January-24	6,622	2,640	450	1,070	1,120	-
February-24	5,714	2,810	450	1,240	1,120	-
March-24	4,309	2,010	450	440	1,120	-
April-24	2,171	1,270	450	820	-	-
May-24	1,132	455	455	-	-	-
June-24	756	460	460	-	-	-
July-24	755	465	465	-	-	-
August-24	758	470	470	-	-	-
September-24	756	475	475	-	-	-
<b>Total</b>	<b>32,549</b>	<b>16,235</b>	<b>5,475</b>	<b>5,160</b>	<b>5,600</b>	<b>-</b>
<b>Total % Hedged</b>		<b>49.9%</b>	<b>16.8%</b>	<b>15.9%</b>	<b>17.2%</b>	<b>0.0%</b>

\*Based on Sendout in 2023 BGSS Filing

**South Jersey Gas Company**  
**Non Discretionary Hedging Strategy**  
**As of March 31, 2024**

<b>Month</b>	<b>Quantity</b>	<b>Weighted Average Price</b>
October-23	450,000	\$ 4.478
November-23	450,000	\$ 4.473
December-23	450,000	\$ 4.471
January-24	450,000	\$ 4.475
February-24	450,000	\$ 4.450
March-24	450,000	\$ 4.430
April-24	450,000	\$ 4.378
May-24	455,000	\$ 4.298
June-24	460,000	\$ 4.175
July-24	465,000	\$ 4.074
August-24	470,000	\$ 3.971
September-24	475,000	\$ 3.844



South Jersey Gas Company  
Non Discretionary Hedging Strategy  
As of March 31, 2024

INS_TYPE	(Multiple Items)
PFOLIO	SJG_Financial_Trading_NonDiscr
PARAM_SEQ_NUM	1

Trade Date	Column Labels	10/1/2023	11/1/2023	12/1/2023	1/1/2024	2/1/2024	3/1/2024	4/1/2024	5/1/2024	6/1/2024	7/1/2024	8/1/2024	9/1/2024
10/29/2021	\$	3.811											
11/30/2021	\$	3.700	\$ 3.700										
12/30/2021	\$	3.535	\$ 3.535	\$ 3.535									
1/31/2022	\$	4.085	\$ 4.085	\$ 4.085	\$ 4.085								
2/28/2022	\$	4.009	\$ 4.009	\$ 4.009	\$ 4.009	\$ 4.009							
3/31/2022	\$	4.550	\$ 4.550	\$ 4.550	\$ 4.550	\$ 4.550	\$ 4.550						
4/29/2022	\$	5.145	\$ 5.145	\$ 5.145	\$ 5.145	\$ 5.145	\$ 5.145	\$ 5.145					
5/31/2022	\$	5.700	\$ 5.700	\$ 5.700	\$ 5.700	\$ 5.700	\$ 5.700	\$ 5.700	\$ 5.700				
6/30/2022	\$	5.005	\$ 5.005	\$ 5.005	\$ 5.005	\$ 5.005	\$ 5.005	\$ 5.005	\$ 5.005	\$ 5.005			
7/29/2022	\$	5.170	\$ 5.170	\$ 5.170	\$ 5.170	\$ 5.170	\$ 5.170	\$ 5.170	\$ 5.170	\$ 5.170	\$ 5.170		
8/31/2022	\$	5.760	\$ 5.760	\$ 5.760	\$ 5.760	\$ 5.760	\$ 5.760	\$ 5.760	\$ 5.760	\$ 5.760	\$ 5.760	\$ 5.760	
9/30/2022	\$	4.840	\$ 4.840	\$ 4.840	\$ 4.840	\$ 4.840	\$ 4.840	\$ 4.840	\$ 4.840	\$ 4.840	\$ 4.840	\$ 4.840	\$ 4.840
10/31/2022	\$	4.785	\$ 4.785	\$ 4.785	\$ 4.785	\$ 4.785	\$ 4.785	\$ 4.785	\$ 4.785	\$ 4.785	\$ 4.785	\$ 4.785	\$ 4.785
11/30/2022	\$	5.055	\$ 5.055	\$ 5.055	\$ 5.055	\$ 5.055	\$ 5.055	\$ 5.055	\$ 5.055	\$ 5.055	\$ 5.055	\$ 5.055	\$ 5.055
12/30/2022	\$	4.285	\$ 4.285	\$ 4.285	\$ 4.285	\$ 4.285	\$ 4.285	\$ 4.285	\$ 4.285	\$ 4.285	\$ 4.285	\$ 4.285	\$ 4.285
1/31/2023	\$	3.768	\$ 3.768	\$ 3.768	\$ 3.768	\$ 3.768	\$ 3.768	\$ 3.768	\$ 3.768	\$ 3.768	\$ 3.768	\$ 3.768	\$ 3.768
2/28/2023	\$	3.727	\$ 3.727	\$ 3.727	\$ 3.727	\$ 3.727	\$ 3.727	\$ 3.727	\$ 3.727	\$ 3.727	\$ 3.727	\$ 3.727	\$ 3.727
3/31/2023	\$	3.675	\$ 3.675	\$ 3.675	\$ 3.675	\$ 3.675	\$ 3.675	\$ 3.675	\$ 3.675	\$ 3.675	\$ 3.675	\$ 3.675	\$ 3.675
4/28/2023			\$ 3.725	\$ 3.725	\$ 3.725	\$ 3.725	\$ 3.725	\$ 3.725	\$ 3.725	\$ 3.725	\$ 3.725	\$ 3.725	\$ 3.725
5/30/2023				\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650
6/30/2023					\$ 3.615	\$ 3.615	\$ 3.615	\$ 3.615	\$ 3.615	\$ 3.615	\$ 3.615	\$ 3.615	\$ 3.615
7/31/2023						\$ 3.636	\$ 3.636	\$ 3.636	\$ 3.636	\$ 3.636	\$ 3.636	\$ 3.636	\$ 3.636
8/31/2023							\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650
9/28/2023								\$ 3.604	\$ 3.604	\$ 3.604	\$ 3.604	\$ 3.604	\$ 3.604
10/31/2023									\$ 3.804	\$ 3.804	\$ 3.804	\$ 3.804	\$ 3.804
11/30/2023										\$ 3.580	\$ 3.580	\$ 3.580	\$ 3.580
12/29/2023											\$ 3.315	\$ 3.315	\$ 3.315
1/31/2024												\$ 3.370	\$ 3.370
2/29/2024													\$ 3.451
<b>Weighted Average Cost per Dth</b>	<b>\$</b>	<b>4.478</b>	<b>\$ 4.473</b>	<b>\$ 4.471</b>	<b>\$ 4.475</b>	<b>\$ 4.450</b>	<b>\$ 4.430</b>	<b>\$ 4.378</b>	<b>\$ 4.298</b>	<b>\$ 4.175</b>	<b>\$ 4.074</b>	<b>\$ 3.971</b>	<b>\$ 3.844</b>
<b>Dth Purchased</b>		<b>450,000</b>	<b>450,000</b>	<b>450,000</b>	<b>450,000</b>	<b>450,000</b>	<b>450,000</b>	<b>450,000</b>	<b>455,000</b>	<b>460,000</b>	<b>465,000</b>	<b>470,000</b>	<b>475,000</b>

**South Jersey Gas Company  
Planalytics Hedging Strategy  
As of March 31, 2024**

<b>Month</b>	<b>Quantity</b>	<b>Average Price</b>	
October-23	370,000	\$	3.392
November-23	400,000	\$	3.640
December-23	820,000	\$	3.877
January-24	1,070,000	\$	4.007
February-24	1,240,000	\$	3.958
March-24	440,000	\$	3.883
April-24	820,000	\$	3.304
May-24	-	\$	-
June-24	-	\$	-
July-24	-	\$	-
August-24	-	\$	-
September-24	-	\$	-

**South Jersey Gas Company  
Storage Incentive Mechanism  
Benchmark Cost Calculation, Actual Results & Sharing (Proforma)  
Actual April - October 2023**

<b>Component of Benchmark</b>	<b>For Deliveries During</b>							<b>Total</b>
	<b><u>Apr-23</u></b>	<b><u>May-23</u></b>	<b><u>Jun-23</u></b>	<b><u>Jul-23</u></b>	<b><u>Aug-23</u></b>	<b><u>Sep-23</u></b>	<b><u>Oct-23</u></b>	
<b>Volumes (Bcf)</b>	0.80	0.80	0.80	0.80	0.80	0.80	0.80	5.60
<b>Financial Hedges</b>								
Commodity Cost (\$000)	\$ 2,616	\$ 2,616	\$ 2,616	\$ 2,616	\$ 2,616	\$ 2,616	\$ 2,616	\$ 18,310
Average Cost	\$ 3.270	\$ 3.270	\$ 3.270	\$ 3.270	\$ 3.270	\$ 3.270	\$ 3.269	
<b>Total Benchmark</b>	\$ 2,616	\$ 2,616	\$ 2,616	\$ 2,616	\$ 2,616	\$ 2,616	\$ 2,616	\$ 18,310
							<b>Storage Benchmark Per Dt</b>	<b>3.270</b>
Actual/Est Injection Volumes	1.10	0.80	1.00	0.80	1.20	0.70	0.00	5.60
<b>Financial Hedges</b>								
Cost (\$000)	\$ 1,720	\$ 1,140	\$ 1,311	\$ 1,075	\$ 1,621	\$ 912	-	
Net (Gains) / Losses	\$ 1,285	\$ 1,182	\$ 1,130	\$ 793	\$ 882	\$ 830	\$ 732	
Total	\$ 3,006	\$ 2,321	\$ 2,441	\$ 1,868	\$ 2,502	\$ 1,742	\$ 732	\$ 14,613
							<b>Actual Average Cost Before Sharing</b>	<b>2.609</b>
Difference between Benchmark and Actual	\$ 390	\$ (294)	\$ (174)	\$ (747)	\$ (113)	\$ (873)	\$ (1,884)	\$ (3,697)
							<b>BGSS Share 80%</b>	\$ (2,957)
							<b>SJG Share</b>	\$ (739)
							<b>Actual Average Cost Before Sharing</b>	<b>\$ 2.609</b>
							<b>SJG Sharing Per Dt</b>	<b>\$ 0.1320</b>
							<b>Actual Average Cost After Sharing</b>	<b>\$ 2.742</b>

**South Jersey Gas Company  
Discretionary Hedging Strategy  
As of March 31, 2024**

Financial Fixed Priced				Physical Fixed Price			
Month	Quantity	Average Price		Month	Quantity	Average Price	
October-23	-	\$	-	October-23	-	\$	-
November-23	-	\$	-	November-23	-	\$	-
December-23	-	\$	-	December-23	-	\$	-
January-24	-	\$	-	January-24	-	\$	-
February-24	-	\$	-	February-24	-	\$	-
March-24	-	\$	-	March-24	-	\$	-
April-24	-	\$	-	April-24	-	\$	-
May-24	-	\$	-	May-24	-	\$	-
June-24	-	\$	-	June-24	-	\$	-
July-24	-	\$	-	July-24	-	\$	-
August-24	-	\$	-	August-24	-	\$	-
September-24	-	\$	-	September-24	-	\$	-

**South Jersey Gas Company  
Summary of Hedging Activity  
October 2024 - September 2025  
As of March 31, 2024**

Supply Month	BGSS Sendout* (000)	Total Hedged (000)	Program Hedges			
			Non-Discr (000)	Planalytics (000)	Sim (000)	Disc (000)
October-24	1,360	590	480	110	-	-
November-24	3,112	1,715	455	140	1,120	-
December-24	5,104	1,820	430	270	1,120	-
January-25	6,622	1,525	405	-	1,120	-
February-25	5,714	1,500	380	-	1,120	-
March-25	4,309	1,565	355	90	1,120	-
April-25	2,171	510	330	180	-	-
May-25	1,132	305	305	-	-	-
June-25	756	280	280	-	-	-
July-25	755	255	255	-	-	-
August-25	758	230	230	-	-	-
September-25	756	205	205	-	-	-
<b>Total</b>	<b>32,549</b>	<b>10,500</b>	<b>4,110</b>	<b>790</b>	<b>5,600</b>	<b>-</b>
<b>Total % Hedged</b>		<b>32.3%</b>	<b>12.6%</b>	<b>2.4%</b>	<b>17.2%</b>	<b>0.0%</b>

\*Based on Sendout in 2023 BGSS Filing

**South Jersey Gas Company**  
**Non Discretionary Hedging Strategy**  
**As of March 31, 2024**

<b>Month</b>	<b>Quantity</b>	<b>Weighted Average Price</b>
October-24	480,000	\$ 3.770
November-24	455,000	\$ 3.714
December-24	430,000	\$ 3.636
January-25	405,000	\$ 3.596
February-25	380,000	\$ 3.585
March-25	355,000	\$ 3.575
April-25	330,000	\$ 3.567
May-25	305,000	\$ 3.554
June-25	280,000	\$ 3.546
July-25	255,000	\$ 3.539
August-25	230,000	\$ 3.528
September-25	205,000	\$ 3.513

**South Jersey Gas Company**  
**Non Discretionary Hedging Strategy**  
**As of March 31, 2024**

INS_TYPE	(Multiple Items)
PFOLIO	SJG_Financial_Trading_NonDiscr
PARAM_SEQ_NUM	1

Trade Date	Column Labels	10/1/2024	11/1/2024	12/1/2024	1/1/2025	2/1/2025	3/1/2025	4/1/2025	5/1/2025	6/1/2025	7/1/2025	8/1/2025	9/1/2025
10/31/2022	\$	4.785											
11/30/2022	\$	5.055	\$ 5.055										
12/30/2022	\$	4.285	\$ 4.285	\$ 4.285									
1/31/2023	\$	3.768	\$ 3.768	\$ 3.768	\$ 3.768								
2/28/2023	\$	3.727	\$ 3.727	\$ 3.727	\$ 3.727	\$ 3.727							
3/31/2023	\$	3.675	\$ 3.675	\$ 3.675	\$ 3.675	\$ 3.675	\$ 3.675						
4/28/2023	\$	3.725	\$ 3.725	\$ 3.725	\$ 3.725	\$ 3.725	\$ 3.725	\$ 3.725					
5/30/2023	\$	3.650	\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650				
6/30/2023	\$	3.615	\$ 3.615	\$ 3.615	\$ 3.615	\$ 3.615	\$ 3.615	\$ 3.615	\$ 3.615	\$ 3.615			
7/31/2023	\$	3.636	\$ 3.636	\$ 3.636	\$ 3.636	\$ 3.636	\$ 3.636	\$ 3.636	\$ 3.636	\$ 3.636	\$ 3.636		
8/31/2023	\$	3.650	\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650	
9/28/2023	\$	3.604	\$ 3.604	\$ 3.604	\$ 3.604	\$ 3.604	\$ 3.604	\$ 3.604	\$ 3.604	\$ 3.604	\$ 3.604	\$ 3.604	\$ 3.604
10/31/2023	\$	3.804	\$ 3.804	\$ 3.804	\$ 3.804	\$ 3.804	\$ 3.804	\$ 3.804	\$ 3.804	\$ 3.804	\$ 3.804	\$ 3.804	\$ 3.804
11/30/2023	\$	3.580	\$ 3.580	\$ 3.580	\$ 3.580	\$ 3.580	\$ 3.580	\$ 3.580	\$ 3.580	\$ 3.580	\$ 3.580	\$ 3.580	\$ 3.580
12/29/2023	\$	3.315	\$ 3.315	\$ 3.315	\$ 3.315	\$ 3.315	\$ 3.315	\$ 3.315	\$ 3.315	\$ 3.315	\$ 3.315	\$ 3.315	\$ 3.315
1/31/2024	\$	3.370	\$ 3.370	\$ 3.370	\$ 3.370	\$ 3.370	\$ 3.370	\$ 3.370	\$ 3.370	\$ 3.370	\$ 3.370	\$ 3.370	\$ 3.370
2/29/2024	\$	3.451	\$ 3.451	\$ 3.451	\$ 3.451	\$ 3.451	\$ 3.451	\$ 3.451	\$ 3.451	\$ 3.451	\$ 3.451	\$ 3.451	\$ 3.451
3/28/2024	\$	3.485	\$ 3.485	\$ 3.485	\$ 3.485	\$ 3.485	\$ 3.485	\$ 3.485	\$ 3.485	\$ 3.485	\$ 3.485	\$ 3.485	\$ 3.485
<b>Weighted Average Cost per Dth</b>	\$	<b>3.770</b>	<b>\$ 3.714</b>	<b>\$ 3.636</b>	<b>\$ 3.596</b>	<b>\$ 3.585</b>	<b>\$ 3.575</b>	<b>\$ 3.567</b>	<b>\$ 3.554</b>	<b>\$ 3.546</b>	<b>\$ 3.539</b>	<b>\$ 3.528</b>	<b>\$ 3.513</b>
<b>Dth Purchased</b>		<b>480,000</b>	<b>455,000</b>	<b>430,000</b>	<b>405,000</b>	<b>380,000</b>	<b>355,000</b>	<b>330,000</b>	<b>305,000</b>	<b>280,000</b>	<b>255,000</b>	<b>230,000</b>	<b>205,000</b>

**South Jersey Gas Company  
Planalytics Hedging Strategy  
As of March 31, 2024**

<b>Month</b>	<b>Quantity</b>	<b>Average Price</b>
October-24	110,000	\$ 2.607
November-24	140,000	\$ 3.060
December-24	270,000	\$ 3.483
January-25	-	\$ -
February-25	-	\$ -
March-25	90,000	\$ 3.193
April-25	180,000	\$ 2.981
May-25	-	\$ -
June-25	-	\$ -
July-25	-	\$ -
August-25	-	\$ -
September-25	-	\$ -



**South Jersey Gas Company  
Storage Incentive Mechanism  
Benchmark Cost Calculation, Actual Results & Sharing (Proforma)  
Estimated April - October 2024**

<u>Component of Benchmark</u>	<u>For Deliveries During</u>							<u>Total</u>
	<u>Apr-24</u>	<u>May-24</u>	<u>Jun-24</u>	<u>Jul-24</u>	<u>Aug-24</u>	<u>Sep-24</u>	<u>Oct-24</u>	
<b>Volumes (Bcf)</b>	0.80	0.80	0.80	0.80	0.80	0.80	0.80	5.60
<b>Financial Hedges</b>								
Commodity Cost (\$000)	\$ 1,983	\$ 1,983	\$ 1,983	\$ 1,983	\$ 1,983	\$ 1,983	\$ 1,983	\$ 13,881
Average Cost	\$ 2.479	\$ 2.479	\$ 2.479	\$ 2.479	\$ 2.479	\$ 2.479	\$ 2.479	
<b>Total Benchmark</b>	\$ 1,983	\$ 1,983	\$ 1,983	\$ 1,983	\$ 1,983	\$ 1,983	\$ 1,983	\$ 13,881
								<b>Storage Benchmark Per Dt</b>
								<b>2.479</b>
Actual/Est Injection Volumes	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Financial Hedges</b>								
Cost (\$000)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net (Gains) / Losses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
								<b>Actual Average Cost Before Sharing</b>
								<b>-</b>
Difference between Benchmark and Actual	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
								<b>BGSS Share 80%</b>
								\$ -

**South Jersey Gas Company  
Discretionary Hedging Strategy  
As of March 31, 20224**

Financial Fixed Priced				Physical Fixed Price			
Month	Quantity	Average Price		Month	Quantity	Average Price	
October-24	-	\$	-	October-24	-	\$	-
November-24	-	\$	-	November-24	-	\$	-
December-24	-	\$	-	December-24	-	\$	-
January-25	-	\$	-	January-25	-	\$	-
February-25	-	\$	-	February-25	-	\$	-
March-25	-	\$	-	March-25	-	\$	-
April-25	-	\$	-	April-25	-	\$	-
May-25	-	\$	-	May-25	-	\$	-
June-25	-	\$	-	June-25	-	\$	-
July-25	-	\$	-	July-25	-	\$	-
August-25	-	\$	-	August-25	-	\$	-
September-25	-	\$	-	September-25	-	\$	-

**South Jersey Gas Company  
Summary of Hedging Activity  
October 2023 - September 2024  
As of December 31, 2023**

Supply Month	BGSS Sendout* (000)	Total Hedged (000)	Program Hedges			
			Non-Discr (000)	Planalytics (000)	Sim (000)	Disc (000)
October-23	1,360	820	450	370	-	-
November-23	3,112	1,970	450	400	1,120	-
December-23	5,104	2,390	450	820	1,120	-
January-24	6,622	2,640	450	1,070	1,120	-
February-24	5,714	2,810	450	1,240	1,120	-
March-24	4,309	2,010	450	440	1,120	-
April-24	2,171	1,270	450	820	-	-
May-24	1,132	455	455	-	-	-
June-24	756	460	460	-	-	-
July-24	755	465	465	-	-	-
August-24	758	440	440	-	-	-
September-24	756	415	415	-	-	-
<b>Total</b>	<b>32,549</b>	<b>16,145</b>	<b>5,385</b>	<b>5,160</b>	<b>5,600</b>	<b>-</b>
<b>Total % Hedged</b>		<b>49.6%</b>	<b>16.5%</b>	<b>15.9%</b>	<b>17.2%</b>	<b>0.0%</b>

\*Based on Sendout in 2023 BGSS Filing

**South Jersey Gas Company**  
**Non Discretionary Hedging Strategy**  
**As of December 31, 2023**

<b>Month</b>	<b>Quantity</b>	<b>Weighted Average Price</b>
October-23	450,000	\$ 4.478
November-23	450,000	\$ 4.473
December-23	450,000	\$ 4.471
January-24	450,000	\$ 4.475
February-24	450,000	\$ 4.450
March-24	450,000	\$ 4.430
April-24	450,000	\$ 4.378
May-24	455,000	\$ 4.298
June-24	460,000	\$ 4.175
July-24	465,000	\$ 4.074
August-24	440,000	\$ 4.012
September-24	415,000	\$ 3.907

South Jersey Gas Company  
Non Discretionary Hedging Strategy  
As of December 31, 2023

INS\_TYPE (Multiple Items)  
PFOLIO SJG\_Financial\_Trading\_NonDiscr  
PARAM\_SEQ\_NUM 1

Trade Date	Column Labels												
Row Labels	10/1/2023	11/1/2023	12/1/2023	1/1/2024	2/1/2024	3/1/2024	4/1/2024	5/1/2024	6/1/2024	7/1/2024	8/1/2024	9/1/2024	
10/29/2021	\$ 3.811												
11/30/2021	\$ 3.700	\$ 3.700											
12/30/2021	\$ 3.535	\$ 3.535	\$ 3.535										
1/31/2022	\$ 4.085	\$ 4.085	\$ 4.085	\$ 4.085									
2/28/2022	\$ 4.009	\$ 4.009	\$ 4.009	\$ 4.009	\$ 4.009								
3/31/2022	\$ 4.550	\$ 4.550	\$ 4.550	\$ 4.550	\$ 4.550	\$ 4.550							
4/29/2022	\$ 5.145	\$ 5.145	\$ 5.145	\$ 5.145	\$ 5.145	\$ 5.145	\$ 5.145						
5/31/2022	\$ 5.700	\$ 5.700	\$ 5.700	\$ 5.700	\$ 5.700	\$ 5.700	\$ 5.700	\$ 5.700					
6/30/2022	\$ 5.005	\$ 5.005	\$ 5.005	\$ 5.005	\$ 5.005	\$ 5.005	\$ 5.005	\$ 5.005	\$ 5.005				
7/29/2022	\$ 5.170	\$ 5.170	\$ 5.170	\$ 5.170	\$ 5.170	\$ 5.170	\$ 5.170	\$ 5.170	\$ 5.170	\$ 5.170			
8/31/2022	\$ 5.760	\$ 5.760	\$ 5.760	\$ 5.760	\$ 5.760	\$ 5.760	\$ 5.760	\$ 5.760	\$ 5.760	\$ 5.760	\$ 5.760		
9/30/2022	\$ 4.840	\$ 4.840	\$ 4.840	\$ 4.840	\$ 4.840	\$ 4.840	\$ 4.840	\$ 4.840	\$ 4.840	\$ 4.840	\$ 4.840	\$ 4.840	
10/31/2022	\$ 4.785	\$ 4.785	\$ 4.785	\$ 4.785	\$ 4.785	\$ 4.785	\$ 4.785	\$ 4.785	\$ 4.785	\$ 4.785	\$ 4.785	\$ 4.785	
11/30/2022	\$ 5.055	\$ 5.055	\$ 5.055	\$ 5.055	\$ 5.055	\$ 5.055	\$ 5.055	\$ 5.055	\$ 5.055	\$ 5.055	\$ 5.055	\$ 5.055	
12/30/2022	\$ 4.285	\$ 4.285	\$ 4.285	\$ 4.285	\$ 4.285	\$ 4.285	\$ 4.285	\$ 4.285	\$ 4.285	\$ 4.285	\$ 4.285	\$ 4.285	
1/31/2023	\$ 3.768	\$ 3.768	\$ 3.768	\$ 3.768	\$ 3.768	\$ 3.768	\$ 3.768	\$ 3.768	\$ 3.768	\$ 3.768	\$ 3.768	\$ 3.768	
2/28/2023	\$ 3.727	\$ 3.727	\$ 3.727	\$ 3.727	\$ 3.727	\$ 3.727	\$ 3.727	\$ 3.727	\$ 3.727	\$ 3.727	\$ 3.727	\$ 3.727	
3/31/2023	\$ 3.675	\$ 3.675	\$ 3.675	\$ 3.675	\$ 3.675	\$ 3.675	\$ 3.675	\$ 3.675	\$ 3.675	\$ 3.675	\$ 3.675	\$ 3.675	
4/28/2023	\$	\$ 3.725	\$ 3.725	\$ 3.725	\$ 3.725	\$ 3.725	\$ 3.725	\$ 3.725	\$ 3.725	\$ 3.725	\$ 3.725	\$ 3.725	
5/30/2023		\$	\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650	
6/30/2023			\$	\$ 3.615	\$ 3.615	\$ 3.615	\$ 3.615	\$ 3.615	\$ 3.615	\$ 3.615	\$ 3.615	\$ 3.615	
7/31/2023				\$	\$ 3.636	\$ 3.636	\$ 3.636	\$ 3.636	\$ 3.636	\$ 3.636	\$ 3.636	\$ 3.636	
8/31/2023					\$	\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650	
9/28/2023						\$	\$ 3.604	\$ 3.604	\$ 3.604	\$ 3.604	\$ 3.604	\$ 3.604	
10/31/2023							\$	\$ 3.804	\$ 3.804	\$ 3.804	\$ 3.804	\$ 3.804	
11/30/2023								\$	\$ 3.580	\$ 3.580	\$ 3.580	\$ 3.580	
12/29/2023									\$	\$ 3.315	\$ 3.315	\$ 3.315	
<b>Weighted Average Cost per Dth</b>	<b>\$ 4.478</b>	<b>\$ 4.473</b>	<b>\$ 4.471</b>	<b>\$ 4.475</b>	<b>\$ 4.450</b>	<b>\$ 4.430</b>	<b>\$ 4.378</b>	<b>\$ 4.298</b>	<b>\$ 4.175</b>	<b>\$ 4.074</b>	<b>\$ 4.012</b>	<b>\$ 3.907</b>	
<b>Dth Purchased</b>	<b>450,000</b>	<b>450,000</b>	<b>450,000</b>	<b>450,000</b>	<b>450,000</b>	<b>450,000</b>	<b>450,000</b>	<b>455,000</b>	<b>460,000</b>	<b>465,000</b>	<b>440,000</b>	<b>415,000</b>	

**South Jersey Gas Company  
Planalytics Hedging Strategy  
As of December 31, 2023**

<b>Month</b>	<b>Quantity</b>	<b>Average Price</b>
October-23	370,000	\$ 3.392
November-23	400,000	\$ 3.640
December-23	820,000	\$ 3.877
January-24	1,070,000	\$ 4.007
February-24	1,240,000	\$ 3.958
March-24	440,000	\$ 3.883
April-24	820,000	\$ 3.304
May-24	-	\$ -
June-24	-	\$ -
July-24	-	\$ -
August-24	-	\$ -
September-24	-	\$ -

**South Jersey Gas Company  
Storage Incentive Mechanism  
Benchmark Cost Calculation, Actual Results & Sharing (Proforma)  
Actual April - October 2023**

<b>Component of Benchmark</b>	<b>For Deliveries During</b>							<b>Total</b>
	<b><u>Apr-23</u></b>	<b><u>May-23</u></b>	<b><u>Jun-23</u></b>	<b><u>Jul-23</u></b>	<b><u>Aug-23</u></b>	<b><u>Sep-23</u></b>	<b><u>Oct-23</u></b>	
<b>Volumes (Bcf)</b>	0.80	0.80	0.80	0.80	0.80	0.80	0.80	5.60
<b>Financial Hedges</b>								
Commodity Cost (\$000)	\$ 2,616	\$ 2,616	\$ 2,616	\$ 2,616	\$ 2,616	\$ 2,616	\$ 2,616	\$ 18,310
Average Cost	\$ 3.270	\$ 3.270	\$ 3.270	\$ 3.270	\$ 3.270	\$ 3.270	\$ 3.269	
<b>Total Benchmark</b>	\$ 2,616	\$ 2,616	\$ 2,616	\$ 2,616	\$ 2,616	\$ 2,616	\$ 2,616	\$ 18,310
							<b>Storage Benchmark Per Dt</b>	<b>3.270</b>
Actual/Est Injection Volumes	1.10	0.80	1.00	0.80	1.20	0.70	0.00	5.60
<b>Financial Hedges</b>								
Cost (\$000)	\$ 1,720	\$ 1,140	\$ 1,311	\$ 1,075	\$ 1,621	\$ 912	-	-
Net (Gains) / Losses	\$ 1,285	\$ 1,182	\$ 1,130	\$ 793	\$ 882	\$ 830	\$ 732	
Total	\$ 3,006	\$ 2,321	\$ 2,441	\$ 1,868	\$ 2,502	\$ 1,742	\$ 732	\$ 14,613
							<b>Actual Average Cost Before Sharing</b>	<b>2.609</b>
Difference between Benchmark and Actual	\$ 390	\$ (294)	\$ (174)	\$ (747)	\$ (113)	\$ (873)	\$ (1,884)	\$ (3,697)
							<b>BGSS Share 80%</b>	\$ (2,957)
							<b>SJG Share</b>	\$ (739)
							<b>Actual Average Cost Before Sharing</b>	<b>\$ 2.609</b>
							<b>SJG Sharing Per Dt</b>	<b>\$ 0.1320</b>
							<b>Actual Average Cost After Sharing</b>	<b>\$ 2.742</b>

**South Jersey Gas Company  
Discretionary Hedging Strategy  
As of December 31, 2023**

Financial Fixed Priced				Physical Fixed Price			
Month	Quantity	Average Price		Month	Quantity	Average Price	
October-23	-	\$	-	October-23	-	\$	-
November-23	-	\$	-	November-23	-	\$	-
December-23	-	\$	-	December-23	-	\$	-
January-24	-	\$	-	January-24	-	\$	-
February-24	-	\$	-	February-24	-	\$	-
March-24	-	\$	-	March-24	-	\$	-
April-24	-	\$	-	April-24	-	\$	-
May-24	-	\$	-	May-24	-	\$	-
June-24	-	\$	-	June-24	-	\$	-
July-24	-	\$	-	July-24	-	\$	-
August-24	-	\$	-	August-24	-	\$	-
September-24	-	\$	-	September-24	-	\$	-



**South Jersey Gas Company  
Summary of Hedging Activity  
October 2024 - September 2025  
As of December 31, 2023**

Supply Month	BGSS Sendout* (000)	Total Hedged (000)	Program Hedges			
			Non-Discr (000)	Planalytics (000)	Sim (000)	Disc (000)
October-24	1,360	430	390	40	-	-
November-24	3,112	425	365	60	-	-
December-24	5,104	440	340	100	-	-
January-25	6,622	315	315	-	-	-
February-25	5,714	290	290	-	-	-
March-25	4,309	265	265	-	-	-
April-25	2,171	240	240	-	-	-
May-25	1,132	215	215	-	-	-
June-25	756	190	190	-	-	-
July-25	755	165	165	-	-	-
August-25	758	140	140	-	-	-
September-25	756	115	115	-	-	-
<b>Total</b>	<b>32,549</b>	<b>3,230</b>	<b>3,030</b>	<b>200</b>	<b>-</b>	<b>-</b>
<b>Total % Hedged</b>		<b>9.9%</b>	<b>9.3%</b>	<b>0.6%</b>	<b>0.0%</b>	<b>0.0%</b>

\*Based on Sendout in 2023 BGSS Filing

**South Jersey Gas Company  
Non Discretionary Hedging Strategy  
As of December 31, 2023**

<b>Month</b>	<b>Quantity</b>	<b>Weighted Average Price</b>
October-24	390,000	\$ 3.847
November-24	365,000	\$ 3.783
December-24	340,000	\$ 3.689
January-25	315,000	\$ 3.642
February-25	290,000	\$ 3.631
March-25	265,000	\$ 3.622
April-25	240,000	\$ 3.617
May-25	215,000	\$ 3.604
June-25	190,000	\$ 3.598
July-25	165,000	\$ 3.595
August-25	140,000	\$ 3.588
September-25	115,000	\$ 3.575

South Jersey Gas Company  
Non Discretionary Hedging Strategy  
As of December 31, 2023

INS_TYPE	(Multiple Items)
PFOLIO	SJG_Financial_Trading_NonDiscr
PARAM_SEQ_NUM	1

Trade Date	Column Labels	10/1/2024	11/1/2024	12/1/2024	1/1/2025	2/1/2025	3/1/2025	4/1/2025	5/1/2025	6/1/2025	7/1/2025	8/1/2025	9/1/2025
10/31/2022	\$	4.785											
11/30/2022	\$	5.055	\$ 5.055										
12/30/2022	\$	4.285	\$ 4.285	\$ 4.285									
1/31/2023	\$	3.768	\$ 3.768	\$ 3.768	\$ 3.768								
2/28/2023	\$	3.727	\$ 3.727	\$ 3.727	\$ 3.727	\$ 3.727							
3/31/2023	\$	3.675	\$ 3.675	\$ 3.675	\$ 3.675	\$ 3.675	\$ 3.675						
4/28/2023	\$	3.725	\$ 3.725	\$ 3.725	\$ 3.725	\$ 3.725	\$ 3.725	\$ 3.725					
5/30/2023	\$	3.650	\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650				
6/30/2023	\$	3.615	\$ 3.615	\$ 3.615	\$ 3.615	\$ 3.615	\$ 3.615	\$ 3.615	\$ 3.615	\$ 3.615			
7/31/2023	\$	3.636	\$ 3.636	\$ 3.636	\$ 3.636	\$ 3.636	\$ 3.636	\$ 3.636	\$ 3.636	\$ 3.636	\$ 3.636		
8/31/2023	\$	3.650	\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650	
9/28/2023	\$	3.604	\$ 3.604	\$ 3.604	\$ 3.604	\$ 3.604	\$ 3.604	\$ 3.604	\$ 3.604	\$ 3.604	\$ 3.604	\$ 3.604	\$ 3.604
10/31/2023	\$	3.804	\$ 3.804	\$ 3.804	\$ 3.804	\$ 3.804	\$ 3.804	\$ 3.804	\$ 3.804	\$ 3.804	\$ 3.804	\$ 3.804	\$ 3.804
11/30/2023	\$	3.580	\$ 3.580	\$ 3.580	\$ 3.580	\$ 3.580	\$ 3.580	\$ 3.580	\$ 3.580	\$ 3.580	\$ 3.580	\$ 3.580	\$ 3.580
12/29/2023	\$	3.315	\$ 3.315	\$ 3.315	\$ 3.315	\$ 3.315	\$ 3.315	\$ 3.315	\$ 3.315	\$ 3.315	\$ 3.315	\$ 3.315	\$ 3.315
<b>Weighted Average Cost per Dth</b>	\$	<b>3.847</b>	\$ <b>3.783</b>	\$ <b>3.689</b>	\$ <b>3.642</b>	\$ <b>3.631</b>	\$ <b>3.622</b>	\$ <b>3.617</b>	\$ <b>3.604</b>	\$ <b>3.598</b>	\$ <b>3.595</b>	\$ <b>3.588</b>	\$ <b>3.575</b>
<b>Dth Purchased</b>		<b>390,000</b>	<b>365,000</b>	<b>340,000</b>	<b>315,000</b>	<b>290,000</b>	<b>265,000</b>	<b>240,000</b>	<b>215,000</b>	<b>190,000</b>	<b>165,000</b>	<b>140,000</b>	<b>115,000</b>

**South Jersey Gas Company  
Planalytics Hedging Strategy  
As of December 31, 2023**

<b>Month</b>	<b>Quantity</b>	<b>Average Price</b>	
October-24	40,000	\$	2.763
November-24	60,000	\$	3.193
December-24	100,000	\$	3.504
January-25	-	\$	-
February-25	-	\$	-
March-25	-	\$	-
April-25	-	\$	-
May-25	-	\$	-
June-25	-	\$	-
July-25	-	\$	-
August-25	-	\$	-
September-25	-	\$	-

**South Jersey Gas Company  
Discretionary Hedging Strategy  
As of December 31, 2023**

Financial Fixed Priced				Physical Fixed Price			
Month	Quantity	Average Price		Month	Quantity	Average Price	
October-24	-	\$	-	October-24	-	\$	-
November-24	-	\$	-	November-24	-	\$	-
December-24	-	\$	-	December-24	-	\$	-
January-25	-	\$	-	January-25	-	\$	-
February-25	-	\$	-	February-25	-	\$	-
March-25	-	\$	-	March-25	-	\$	-
April-25	-	\$	-	April-25	-	\$	-
May-25	-	\$	-	May-25	-	\$	-
June-25	-	\$	-	June-25	-	\$	-
July-25	-	\$	-	July-25	-	\$	-
August-25	-	\$	-	August-25	-	\$	-
September-25	-	\$	-	September-25	-	\$	-

**South Jersey Gas Company  
Summary of Hedging Activity  
October 2022 - September 2023  
As of September 30, 2023**

Supply Month	BGSS Sendout* (000)	Total Hedged (000)	Program Hedges			
			Non-Discr (000)	Planalytics (000)	Sim (000)	Disc (000)
October-22	1,285	850	450	400	-	-
November-22	3,026	1,970	450	400	1,120	-
December-22	4,978	2,390	450	820	1,120	-
January-23	6,344	2,610	450	1,040	1,120	-
February-23	5,471	2,810	450	1,240	1,120	-
March-23	4,201	2,020	450	450	1,120	-
April-23	2,107	1,040	450	590	-	-
May-23	1,097	450	450	-	-	-
June-23	694	450	450	-	-	-
July-23	682	450	450	-	-	-
August-23	692	450	450	-	-	-
September-23	695	450	450	-	-	-
<b>Total</b>	<b>31,273</b>	<b>15,940</b>	<b>5,400</b>	<b>4,940</b>	<b>5,600</b>	<b>-</b>
<b>Total % Hedged</b>		<b>51.0%</b>	<b>17.3%</b>	<b>15.8%</b>	<b>17.9%</b>	<b>0.0%</b>

\*Based on Sendout in 2022 BGSS Filing

**South Jersey Gas Company  
Non Discretionary Hedging Strategy  
As of September 30, 2023**

<b>Month</b>	<b>Quantity</b>	<b>Average Price</b>
October-22	450,000	\$ 3.276
November-22	450,000	\$ 3.401
December-22	450,000	\$ 3.564
January-23	450,000	\$ 3.695
February-23	450,000	\$ 3.831
March-23	450,000	\$ 3.999
April-23	450,000	\$ 4.119
May-23	450,000	\$ 4.230
June-23	450,000	\$ 4.355
July-23	450,000	\$ 4.422
August-23	450,000	\$ 4.453
September-23	450,000	\$ 4.477





**South Jersey Gas Company  
Planalytics Hedging Strategy  
As of September 30, 2023**

<b>Month</b>	<b>Quantity</b>	<b>Average Price</b>
October-22	400,000	\$ 7.428
November-22	400,000	\$ 7.560
December-22	820,000	\$ 7.861
January-23	1,040,000	\$ 8.032
February-23	1,240,000	\$ 7.671
March-23	450,000	\$ 6.569
April-23	590,000	\$ 5.190
May-23	-	\$ -
June-23	-	\$ -
July-23	-	\$ -
August-23	-	\$ -
September-23	-	\$ -

**South Jersey Gas Company  
Storage Incentive Mechanism  
Benchmark Cost Calculation, Actual Results & Sharing (Proforma)  
Actual April - October 2022**

<b>Component of Benchmark</b>	<b>For Deliveries During</b>							<b>Total</b>
	<b><u>Apr-22</u></b>	<b><u>May-22</u></b>	<b><u>Jun-22</u></b>	<b><u>Jul-22</u></b>	<b><u>Aug-22</u></b>	<b><u>Sep-22</u></b>	<b><u>Oct-22</u></b>	
<b>Volumes (Bcf)</b>	0.80	0.80	0.80	0.80	0.80	0.80	0.80	5.60
<b>Financial Hedges</b>								
Commodity Cost (\$000)	\$ 3,821	\$ 3,857	\$ 3,888	\$ 3,844	\$ 3,884	\$ 3,896	\$ 3,850	\$ 27,041
Average Cost	\$ 4.776	\$ 4.822	\$ 4.860	\$ 4.805	\$ 4.855	\$ 4.870	\$ 4.812	
<b>Total Benchmark</b>	\$ 3,821	\$ 3,857	\$ 3,888	\$ 3,844	\$ 3,884	\$ 3,896	\$ 3,850	\$ 27,041
							<b>Storage Benchmark Per Dt</b>	<b>4.829</b>
Actual/Est Injection Volumes	0.70	0.80	0.80	0.80	0.80	0.80	0.90	5.60
<b>Financial Hedges</b>								
Cost (\$000)	\$ 3,480	\$ 5,173	\$ 6,221	\$ 4,886	\$ 6,348	\$ 6,481	\$ 4,903	
Net (Gains) / Losses	\$ (506)	\$ (2,050)	\$ (3,363)	\$ (1,478)	\$ (3,186)	\$ (3,719)	\$ (1,731)	
Total	\$ 2,974	\$ 3,122	\$ 2,858	\$ 3,408	\$ 3,162	\$ 2,762	\$ 3,172	\$ 21,459
							<b>Actual Average Cost Before Sharing</b>	<b>3.832</b>
Difference between Benchmark and Actual	\$ (847)	\$ (735)	\$ (1,030)	\$ (436)	\$ (722)	\$ (1,134)	\$ (678)	\$ (5,581)
							<b>BGSS Share 80%</b>	\$ (4,465)
							<b>SJG Share</b>	\$ (1,116)
							<b>Actual Average Cost Before Sharing</b>	<b>\$ 3.832</b>
							<b>SJG Sharing Per Dt</b>	<b>\$ 0.1993</b>
							<b>Actual Average Cost After Sharing</b>	<b>\$ 4.031</b>

**South Jersey Gas Company  
Discretionary Hedging Strategy  
As of September 30, 2023**

Financial Fixed Priced				Physical Fixed Price			
Month	Quantity	Average Price		Month	Quantity	Average Price	
October-22	-	\$	-	October-22	-	\$	-
November-22	-	\$	-	November-22	-	\$	-
December-22	-	\$	-	December-22	-	\$	-
January-23	-	\$	-	January-23	-	\$	-
February-23	-	\$	-	February-23	-	\$	-
March-23	-	\$	-	March-23	-	\$	-
April-23	-	\$	-	April-23	-	\$	-
May-23	-	\$	-	May-23	-	\$	-
June-23	-	\$	-	June-23	-	\$	-
July-23	-	\$	-	July-23	-	\$	-
August-23	-	\$	-	August-23	-	\$	-
September-23	-	\$	-	September-23	-	\$	-

**South Jersey Gas Company  
Summary of Hedging Activity  
October 2023 - September 2024  
As of September 30, 2023**

Supply Month	BGSS Sendout* (000)	Total Hedged (000)	Program Hedges			
			Non-Discr (000)	Planalytics (000)	Sim (000)	Disc (000)
October-23	1,360	820	450	370	-	-
November-23	3,112	1,960	450	390	1,120	-
December-23	5,104	2,380	450	810	1,120	-
January-24	6,622	2,620	450	1,050	1,120	-
February-24	5,714	2,800	450	1,230	1,120	-
March-24	4,309	2,000	450	430	1,120	-
April-24	2,171	1,250	450	800	-	-
May-24	1,132	425	425	-	-	-
June-24	756	400	400	-	-	-
July-24	755	375	375	-	-	-
August-24	758	350	350	-	-	-
September-24	756	325	325	-	-	-
<b>Total</b>	<b>32,549</b>	<b>15,705</b>	<b>5,025</b>	<b>5,080</b>	<b>5,600</b>	<b>-</b>
<b>Total % Hedged</b>		<b>48.3%</b>	<b>15.4%</b>	<b>15.6%</b>	<b>17.2%</b>	<b>0.0%</b>

\*Based on Sendout in 2023 BGSS Filing

**South Jersey Gas Company  
Non Discretionary Hedging Strategy  
As of September 30, 2023**

<b>Month</b>	<b>Quantity</b>	<b>Average Price</b>
October-23	450,000	\$ 4.478
November-23	450,000	\$ 4.473
December-23	450,000	\$ 4.471
January-24	450,000	\$ 4.475
February-24	450,000	\$ 4.450
March-24	450,000	\$ 4.430
April-24	450,000	\$ 4.378
May-24	425,000	\$ 4.332
June-24	400,000	\$ 4.247
July-24	375,000	\$ 4.196
August-24	350,000	\$ 4.127
September-24	325,000	\$ 4.001

**South Jersey Gas Company**  
**Non Discretionary Hedging Strategy**  
**As of September 30, 2023**

INS_TYPE	(Multiple Items)
PFOLIO	SJG_Financial_Trading_NonDiscr
PARAM_SEQ_NUM	1

Trade Date	Column Labels	10/1/2023	11/1/2023	12/1/2023	1/1/2024	2/1/2024	3/1/2024	4/1/2024	5/1/2024	6/1/2024	7/1/2024	8/1/2024	9/1/2024
10/29/2021	\$	3.811											
11/30/2021	\$	3.700	\$ 3.700										
12/30/2021	\$	3.535	\$ 3.535	\$ 3.535									
1/31/2022	\$	4.085	\$ 4.085	\$ 4.085	\$ 4.085								
2/28/2022	\$	4.009	\$ 4.009	\$ 4.009	\$ 4.009	\$ 4.009							
3/31/2022	\$	4.550	\$ 4.550	\$ 4.550	\$ 4.550	\$ 4.550	\$ 4.550						
4/29/2022	\$	5.145	\$ 5.145	\$ 5.145	\$ 5.145	\$ 5.145	\$ 5.145	\$ 5.145					
5/31/2022	\$	5.700	\$ 5.700	\$ 5.700	\$ 5.700	\$ 5.700	\$ 5.700	\$ 5.700	\$ 5.700				
6/30/2022	\$	5.005	\$ 5.005	\$ 5.005	\$ 5.005	\$ 5.005	\$ 5.005	\$ 5.005	\$ 5.005	\$ 5.005			
7/29/2022	\$	5.170	\$ 5.170	\$ 5.170	\$ 5.170	\$ 5.170	\$ 5.170	\$ 5.170	\$ 5.170	\$ 5.170	\$ 5.170		
8/31/2022	\$	5.760	\$ 5.760	\$ 5.760	\$ 5.760	\$ 5.760	\$ 5.760	\$ 5.760	\$ 5.760	\$ 5.760	\$ 5.760	\$ 5.760	
9/30/2022	\$	4.840	\$ 4.840	\$ 4.840	\$ 4.840	\$ 4.840	\$ 4.840	\$ 4.840	\$ 4.840	\$ 4.840	\$ 4.840	\$ 4.840	\$ 4.840
10/31/2022	\$	4.785	\$ 4.785	\$ 4.785	\$ 4.785	\$ 4.785	\$ 4.785	\$ 4.785	\$ 4.785	\$ 4.785	\$ 4.785	\$ 4.785	\$ 4.785
11/30/2022	\$	5.055	\$ 5.055	\$ 5.055	\$ 5.055	\$ 5.055	\$ 5.055	\$ 5.055	\$ 5.055	\$ 5.055	\$ 5.055	\$ 5.055	\$ 5.055
12/30/2022	\$	4.285	\$ 4.285	\$ 4.285	\$ 4.285	\$ 4.285	\$ 4.285	\$ 4.285	\$ 4.285	\$ 4.285	\$ 4.285	\$ 4.285	\$ 4.285
1/31/2023	\$	3.768	\$ 3.768	\$ 3.768	\$ 3.768	\$ 3.768	\$ 3.768	\$ 3.768	\$ 3.768	\$ 3.768	\$ 3.768	\$ 3.768	\$ 3.768
2/28/2023	\$	3.727	\$ 3.727	\$ 3.727	\$ 3.727	\$ 3.727	\$ 3.727	\$ 3.727	\$ 3.727	\$ 3.727	\$ 3.727	\$ 3.727	\$ 3.727
3/31/2023	\$	3.675	\$ 3.675	\$ 3.675	\$ 3.675	\$ 3.675	\$ 3.675	\$ 3.675	\$ 3.675	\$ 3.675	\$ 3.675	\$ 3.675	\$ 3.675
4/28/2023			\$ 3.725	\$ 3.725	\$ 3.725	\$ 3.725	\$ 3.725	\$ 3.725	\$ 3.725	\$ 3.725	\$ 3.725	\$ 3.725	\$ 3.725
5/30/2023				\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650
6/30/2023					\$ 3.615	\$ 3.615	\$ 3.615	\$ 3.615	\$ 3.615	\$ 3.615	\$ 3.615	\$ 3.615	\$ 3.615
7/31/2023						\$ 3.636	\$ 3.636	\$ 3.636	\$ 3.636	\$ 3.636	\$ 3.636	\$ 3.636	\$ 3.636
8/31/2023							\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650
9/28/2023								\$ 3.604	\$ 3.604	\$ 3.604	\$ 3.604	\$ 3.604	\$ 3.604
<b>Average Cost per Dth</b>	<b>\$</b>	<b>4.478</b>	<b>\$ 4.473</b>	<b>\$ 4.471</b>	<b>\$ 4.475</b>	<b>\$ 4.450</b>	<b>\$ 4.430</b>	<b>\$ 4.378</b>	<b>\$ 4.332</b>	<b>\$ 4.247</b>	<b>\$ 4.196</b>	<b>\$ 4.127</b>	<b>\$ 4.001</b>
<b>Dth Purchased</b>		<b>450,000</b>	<b>450,000</b>	<b>450,000</b>	<b>450,000</b>	<b>450,000</b>	<b>450,000</b>	<b>450,000</b>	<b>425,000</b>	<b>400,000</b>	<b>375,000</b>	<b>350,000</b>	<b>325,000</b>

**South Jersey Gas Company  
Planalytics Hedging Strategy  
As of September 30, 2023**

<b>Month</b>	<b>Quantity</b>	<b>Average Price</b>
October-23	370,000	\$ 3.392
November-23	390,000	\$ 3.660
December-23	810,000	\$ 3.884
January-24	1,050,000	\$ 4.017
February-24	1,230,000	\$ 3.962
March-24	430,000	\$ 3.899
April-24	800,000	\$ 3.312
May-24	-	\$ -
June-24	-	\$ -
July-24	-	\$ -
August-24	-	\$ -
September-24	-	\$ -

**South Jersey Gas Company  
Storage Incentive Mechanism  
Benchmark Cost Calculation, Actual Results & Sharing (Proforma)  
Actual April - September ; Estimated October 2023**

<u>Component of Benchmark</u>	<u>For Deliveries During</u>							<u>Total</u>
	<u>Apr-23</u>	<u>May-23</u>	<u>Jun-23</u>	<u>Jul-23</u>	<u>Aug-23</u>	<u>Sep-23</u>	<u>Oct-23</u>	
<b>Volumes (Bcf)</b>	0.80	0.80	0.80	0.80	0.80	0.80	0.80	5.60
<b>Financial Hedges</b>								
Commodity Cost (\$000)	\$ 2,616	\$ 2,616	\$ 2,616	\$ 2,616	\$ 2,616	\$ 2,616	\$ 2,616	\$ 18,310
Average Cost	\$ 3.270	\$ 3.270	\$ 3.270	\$ 3.270	\$ 3.270	\$ 3.270	\$ 3.270	
<b>Total Benchmark</b>	<b>\$ 2,616</b>	<b>\$ 2,616</b>	<b>\$ 2,616</b>	<b>\$ 2,616</b>	<b>\$ 2,616</b>	<b>\$ 2,616</b>	<b>\$ 2,616</b>	<b>\$ 18,310</b>
								<b>3.270</b>
<b>Actual/Est Injection Volumes</b>	1.10	0.80	1.00	0.80	1.20	0.70	0.00	5.60
<b>Financial Hedges</b>								
Cost (\$000)	\$ 1,720	\$ 1,140	\$ 1,311	\$ 1,075	\$ 1,621	\$ 912	\$ -	
Net (Gains) / Losses	\$ 1,285	\$ 1,182	\$ 1,130	\$ 793	\$ 882	\$ 830	\$ 732	
<b>Total</b>	<b>\$ 3,006</b>	<b>\$ 2,321</b>	<b>\$ 2,441</b>	<b>\$ 1,868</b>	<b>\$ 2,502</b>	<b>\$ 1,742</b>	<b>\$ 732</b>	<b>\$ 14,613</b>
								<b>2.609</b>
<b>Difference between Benchmark and Actual</b>	\$ 390	\$ (294)	\$ (174)	\$ (747)	\$ (113)	\$ (873)	\$ (1,884)	\$ (3,697)
								\$ (2,957)
								\$ (739)
								<b>\$ 2.609</b>
								<b>\$ 0.1320</b>
								<b>\$ 2.742</b>



**South Jersey Gas Company  
Discretionary Hedging Strategy  
As of September 30, 2023**

Financial Fixed Priced				Physical Fixed Price			
Month	Quantity	Average Price		Month	Quantity	Average Price	
October-23	-	\$	-	October-23	-	\$	-
November-23	-	\$	-	November-23	-	\$	-
December-23	-	\$	-	December-23	-	\$	-
January-24	-	\$	-	January-24	-	\$	-
February-24	-	\$	-	February-24	-	\$	-
March-24	-	\$	-	March-24	-	\$	-
April-24	-	\$	-	April-24	-	\$	-
May-24	-	\$	-	May-24	-	\$	-
June-24	-	\$	-	June-24	-	\$	-
July-24	-	\$	-	July-24	-	\$	-
August-24	-	\$	-	August-24	-	\$	-
September-24	-	\$	-	September-24	-	\$	-

**South Jersey Gas Company  
Summary of Hedging Activity  
October 2022 - September 2023  
As of June 30, 2023**

Supply Month	BGSS Sendout* (000)	Total Hedged (000)	Program Hedges			
			Non-Discr (000)	Planalytics (000)	Sim (000)	Disc (000)
October-22	1,285	850	450	400	-	-
November-22	3,026	1,970	450	400	1,120	-
December-22	4,978	2,390	450	820	1,120	-
January-23	6,344	2,610	450	1,040	1,120	-
February-23	5,471	2,810	450	1,240	1,120	-
March-23	4,201	2,020	450	450	1,120	-
April-23	2,107	1,040	450	590	-	-
May-23	1,097	450	450	-	-	-
June-23	694	440	440	-	-	-
July-23	682	450	450	-	-	-
August-23	692	450	450	-	-	-
September-23	695	450	450	-	-	-
<b>Total</b>	<b>31,273</b>	<b>15,930</b>	<b>5,390</b>	<b>4,940</b>	<b>5,600</b>	<b>-</b>
<b>Total % Hedged</b>		<b>50.9%</b>	<b>17.2%</b>	<b>15.8%</b>	<b>17.9%</b>	<b>0.0%</b>

\*Based on Sendout in 2022 BGSS Filing

**South Jersey Gas Company**  
**Non Discretionary Hedging Strategy**  
**As of June 30, 2023**

<b>Month</b>	<b>Quantity</b>	<b>Average Price</b>
October-22	450,000	\$ 3.276
November-22	450,000	\$ 3.401
December-22	450,000	\$ 3.564
January-23	450,000	\$ 3.695
February-23	450,000	\$ 3.831
March-23	450,000	\$ 3.999
April-23	450,000	\$ 4.119
May-23	450,000	\$ 4.230
June-23	440,000	\$ 4.355
July-23	450,000	\$ 4.422
August-23	450,000	\$ 4.453
September-23	450,000	\$ 4.477



**South Jersey Gas Company  
Planalytics Hedging Strategy  
As of June 30, 2023**

<b>Month</b>	<b>Quantity</b>	<b>Average Price</b>	
October-22	400,000	\$	7.428
November-22	400,000	\$	7.560
December-22	820,000	\$	7.862
January-23	1,040,000	\$	8.032
February-23	1,240,000	\$	7.671
March-23	450,000	\$	6.569
April-23	590,000	\$	5.190
May-23	-	\$	-
June-23	-	\$	-
July-23	-	\$	-
August-23	-	\$	-
September-23	-	\$	-

**South Jersey Gas Company  
Storage Incentive Mechanism  
Benchmark Cost Calculation, Actual Results & Sharing (Proforma)  
Actual April - October 2022**

<b>Component of Benchmark</b>	<b>For Deliveries During</b>							<b>Total</b>
	<b><u>Apr-22</u></b>	<b><u>May-22</u></b>	<b><u>Jun-22</u></b>	<b><u>Jul-22</u></b>	<b><u>Aug-22</u></b>	<b><u>Sep-22</u></b>	<b><u>Oct-22</u></b>	
<b>Volumes (Bcf)</b>	0.80	0.80	0.80	0.80	0.80	0.80	0.80	5.60
<b>Financial Hedges</b>								
Commodity Cost (\$000)	\$ 3,821	\$ 3,857	\$ 3,888	\$ 3,844	\$ 3,884	\$ 3,896	\$ 3,850	\$ 27,041
Average Cost	\$ 4.776	\$ 4.822	\$ 4.860	\$ 4.805	\$ 4.855	\$ 4.870	\$ 4.812	
<b>Total Benchmark</b>	\$ 3,821	\$ 3,857	\$ 3,888	\$ 3,844	\$ 3,884	\$ 3,896	\$ 3,850	\$ 27,041
							<b>Storage Benchmark Per Dt</b>	<b>4.829</b>
Actual/Est Injection Volumes	0.70	0.80	0.80	0.80	0.80	0.80	0.90	5.60
<b>Financial Hedges</b>								
Cost (\$000)	\$ 3,480	\$ 5,173	\$ 6,221	\$ 4,886	\$ 6,348	\$ 6,481	\$ 4,903	
Net (Gains) / Losses	\$ (506)	\$ (2,050)	\$ (3,363)	\$ (1,478)	\$ (3,186)	\$ (3,719)	\$ (1,731)	
Total	\$ 2,974	\$ 3,122	\$ 2,858	\$ 3,408	\$ 3,162	\$ 2,762	\$ 3,172	\$ 21,459
							<b>Actual Average Cost Before Sharing</b>	<b>3.832</b>
Difference between Benchmark and Actual	\$ (847)	\$ (735)	\$ (1,030)	\$ (436)	\$ (722)	\$ (1,134)	\$ (678)	\$ (5,581)
							<b>BGSS Share 80%</b>	\$ (4,465)
							<b>SJG Share</b>	\$ (1,116)
							<b>Actual Average Cost Before Sharing</b>	<b>\$ 3.832</b>
							<b>SJG Sharing Per Dt</b>	<b>\$ 0.1993</b>
							<b>Actual Average Cost After Sharing</b>	<b>\$ 4.031</b>

**South Jersey Gas Company  
Discretionary Hedging Strategy  
As of June 30, 2023**

Financial Fixed Priced				Physical Fixed Price			
Month	Quantity	Average Price		Month	Quantity	Average Price	
October-22	-	\$	-	October-22	-	\$	-
November-22	-	\$	-	November-22	-	\$	-
December-22	-	\$	-	December-22	-	\$	-
January-23	-	\$	-	January-23	-	\$	-
February-23	-	\$	-	February-23	-	\$	-
March-23	-	\$	-	March-23	-	\$	-
April-23	-	\$	-	April-23	-	\$	-
May-23	-	\$	-	May-23	-	\$	-
June-23	-	\$	-	June-23	-	\$	-
July-23	-	\$	-	July-23	-	\$	-
August-23	-	\$	-	August-23	-	\$	-
September-23	-	\$	-	September-23	-	\$	-

**South Jersey Gas Company  
Summary of Hedging Activity  
October 2023 - September 2024  
As of June 30, 2023**

Supply Month	BGSS Sendout* (000)	Total Hedged (000)	Program Hedges			
			Non-Discr (000)	Planalytics (000)	Sim (000)	Disc (000)
October-23	1,360	800	450	350	-	-
November-23	3,112	1,910	450	340	1,120	-
December-23	5,104	2,220	450	650	1,120	-
January-24	6,622	2,390	450	820	1,120	-
February-24	5,714	2,475	425	930	1,120	-
March-24	4,309	1,890	400	370	1,120	-
April-24	2,171	825	375	450	-	-
May-24	1,132	350	350	-	-	-
June-24	756	325	325	-	-	-
July-24	755	300	300	-	-	-
August-24	758	275	275	-	-	-
September-24	756	250	250	-	-	-
<b>Total</b>	<b>32,549</b>	<b>14,010</b>	<b>4,500</b>	<b>3,910</b>	<b>5,600</b>	<b>-</b>
<b>Total % Hedged</b>		<b>43.0%</b>	<b>13.8%</b>	<b>12.0%</b>	<b>17.2%</b>	<b>0.0%</b>

\*Based on Sendout in 2023 BGSS Filing



**South Jersey Gas Company**  
**Non Discretionary Hedging Strategy**  
**As of June 30, 2023**

<b>Month</b>	<b>Quantity</b>	<b>Average Price</b>
October-23	450,000	\$ 4.478
November-23	450,000	\$ 4.473
December-23	450,000	\$ 4.471
January-24	450,000	\$ 4.475
February-24	425,000	\$ 4.498
March-24	400,000	\$ 4.528
April-24	375,000	\$ 4.527
May-24	350,000	\$ 4.483
June-24	325,000	\$ 4.389
July-24	300,000	\$ 4.338
August-24	275,000	\$ 4.262
September-24	250,000	\$ 4.113

South Jersey Gas Company  
Non Discretionary Hedging Strategy  
As of June 30, 2023

INS_TYPE	(Multiple Items)
PFOLIO	SJG_Financial_Trading_NonDiscr
PARAM_SEQ_NUM	1

Trade Date	Column Labels	10/1/2023	11/1/2023	12/1/2023	1/1/2024	2/1/2024	3/1/2024	4/1/2024	5/1/2024	6/1/2024	7/1/2024	8/1/2024	9/1/2024
10/29/2021	\$	3.811											
11/30/2021	\$	3.700	\$ 3.700										
12/30/2021	\$	3.535	\$ 3.535	\$ 3.535									
1/31/2022	\$	4.085	\$ 4.085	\$ 4.085	\$ 4.085								
2/28/2022	\$	4.009	\$ 4.009	\$ 4.009	\$ 4.009	\$ 4.009							
3/31/2022	\$	4.550	\$ 4.550	\$ 4.550	\$ 4.550	\$ 4.550	\$ 4.550						
4/29/2022	\$	5.145	\$ 5.145	\$ 5.145	\$ 5.145	\$ 5.145	\$ 5.145	\$ 5.145					
5/31/2022	\$	5.700	\$ 5.700	\$ 5.700	\$ 5.700	\$ 5.700	\$ 5.700	\$ 5.700	\$ 5.700				
6/30/2022	\$	5.005	\$ 5.005	\$ 5.005	\$ 5.005	\$ 5.005	\$ 5.005	\$ 5.005	\$ 5.005	\$ 5.005			
7/29/2022	\$	5.170	\$ 5.170	\$ 5.170	\$ 5.170	\$ 5.170	\$ 5.170	\$ 5.170	\$ 5.170	\$ 5.170	\$ 5.170		
8/31/2022	\$	5.760	\$ 5.760	\$ 5.760	\$ 5.760	\$ 5.760	\$ 5.760	\$ 5.760	\$ 5.760	\$ 5.760	\$ 5.760	\$ 5.760	
9/30/2022	\$	4.840	\$ 4.840	\$ 4.840	\$ 4.840	\$ 4.840	\$ 4.840	\$ 4.840	\$ 4.840	\$ 4.840	\$ 4.840	\$ 4.840	\$ 4.840
10/31/2022	\$	4.785	\$ 4.785	\$ 4.785	\$ 4.785	\$ 4.785	\$ 4.785	\$ 4.785	\$ 4.785	\$ 4.785	\$ 4.785	\$ 4.785	\$ 4.785
11/30/2022	\$	5.055	\$ 5.055	\$ 5.055	\$ 5.055	\$ 5.055	\$ 5.055	\$ 5.055	\$ 5.055	\$ 5.055	\$ 5.055	\$ 5.055	\$ 5.055
12/30/2022	\$	4.285	\$ 4.285	\$ 4.285	\$ 4.285	\$ 4.285	\$ 4.285	\$ 4.285	\$ 4.285	\$ 4.285	\$ 4.285	\$ 4.285	\$ 4.285
1/31/2023	\$	3.768	\$ 3.768	\$ 3.768	\$ 3.768	\$ 3.768	\$ 3.768	\$ 3.768	\$ 3.768	\$ 3.768	\$ 3.768	\$ 3.768	\$ 3.768
2/28/2023	\$	3.727	\$ 3.727	\$ 3.727	\$ 3.727	\$ 3.727	\$ 3.727	\$ 3.727	\$ 3.727	\$ 3.727	\$ 3.727	\$ 3.727	\$ 3.727
3/31/2023	\$	3.675	\$ 3.675	\$ 3.675	\$ 3.675	\$ 3.675	\$ 3.675	\$ 3.675	\$ 3.675	\$ 3.675	\$ 3.675	\$ 3.675	\$ 3.675
4/28/2023			\$ 3.725	\$ 3.725	\$ 3.725	\$ 3.725	\$ 3.725	\$ 3.725	\$ 3.725	\$ 3.725	\$ 3.725	\$ 3.725	\$ 3.725
5/30/2023				\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650
6/30/2023					\$ 3.615	\$ 3.615	\$ 3.615	\$ 3.615	\$ 3.615	\$ 3.615	\$ 3.615	\$ 3.615	\$ 3.615
<b>Average Cost per Dth</b>	<b>\$</b>	<b>4.478</b>	<b>\$ 4.473</b>	<b>\$ 4.471</b>	<b>\$ 4.475</b>	<b>\$ 4.498</b>	<b>\$ 4.528</b>	<b>\$ 4.527</b>	<b>\$ 4.483</b>	<b>\$ 4.389</b>	<b>\$ 4.338</b>	<b>\$ 4.262</b>	<b>\$ 4.113</b>
<b>Dth Purchased</b>		<b>450,000</b>	<b>450,000</b>	<b>450,000</b>	<b>450,000</b>	<b>425,000</b>	<b>400,000</b>	<b>375,000</b>	<b>350,000</b>	<b>325,000</b>	<b>300,000</b>	<b>275,000</b>	<b>250,000</b>

**South Jersey Gas Company  
Planalytics Hedging Strategy  
As of June 30, 2023**

<b>Month</b>	<b>Quantity</b>	<b>Average Price</b>
October-23	350,000	\$ 3.433
November-23	340,000	\$ 3.760
December-23	650,000	\$ 3.999
January-24	820,000	\$ 4.111
February-24	930,000	\$ 4.068
March-24	370,000	\$ 3.994
April-24	450,000	\$ 3.541
May-24	-	\$ -
June-24	-	\$ -
July-24	-	\$ -
August-24	-	\$ -
September-24	-	\$ -

**South Jersey Gas Company  
Storage Incentive Mechanism  
Benchmark Cost Calculation, Actual Results & Sharing (Proforma)  
Actual April - June ; Estimated July - October 2023**

<u>Component of Benchmark</u>	<u>For Deliveries During</u>							<u>Total</u>
	<u>Apr-23</u>	<u>May-23</u>	<u>Jun-23</u>	<u>Jul-23</u>	<u>Aug-23</u>	<u>Sep-23</u>	<u>Oct-23</u>	
<b>Volumes (Bcf)</b>	0.80	0.80	0.80	0.80	0.80	0.80	0.80	5.60
<b>Financial Hedges</b>								
Commodity Cost (\$000)	\$ 2,616	\$ 2,616	\$ 2,616	\$ 2,616	\$ 2,616	\$ 2,616	\$ 2,616	\$ 18,310
Average Cost	\$ 3.270	\$ 3.270	\$ 3.270	\$ 3.270	\$ 3.270	\$ 3.270	\$ 3.270	
<b>Total Benchmark</b>	<u>\$ 2,616</u>	<u>\$ 2,616</u>	<u>\$ 2,616</u>	<u>\$ 2,616</u>	<u>\$ 2,616</u>	<u>\$ 2,616</u>	<u>\$ 2,616</u>	<u>\$ 18,310</u>
								<b><u>3.270</u></b>
								<b>Storage Benchmark Per Dt</b>
Actual/Est Injection Volumes	1.10	0.80	1.00	0.80	0.80	0.80	0.30	5.60
<b>Financial Hedges</b>								
Cost (\$000)	\$ 1,720	\$ 1,140	\$ 1,311	\$ 2,616	\$ 2,616	\$ 2,616	\$ 981	
Net (Gains) / Losses	\$ 1,285	\$ 1,182	\$ 1,130	\$ -	\$ -	\$ -	\$ 442	
<b>Total</b>	<u>\$ 3,006</u>	<u>\$ 2,321</u>	<u>\$ 2,441</u>	<u>\$ 2,616</u>	<u>\$ 2,616</u>	<u>\$ 2,616</u>	<u>\$ 1,423</u>	<u>\$ 17,038</u>
								<b><u>3.043</u></b>
								<b>Actual Average Cost Before Sharing</b>
Difference between Benchmark and Actual	\$ 390	\$ (294)	\$ (174)	\$ -	\$ -	\$ -	\$ (1,193)	\$ (1,271)
								<b>BGSS Share 80%</b>
								\$ (1,017)
								<b>SJG Share</b>
								\$ (254)
								<b>Actual Average Cost Before Sharing</b>
								<b>\$ 3.043</b>
								<b>SJG Sharing Per Dt</b>
								<b>\$ 0.0454</b>
								<b>Actual Average Cost After Sharing</b>
								<b>\$ 3.088</b>

**South Jersey Gas Company  
Discretionary Hedging Strategy  
As of June 30, 2023**

Financial Fixed Priced				Physical Fixed Price			
Month	Quantity	Average Price		Month	Quantity	Average Price	
October-23	-	\$	-	October-23	-	\$	-
November-23	-	\$	-	November-23	-	\$	-
December-23	-	\$	-	December-23	-	\$	-
January-24	-	\$	-	January-24	-	\$	-
February-24	-	\$	-	February-24	-	\$	-
March-24	-	\$	-	March-24	-	\$	-
April-24	-	\$	-	April-24	-	\$	-
May-24	-	\$	-	May-24	-	\$	-
June-24	-	\$	-	June-24	-	\$	-
July-24	-	\$	-	July-24	-	\$	-
August-24	-	\$	-	August-24	-	\$	-
September-24	-	\$	-	September-24	-	\$	-

**CONFIDENTIAL**

**FEDERAL REGULATORY FILINGS OF INTEREST TO THE COMPANY**

Listed below are summaries of filings submitted to the Federal Energy Regulatory Commission (Commission or FERC), for review and approval, made by interstate pipeline suppliers which are of interest to the Company:

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**Columbia Gas Transmission, LLC (Docket No. RP24-595-000)**

Pursuant to Section 4 of the Natural Gas Act (“-NGA”) and Part 154 of the Federal Energy Regulatory Commission’s (“FERC” or “Commission”) regulations,<sup>1</sup> Columbia Gas Transmission, LLC (“Columbia”) respectfully submits for filing certain tariff sections to be part of its FERC Gas Tariff, Fourth Revised Volume No. 1 (“Tariff”).<sup>2</sup> The tariff sections are being submitted to adjust Columbia’s Operational Transaction Rate Adjustment (“OTRA”) for the upcoming 2024 summer season, pursuant to Part VII.49.4 of Columbia’s Tariff.<sup>3</sup> Columbia requests that the Commission accept the tariff sections, filed herein as Attachment A, to become effective May 1, 2024.

**Columbia Gas Transmission, LLC (Docket No. RP24-463-000)**

On February 29, 2024, Columbia Gas Transmission, LLC filed tariff records<sup>1</sup> to reflect the annual adjustment of its Transportation Cost Rate Adjustment rates for the annual period beginning April 1, 2024, pursuant to section 36 of the General Terms and Conditions of its tariff. Pursuant to authority delegated to the Director, Division of Pipeline Regulation, under 18 C.F.R. § 375.307, the tariff records are accepted, effective April 1, 2024, as requested.

**Columbia Gas Transmission, LLC (Docket RP24-284-000)**

Columbia Gas Transmission, LLC (“Columbia”), pursuant to Section VII.19.61 of the General Terms and Conditions (“GT&C”) of Columbia’s FERC Gas Tariff, Fourth Revised Volume No. 1 (“Tariff”), hereby submits for filing with the Federal Energy Regulatory Commission (“FERC” or “Commission”) a report showing penalty revenues collected, eligible incurred costs netted against those penalty revenues, if any, and the resulting penalty revenue credits for each month of the twelve-month period ending October 31, 2023.

**Annual Electric Power Tracker Filing (Docket No. RP24-499-000)**

On March 1, 2024, Transco submitted revised tariff records pursuant to Section 41 of General Terms & Conditions (“GT&C”) of Transco’s Tariff to reflect net changes in the Transmission Electric Power (“TEP”) rates. The TEP rates are designed to recover transmission electric power costs for electric compressors and gas coolers located at Transco’s compressor station locations.

On March 19, 2024, the commission accepted the tariff records effective April 1, 2024.

**Fuel Retention Tracker Filing for Rate Schedules LSS and SS-2, and for the Clermont Receipt Point (Docket No RP.24-515-000)**

On March 7, 2024, Transco filed revised tariff records to track fuel retention percentage changes attributable to (1) storage service purchased from National Fuel Gas Supply Corporation (“National Fuel”) under its Rate Schedule SS-1, which Transco uses to render service to its customer under its

customers under Rate Schedule LLS and SS-2 and (2) the lease by Transco of firm capacity from National Fuel under the terms of a Capacity Lease Agreement, which is applicable to quantities scheduled from the point of interconnection between National Fuel's pipeline system and the northern terminus of National Fuel Gas Midstream LLC's gathering system known as the Clermont NFG receipt point under Transco's Rate Schedules FT and IT. The proposed effective date is April 1, 2024

**Rate Schedules LSS and SS-2 Tracker Filing (Docket No. RP24-555-000)**

On March 21, 2024, Transco submitted a filing to track the rate changes attributable to storage service purchased from National Fuel Gas Supply Corporation ("National Fuel") under its Rate Schedule SS-1, which is included in Transco's Rate Schedules LSS and SS-2. On March 11, 2024, National Fuel filed a Motion to Place Settlement Rates into Effect on an Interim Basis in Docket No. RP23-929-003 which included, among other things, revised rates under Rate Schedules SS-1. On March 12, 2024, the Commission issued an "Order of Chief Judge Granting Motion for Interim Implementation of Settlement Rates On Interim Basis" to be effective February 1, 2024.

**Rate Schedules GSS and LSS Fuel Tracker Filing (Docket No. RF24-571-000)**

On March 26, 2024, Transco submitted a filing to track the fuel retention percentage attributable to storage service purchased from Eastern Gas and Storage, Inc, under its Rate Schedule GSS, which is included in Transco's Rate Schedules GSS and LSS fuel retention percentages. The filing included revised tariff records for Schedules GSS and LSS, proposed to be effective April 1, 2024.

**Rate Schedule S-1 Tracker Filing (Docket No. RP24-335-000)**

On January 24, 2024, Transco filed a revised tariff record in order to track rate changes attributable to storage services purchased from Texas Eastern Transmission, LP under its Rate Schedule X-28, which are included in the rates and charges payable under Transco's Rate Schedule S-2. The effective date of Transco's revised tariff records is February 1, 2024

**Cash-Out OUB True-Up Surcharge Filing (Docket No. RP24-264-000)**

On December 27, 2023, Transco submitted a filing pursuant to Section 15 -("Refund of Cash-Out Revenues) of the General Terms and Conditions of Transco's Tariff which sets forth the procedures under which Transco will calculate the True-Up Surcharge. The True-Up Surcharge is calculated to be \$0.00004. The sum of the OUB Base Surcharge and True-Up Surcharge is \$0.00071. On January 24, 2024, the Commission issued a letter order accepting the tariff records, effective February 1, 2024.

**Rate Schedule S-2 PCB/ASA Tracker Filing (Docket No. RP24-225-000)**

On December 1, 2023, Transco filed a revised tariff record in order to track rate changes attributable to storage services purchased from Texas Eastern Transmission, LP under its Rate Schedule X-28 which are included in the rates and charges payable under Transco's Rate Schedule S-2. The effective date of Transco's revised S-2 rates and fuel is December 1, 2023

**Rate Schedule S-2 OFO Refund Report (Docket No RP. 24-254-000)**

On December 19, 2023, Transco submitted its Rate Schedule S-2 Penalty Flow Through Refund Report in Docket No. RP24-254-000. On December 1, 2023, Transcontinental Gas Pipe Line Company, LLC ("Transco") received its portion of the penalty disbursement for storage service purchased under Texas Eastern's Rate Schedule X-28 which is used by Transco to provide service to its customers under Rate Schedule S-2. Pursuant to the provisions of Section 26.2 (b) of Transco's General Terms and Conditions,



Transco refunded the amount received from Texas Eastern, with interest, to its Rate Schedules S-2 customers on December 19, 2023.

**Rate Schedule S-2 OFO Refund Report (Docket No. RP24-143-000)**

On November 3<sup>rd</sup>, Transco submitted its Flow Through Texas Eastern's OFO Penalty Disbursement Report (Docket No. RP23-175-000). On October 10, 2023, Transcontinental Gas Pipe Line Company, LLC ("Transco") received its portion of the penalty disbursement for storage purchased under Texas Eastern Rate Schedule X-28 which is used by Transco to provide service to its customers under its Rate Schedule S-2. Pursuant to the provisions in Section 26.2 (b) of Transco's General Terms and Conditions, Transco refunded the amount received from Texas Eastern, with interest, to its Rate Schedule S-2 customers on November 3, 2023.

**Regional Energy Access Expansion (Docket No. CP21-94-000)**

On October 20, 2023, FERC granted authorization to place certain facilities in service to make available 450,000 Dth/d of capacity on an interim basis until the full project capacity is available. Transco placed those facilities into service on October 20, 2023, and service commenced on October 21, 2023. On October 31, 2023 FERC granted authorization to place one additional facility into service and that facility was placed into service on October 31, 2023.

**Rate Schedule GSS, LSS and SS-2 Tracker Filing (Docket No. RP24-61-000)**

On October 26, 2023, Transco filed revised records in order to track third party rate changes attributable to storage services purchased from Eastern Gas Transmission and Storage, Inc. and National Fuel Gas Supply Corporation. The effective date of the revised Rate Schedule GSS, LSS and SS-2 rates is November 1, 2023.

**Annual Penalty Revenue Sharing Report (Docket No. RP24-57-000)**

On October 26, Transco submitted for filing Docket No. RP24-57-000 a Revenue Sharing Report of Penalty Dollars for the annual period ending July 31, 2023. The amount of penalty and interest shared was \$736,834.62.

**Annual Cash-Out Report Filing (Docket No. RP23-1049-000)**

On September 22, 2023, Transco filed its cash-out report for the annual period August 1, 2022 through July 31, 2023 ("Annual Period"). As of the end of the Annual Period, on a cumulative basis Transco's revenues exceeded its costs by \$468,876. Pursuant to Section 15.1(b) of the GT&C, during the OUB Period, as defined in Section 15.2(a) of the GT&C, if the revenues received in an annual billing period, beginning with the annual billing period commencing August 1, 2020, exceed the costs incurred in the annual billing period, then Transco shall apply fifty percent (50%) of the excess revenues to offset any cumulative under recovery balance that has accrued since August 1, 2020. The remaining fifty percent (50%) of such excess revenues will be applied to reduce the outstanding OUB, as defined in Section 15.2(a) of the GT&C, beginning with the remaining uncollected OUB balance to be used in the calculation of the surcharge applicable to the last year of the OUB Recovery Period and then to each preceding year, provided, however, that if the cumulative under-recovery balance in the annual billing period is less than the fifty percent (50%) of any annual over-recovery that is available to be applied to that under recovery, then the excess will be applied to the remaining uncollected OUB as described in the preceding clause. Because the cumulative under-recovery balance accrued since August 1, 2020, is zero, 100% of the excess revenues received for the Annual Period will be applied to reduce the outstanding OUB, in accordance with Section 15.1(b) of the GT&C.

**Annual Cash Out Original Under-Recovery Balance Surcharge Filing (Docket No. RP23- 1134-000)**

Section 15 of the GT&C provides that Transco will file annually to revise the Original Under-Recovery Balance (“OUB”) Base Surcharge to be effective November 1 of each year which will be applied to the (i) quantities delivered under firm and interruptible transportation rate schedules subject to cash-out (excluding transactions that are not charged a commodity or usage rate nor reduced for fuel retention); (ii) quantities delivered under bundled storage rate schedules GSS, LSS and SS-2; and (iii) measured quantities under OBAs that are subject to cash-out. The tariff records are proposed to be effective November 1, 2023.

**2023 ACA Tracker Filing (Docket No. RP23-985-000)**

On August 30, 2023, Transco submitted revised tariff records to track rate changes from a decrease in the Annual Charge Adjustment rate from \$0.0015 to \$0.0014.

**Flow Through of Eastern Gas Transmission and Storage, Inc. Penalty Sharing (Docket No. RP23-911-000)**

On July 10, 2023, Transco received a refund from Eastern Gas Transmission and Storage, Inc. (“EGTS”) under Docket No. RP23-860-000 for service rendered to Transco under EGTS’s Rate Schedule GSS. Transco purchases storage service from EGTS under Rate Schedule GSS in order to provide service under its Rate Schedules GSS and LSS. On July 26, 2023, Transco refunded the amount received from EGTS, with interest, per the provisions of Section 4.1(d) of Rate Schedule GSS and Section 4.1(d) of Rate Schedule LSS.

**Flow Through of Texas Eastern Transmission, LP Docket No. RP21-1188 Refund (Docket Number RP21-759-000)**

On April 10, 2023, Transcontinental Gas Pipe Line Company, LLC (“Transco”) received a refund from Texas Eastern Transmission, LP (“Texas Eastern”) under the referenced docket for service rendered to Transco under Texas Eastern’s Rate Schedule X-28. The refund covers the period of February 1, 2022 through February 28, 2023. Transco purchases storage service from Texas Eastern under Rate Schedule X-28 in order to provide service to its customers under its Rate Schedule S-2. On May 3, 2023, Transco refunded the amount received from Texas Eastern, with interest, to its Rate Schedule S-2 customers pursuant to the provisions of Section 26.2(b) of the General Terms and Conditions of its Fifth Revised Volume No. 1 FERC Gas Tariff.

**Rate Schedule S-2 OFO Flow Through Refund Report (Docket No. RP23-776-000)**

On April 10, 2023, Transcontinental Gas Pipe Line Company, LLC (“Transco”) received a refund from Texas Eastern Transmission, LP (“Texas Eastern”) under the referenced docket for service rendered to Transco under Texas Eastern’s Rate Schedule X-28. The refund covers the period of February 1, 2022 through February 28, 2023. Transco purchases storage service from Texas Eastern under Rate Schedule X-28 in order to provide service to its customers under its Rate Schedule S-2. On May 3, 2023, Transco refunded the amount received from Texas Eastern, with interest, to its Rate Schedule S-2 customers pursuant to the provisions of Section 26.2(b) of the General Terms and Conditions of its Fifth Revised Volume No. 1 FERC Gas Tariff.

**Rate Schedule S-2 Tracker Filing (Docket No. RP23-588-000)**

On March 24, 2023, Transco filed a revised tariff record to track rate changes attributable to storage service purchased from Texas Eastern Transmission, LP, under its Rate Schedule X-28 which are included

in the rates and charges payable under Transco's Rate Schedule S-2. On April 18, 2023, the Commission accepted the tariff records effective February 1, 2023.

**Rate Schedule S-2 Tracker Filing (Docket No. RP23-676-000)**

On April 5, 2023, Transco submitted a filing to track rate changes attributable to storage service purchased from Texas Eastern Transmission, LP under its Rate Schedule X-28, the costs of which are included in the rates and charges payable under Transco's Rate Schedule S-2. On January 30, 2023, Texas Eastern made a filing to comply with the Commission's November 30, 2022, order approving the Stipulation and Agreement ("Settlement") filed on September 8, 2022, in Docket No. RP21-1188-005 ("Compliance Filing"). The Compliance Filing included revised tariff records effective January 1, 2023, and February 1, 2023.

**Rate Schedules GSS and LSS Fuel Tracker Filing (Docket No. RP23-702-000)**

On April 24, 2023, Transco submitted a filing to track the fuel retention percentage attributable to storage service purchased from Eastern Gas Transmission and Storage, Inc, under its Rate Schedule GSS, which is included in Transco's Rate Schedules GSS and LSS fuel retention percentages. The filing included a revised tariff record for Rate Schedule LSS proposed to be effective May 1, 2023. No revised tariff record was included for Transco's Rate Schedule GSS because the fuel retention percentage calculated was equal to Transco's currently effective fuel retention percentage. Flow Through Refund to Rate Schedules GSS and LSS Customers (Docket No. RP23-677- 000) On February 28, 2023, Transco received a refund from Eastern Gas Transmission and Storage, Inc. ("EGTS") under Docket No. rP21-1187-000 for storage service purchased under EGTS's Rate Schedule GSS, which Transco uses to provide service under its Rate Schedules GSS and LSS. On April 6, 2023, Transco refunded the amount received from EGTS, with interest, to its Rate Schedules GSS and LSS customers pursuant to Section 4.1(d) of Rate Schedule GSS and Section 4.1(d) of Rate Schedule LSS.

**Eastern Gas Transmission and Storage, Inc Docket No RP24**

On February 23, 2024 EGTS filed to update effective Fuel Retention Percentages ("FRP") with effectiveness on April 1, 2024. In addition, the first annual filing is to reflect application of the fuel retention mechanism beginning February 1, 2023.

**South Jersey Gas Company**  
**Calculation of Balancing Service Clause Charge- Large Volume ("BSC-LV")**  
**Rider "I"**

	<i>\$000</i>
1 <b><u>Balancing Charge Related to Inventory</u></b>	
2 12 month average Inventory balance, including LNG	\$14,859
3 Rate of Return	8.96%
4	
5	
6 Storage Carrying Costs	\$1,331
7 % of Balancing compared to Single Coldest January Day (3 year average) (see calc, line 39-43)	27.5%
8	
9 Balancing Costs related to Inventory	\$366
10 Annual Firm Therms (000)	160,835
11	
12 Pre-tax Balancing Charge Related to Inventory	\$0.002276
13	
14	
15 <b><u>Proposed BSC Charges (Rider I)</u></b>	
16	
17 <b><u>1. Opt-Out Customer Charge</u></b>	
18 Pre-tax proposed Opt-Out Balancing Charge	\$0.002276
19	
20 <b>After-tax proposed Opt-Out Balancing Charge</b>	<b>\$0.002427</b>
21	
22 Current After-tax Opt-Out Balancing Charge	\$0.002103
23	
24 Opt-Out Customer Charge Increase/(Decrease) to After-tax Balancing Charge	\$0.000324
25	
26 <b><u>2. Non-Opt-Out Customer Charge</u></b>	
27 The Company is proposing to use the after-tax BSC rate of \$0.068583, which is its proposed Rider "J" rate (see	
28 Schedule MCM-12, pg. 2 ), as the applicable rate for those customers under Rider "I" who do not Opt-Out.	
29	
30 Pre-tax proposed Non-Opt-Out Balancing Charge (same as Rider J proposed rate)	\$0.064322
31	
32 <b>After-tax proposed Non-Opt-Out Balancing Charge (same as Rider J proposed rate)</b>	<b>\$0.068583</b>
33	
34 Current After-tax Non-Opt-Out Balancing Charge	\$0.081846
35	
36 Non-Opt-Out Customer Charge Increase/(Decrease) to After-tax Balancing Charge	(\$0.013263)
37	
38	
39 <b><u>Calculation of % of Balancing compared to Single Coldest January Day (3 year average)</u></b>	Therms in (000)
40 Average of the 5 coldest January days of the past 3 years	3,358
41 Less: Average January days (3 years)	2,434
42 Balancing Therms	924
43 Balancing Therms as a % of coldest January days; average of 3 years	27.5%

**South Jersey Gas Company**  
**Calculation of Balancing Service Clause Charge - General Service ("BSC-GS")**  
**Rider "J"**

		\$000
1	<b><u>Balancing Charge Related to Inventory</u></b>	
2	12 month average Inventory balance, including LNG	\$14,859
3	Rate of Return	8.96%
4		<hr/>
5		
6	Storage Carrying Costs	\$1,331
7	% of Balancing compared to Single Coldest January Day (3 year average) (see calc, line 39-43)	27.5%
8		<hr/>
9	Balancing Costs related to Inventory	\$366
10	Annual Firm Therms (excluding FT) (000)	385,405
11		<hr/>
12	Pre-tax Balancing Charge Related to Inventory	\$0.000950
13		<hr/>
14	<b><u>Balancing Charge Related to Demand and Commodity Charges</u></b>	
15	Commodity Charges	\$44,168
16	Pipeline Demand Charges	\$84,655
17	Less: Adjustments (BGSS Incentive Credits)	\$42,591
18		<hr/>
19	Total	\$86,232
20	% of Balancing compared to Single Coldest January Day (3 year average) (see calc, line 39-43)	27.5%
21		<hr/>
22	Balancing Costs related to Demand & Commodity Charges	\$23,733
23	Annual Firm Therms (000)	374,496
24		<hr/>
25	Pre-tax Balancing Charge Related to Demand and Commodity Charges	\$0.063372
26		<hr/>
27		
28	<b><u>Total Proposed BSC Charges (Rider J)</u></b>	
29	Pre-tax proposed Balancing Charge related to Inventory	\$0.000950
30	Pre-tax proposed Balancing Charge related to Demand and Commodity Charges	\$0.063372
31		<hr/>
32	Pre-tax total proposed Balancing Charge	\$0.064322
33		
34	After-tax total proposed Balancing Charge	<b>\$0.068583</b>
35		
36	Current After-tax total Balancing Charge	\$0.081846
37		
38	Total Increase/(Decrease) to After-tax Balancing Charge	(\$0.013263)
39		
40	<b><u>Calculation of % of Balancing compared to Single Coldest January Day (3 year average)</u></b>	(Therms in 000)
41	Average of the 5 coldest January days of the past 3 years	3,358
42	Less: Average January days (3 years)	2,434
43	Balancing Therms	924
44	Balancing Therms as a % of coldest January days; average of 3 years	27.5%

**SOUTH JERSEY GAS COMPANY  
SUMMARY OF TRANSPORTATION AND STORAGE CONTRACTS  
CAPACITY CONTRACT CHANGES**

Pipeline	Rate Schedule	Contract Number	MDQ Dths/d	MSQ Dth	Days Available	Contract Expiration Date	Evergreen (Y or N)	Recent Action to be Taken
Transco	FT	1003902	128,651			365 Evergreen	Y	Term Extended Per Evergreen -Production Turn Back effective 10/20
Transco	FT	1002231	2,264			365 Evergreen	Y	Term Extended Per Evergreen -Production Turn Back effective 10/20
Transco	FT	1013599	21,608			365 Evergreen	Y	Term Extended Per Evergreen
Transco	FT	9259796	20,000			365 Evergreen	Y	Term Extended Per Evergreen
Transco	PSFT	1005003	3,002			90 Evergreen	Y	Term Extended Per Evergreen
Transco	FT	1044825	17,433			151 Evergreen	Y	Term Extended Per Evergreen
Transco	FT	9032686	105,000			365 10/31/2025	N	No Change
Transco	S-2	1000814		139,967		Evergreen	Y	Term Extended Per Evergreen
Transco	LSS	1000818		1,224,000		3/31/2028	N	No Change
Transco	SS-2	1003971		1,764,675		3/31/2028	N	No Change
Transco	GSS	1000813		1,346,482		3/31/2028	N	No Change
Transco	LNG (LGA)	9011431		215,042		Evergreen	Y	Term Extended Per Evergreen
Transco	ESS	9050779		232,314		Evergreen	Y	Term Extended Per Evergreen
Columbia Gas	NTS	39305	22,511			10/31/2027	N	No Change
Columbia Gas	FTS	38099	22,511			10/31/2027	N	No Change
Columbia Gas	FTS	156147	9,000			10/31/2027	N	No Change
Columbia Gas	FTS	161135	70,000			10/31/2030	N	No Change
Columbia Gas	SST	38086	52,891			10/31/2027	N	No Change
			26,446					
Columbia Gas	FSS	53000		3,473,022		182 10/31/2027	N	No Change
Dominion	GSS	300002		423,000		183 3/31/2028	N	No Change
Tennessee	FT-A	337061	78,000			365 5/31/2033	N	No Change
Adelphia	FT	FTS-SJG 0028	75,000			365 9/30/2027	N	

**South Jersey Gas Company  
Calculation of Spot and Natural Gas Purchase Commodity Price**

For the period October 1, 2024 through September 30, 2025

	Oct 2024	Nov 2024	Dec 2024	Jan 2025	Feb 2025	Mar 2025	Apr 2025	May 2025	Jun 2025	Jul 2025	Aug 2025	Sep 2025	Total
<b>NYMEX Settle/Futures</b> (\$/dth)	\$2.652	\$3.017	\$3.522	\$3.785	\$3.612	\$3.203	\$2.983	\$3.020	\$3.200	\$3.392	\$3.440	\$3.409	
<b>NYMEX to Pipeline Rcp Pt Basis</b> (\$/dth)													
Spot Purchases - Columbia ESEP	(\$0.3590)	(\$0.3490)	(\$0.3360)	(\$0.3300)	(\$0.3340)	(\$0.3450)	(\$0.3500)	(\$0.3490)	(\$0.3450)	(\$0.3400)	(\$0.3380)	(\$0.3390)	
Spot Purchases - Tenn FT & Columbia ESEP	(\$0.8800)	(\$0.8800)	(\$0.8800)	(\$0.8800)	(\$0.8800)	(\$0.8800)	(\$0.8800)	(\$0.8800)	(\$0.8800)	(\$0.8800)	(\$0.8800)	(\$0.8800)	
Spot Purchases - Columbia	(\$0.2120)	(\$0.3360)	(\$0.3250)	(\$0.3200)	(\$0.3230)	(\$0.3320)	(\$0.2540)	(\$0.2540)	(\$0.2500)	(\$0.2450)	(\$0.2440)	(\$0.2450)	
Spot Purchases - Transco	\$0.2030	\$0.3370	\$0.3500	\$0.3560	\$0.3520	\$0.3420	\$0.3560	\$0.3570	\$0.3620	\$0.3660	\$0.3680	\$0.3670	
Spot Purchases - Transco Leidy	(\$0.3680)	(\$0.4690)	(\$0.4660)	(\$0.4640)	(\$0.4650)	(\$0.4680)	(\$0.4370)	(\$0.4370)	(\$0.4350)	(\$0.4340)	(\$0.4340)	(\$0.4340)	
Spot Purchases - Regional Energy Access (REA)	(\$0.3680)	(\$0.4690)	(\$0.4660)	(\$0.4640)	(\$0.4650)	(\$0.4680)	(\$0.4370)	(\$0.4370)	(\$0.4350)	(\$0.4340)	(\$0.4340)	(\$0.4340)	
Spot Purchases - FES & Monthly BGSS	\$0.2030	\$0.3370	\$0.3500	\$0.3560	\$0.3520	\$0.3420	\$0.3560	\$0.3570	\$0.3620	\$0.3660	\$0.3680	\$0.3670	
Spot Purchases on Transco PSFT	\$0.2030	\$0.3370	\$0.3500	\$0.3560	\$0.3520	\$0.3420	\$0.3560	\$0.3570	\$0.3620	\$0.3660	\$0.3680	\$0.3670	
<b>Purchase Point Commodity</b> (\$/dth)													
Spot Purchases - Columbia ESEP	\$2.2930	\$2.6680	\$3.1860	\$3.4550	\$3.2780	\$2.8580	\$2.6330	\$2.6710	\$2.8550	\$3.0520	\$3.1020	\$3.0700	
Spot Purchases - Tenn FT & Columbia ESEP	\$1.7720	\$2.1370	\$2.6420	\$2.9050	\$2.7320	\$2.3230	\$2.1030	\$2.1400	\$2.3200	\$2.5120	\$2.5600	\$2.5290	
Spot Purchases - Columbia	\$2.4400	\$2.6810	\$3.1970	\$3.4650	\$3.2890	\$2.8710	\$2.7290	\$2.7660	\$2.9500	\$3.1470	\$3.1960	\$3.1640	
Spot Purchases - Transco	\$2.8550	\$3.3540	\$3.8720	\$4.1410	\$3.9640	\$3.5450	\$3.3390	\$3.3770	\$3.5620	\$3.7580	\$3.8080	\$3.7760	
Spot Purchases - Transco Leidy	\$2.2840	\$2.5480	\$3.0560	\$3.3210	\$3.1470	\$2.7350	\$2.5460	\$2.5830	\$2.7650	\$2.9580	\$3.0060	\$2.9750	
Spot Purchases - Regional Energy Access (REA)	\$2.2840	\$2.5480	\$3.0560	\$3.3210	\$3.1470	\$2.7350	\$2.5460	\$2.5830	\$2.7650	\$2.9580	\$3.0060	\$2.9750	
Spot Purchases - FES & Monthly BGSS	\$2.8550	\$3.3540	\$3.8720	\$4.1410	\$3.9640	\$3.5450	\$3.3390	\$3.3770	\$3.5620	\$3.7580	\$3.8080	\$3.7760	
Spot Purchases on Transco PSFT	\$2.8550	\$3.3540	\$3.8720	\$4.1410	\$3.9640	\$3.5450	\$3.3390	\$3.3770	\$3.5620	\$3.7580	\$3.8080	\$3.7760	
Off-System COG per DT	\$2.4400	\$2.6810	\$3.1970	\$3.4650	\$3.2890	\$2.8710	\$2.7290	\$2.7660	\$2.9500	\$3.1470	\$3.1960	\$3.1640	
LNG Rates	\$2.6878	\$3.0977	\$3.4126	\$3.7803	\$3.5433	\$2.9544	\$3.1123	\$3.1485	\$3.2547	\$3.6305	\$3.6954	\$3.6501	
<b>SPOT Purchases/Natural Gas Purchases</b> (dth)													
Spot Purchases - Columbia ESEP	0	0	0	0	0	0	0	0	0	0	0	0	0
Spot Purchases - Tenn FT & Columbia ESEP	775,000	1,200,000	2,170,000	2,170,000	1,960,000	2,170,000	750,000	465,000	450,000	465,000	465,000	450,000	13,490,000
Spot Purchases - Columbia	100,000	150,000	150,000	150,000	150,000	150,000	428,310	265,552	214,155	221,294	221,294	299,817	2,500,422
Spot Purchases - Transco	825,101	1,088,594	662,004	838,553	662,904	406,398	852,321	573,575	326,027	622,990	621,569	570,845	8,050,883
Spot Purchases - Transco Leidy	133,970	351,369	605,136	1,089,244	765,204	468,894	648,240	669,848	648,240	401,909	334,924	291,708	6,408,684
Spot Purchases - Regional Energy Access (REA)	0	37,500	38,750	77,500	35,000	38,750	0	0	0	0	0	0	227,500
Spot Purchases - FES & Monthly BGSS	249,510	501,800	565,279	696,120	591,430	502,300	288,666	193,241	135,035	299,840	311,063	204,414	4,538,698
Spot Purchases on Transco PSFT	0	0	9,306	46,531	8,406	0	0	0	0	0	0	0	64,243
Liquefied Natural Gas (LNG)	90,717	0	0	0	0	0	138,200	0	0	0	0	0	228,917
<b>Total SPOT Purchases/Natural Gas Purchases</b> (dth)	<b>2,174,298</b>	<b>3,329,263</b>	<b>4,200,475</b>	<b>5,067,947</b>	<b>4,172,944</b>	<b>3,736,341</b>	<b>3,105,737</b>	<b>2,167,216</b>	<b>1,773,457</b>	<b>2,011,034</b>	<b>1,953,851</b>	<b>1,816,784</b>	<b>35,509,347</b>
<b>SPOT Purchases/Natural Gas Purchases</b> (\$)													
Spot Purchases - Columbia ESEP	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Spot Purchases - Tenn FT & Columbia ESEP	\$1,373,300	\$2,564,400	\$5,733,140	\$6,303,850	\$5,354,720	\$5,040,910	\$1,577,250	\$995,100	\$1,044,000	\$1,168,080	\$1,190,400	\$1,138,050	\$33,483,200
Spot Purchases - Columbia	\$244,000	\$402,150	\$479,550	\$519,750	\$493,350	\$430,650	\$1,168,858	\$734,517	\$631,757	\$696,412	\$707,256	\$948,621	\$7,456,871
Spot Purchases - Transco	\$2,355,664	\$3,651,145	\$2,563,281	\$3,472,446	\$2,627,753	\$1,440,681	\$2,845,901	\$1,936,963	\$1,161,308	\$2,341,198	\$2,366,936	\$2,155,509	\$28,918,786
Spot Purchases - Transco Leidy	\$305,987	\$895,288	\$1,849,294	\$3,617,379	\$2,408,096	\$1,282,424	\$1,650,419	\$1,730,217	\$1,188,484	\$1,006,782	\$867,831	\$18,594,947	\$18,594,947
Spot Purchases - Regional Energy Access (REA)	\$0	\$95,550	\$118,420	\$257,378	\$110,145	\$105,981	\$0	\$0	\$0	\$0	\$0	\$0	\$687,474
Spot Purchases - FES & Monthly BGSS	\$712,350	\$1,683,038	\$2,188,761	\$2,882,633	\$2,344,430	\$1,780,652	\$963,855	\$652,575	\$480,993	\$1,126,801	\$1,184,529	\$771,869	\$16,772,484
Spot Purchases on Transco PSFT	\$0	\$0	\$36,034	\$192,685	\$33,320	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$262,038
Marcus Hook - Woodbury Lateral	\$7,614	\$7,614	\$7,614	\$7,614	\$7,614	\$7,614	\$7,614	\$7,614	\$7,614	\$7,614	\$7,614	\$7,614	\$91,374
<b>Total SPOT Purchases/Natural Gas Purchases</b> (\$)	<b>\$4,998,915</b>	<b>\$9,299,186</b>	<b>\$12,976,094</b>	<b>\$17,253,735</b>	<b>\$13,379,428</b>	<b>\$10,088,913</b>	<b>\$8,213,897</b>	<b>\$6,056,987</b>	<b>\$5,118,056</b>	<b>\$6,528,952</b>	<b>\$6,463,516</b>	<b>\$5,889,494</b>	<b>\$106,267,173</b>
<b>SPOT/NGP WACOG at Purchase Point</b>													
Unit Cost (before Hedging Impact)	\$2.2991	\$2.7932	\$3.0892	\$3.4045	\$3.2062	\$2.7002	\$2.6447	\$2.7948	\$2.8859	\$3.2466	\$3.3081	\$3.2417	\$2.9927
<b>Hedging Program</b>													
Hedged Volume (dth)													
Volume Non Discr	480,000	485,000	460,000	435,000	410,000	385,000	360,000	335,000	310,000	285,000	260,000	235,000	4,440,000
Volume Planalytics	150,000	180,000	330,000	70,000	40,000	130,000	240,000	0	0	0	0	0	1,140,000
Volume SIM	800,000	0	0	0	0	0	0	0	0	0	0	0	800,000
<b>Total Hedged Volumes</b>	<b>1,430,000</b>	<b>665,000</b>	<b>790,000</b>	<b>505,000</b>	<b>450,000</b>	<b>515,000</b>	<b>600,000</b>	<b>335,000</b>	<b>310,000</b>	<b>285,000</b>	<b>260,000</b>	<b>235,000</b>	<b>6,380,000</b>
Hedged Volume (\$)													
Hedged (Gain)/Loss- Non Discr	\$536,565	\$335,195	\$51,945	(\$81,535)	(\$10,180)	\$144,410	\$211,810	\$180,865	\$109,315	\$44,220	\$25,640	\$27,675	\$1,575,925
Hedged (Gain)/Loss - Planalytics	(\$7,125)	\$4,878	(\$10,065)	\$2,058	\$1,300	\$1,066	\$2,880	\$0	\$0	\$0	\$0	\$0	(\$5,008)
(Gain)/Loss SIM	(\$139,840)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$139,840)
<b>Total Hedging (Gain)/Loss</b>	<b>\$389,600</b>	<b>\$340,073</b>	<b>\$41,880</b>	<b>(\$79,477)</b>	<b>(\$8,880)</b>	<b>\$145,476</b>	<b>\$214,690</b>	<b>\$180,865</b>	<b>\$109,315</b>	<b>\$44,220</b>	<b>\$25,640</b>	<b>\$27,675</b>	<b>\$1,431,077</b>
Weighted Avg. Unit Cost	\$0.2724	\$0.5114	\$0.0530	(\$0.1574)	(\$0.0197)	\$0.2825	\$0.3578	\$0.5399	\$0.3526	\$0.1552	\$0.0986	\$0.1178	\$0.2243
WACOG vs. NYMEX Diff.	(\$2.3796)	(\$2.5056)	(\$3.4690)	(\$3.9424)	(\$3.6317)	(\$2.9205)	(\$2.6252)	(\$2.4801)	(\$2.8474)	(\$3.2368)	(\$3.3414)	(\$3.2912)	
Total \$ Impact	(\$3,402,760)	(\$1,666,232)	(\$2,740,500)	(\$1,990,902)	(\$1,634,280)	(\$1,504,069)	(\$1,575,110)	(\$830,835)	(\$882,685)	(\$922,500)	(\$868,760)	(\$773,440)	(\$18,792,073)
<b>Total Spot Purchases</b>	<b>\$4,998,915</b>	<b>\$9,299,186</b>	<b>\$12,976,094</b>	<b>\$17,253,735</b>	<b>\$13,379,428</b>	<b>\$10,088,913</b>	<b>\$8,213,897</b>	<b>\$6,056,987</b>	<b>\$5,118,056</b>	<b>\$6,528,952</b>	<b>\$6,463,516</b>	<b>\$5,889,494</b>	<b>\$106,267,173</b>
<b>Total Hedging Program Impact</b>	<b>(\$3,402,760)</b>	<b>(\$1,666,232)</b>	<b>(\$2,740,500)</b>	<b>(\$1,990,902)</b>	<b>(\$1,634,280)</b>	<b>(\$1,504,069)</b>	<b>(\$1,575,110)</b>	<b>(\$830,835)</b>	<b>(\$882,685)</b>	<b>(\$922,500)</b>	<b>(\$868,760)</b>	<b>(\$773,440)</b>	<b>(\$18,792,073)</b>
<b>Total Spot Purchases adj. for Hedging</b>	<b>\$1,596,155</b>	<b>\$7,632,954</b>	<b>\$10,235,594</b>	<b>\$15,262,833</b>	<b>\$11,745,148</b>	<b>\$8,584,844</b>	<b>\$6,638,787</b>	<b>\$5,226,152</b>	<b>\$4,235,371</b>	<b>\$5,606,452</b>	<b>\$5,594,756</b>	<b>\$5,116,054</b>	<b>\$87,475,100</b>
<b>SPOT WACOG at Purchase Point</b>													
Unit Cost (after Hedging Impact)	\$0.7341	\$2.2927	\$2.4368	\$3.0116	\$2.8146	\$2.2977	\$2.1376	\$2.4115	\$2.3882	\$2.7878	\$2.8635	\$2.8160	\$2.4634

South Jersey Gas Company
Calculation of Spot and Natural Gas Purchase Commodity Price

For the period October 1, 2023 through September 30, 2024

Table with 13 columns: Months from Oct 2023 to Sep 2024, and Total. Rows include NYMEX Settle/Futures, NYMEX to Pipeline Rcpt Pt Basis, Purchase Point Commodity, SPOT Purchases/Natural Gas Purchases, SPOT Purchases/Natural Gas Purchases (\$), SPOT/NGP WACOG at Purchase Point, Hedging Program, and SPOT WACOG at Purchase Point.



## AMA Valuation

To the extent the Company enters into baseload Asset Management Agreements (“AMAs”) (defined as a transaction with a fixed gas purchase obligation for any day of the term of the AMA), the Company will prepare an analysis produced at the time the AMA is executed that will set forth how much, if any, of the AMA management fee will be excluded from the formula used to determine AMA management fee sharing between the Company and its Periodic BGSS customers because the excluded portion of the fee is the product of an agreement by the Company to provide the Asset Manager with a benefit under the AMA that is forecasted to increase the commodity costs to Periodic BGSS customers. The analysis will calculate a) the lowest estimated delivered price on the contract capacity path up to and including the Company city gate compared to b) the estimated commodity cost per month under the contract price of the AMA. The result of this comparison or c) delta, represents an excess in commodity cost that will be subtracted from d) the AMA management fee arriving at e) the net amount that will be subject to the sharing formula over the term of the AMA.

In response to the RFP distributed by the company on February 13, 2024, for an AMA on Transco Zone 3 – Zone 6; SJG awarded a volume of 10,000 dth/day for the term of April 01, 2024 through March 31, 2025, with a fixed gas purchase obligation for the term of the AMA at a seasonal price as follows:

- 1) Summer Period (April-Oct) Monthly - IFERC Transco Zone 6
- 2) Winter Period (Nov- March) Monthly - IFERC Transco Zone 3 plus applicable fuel and variables
- 3) Asset manager fee \$3,210,000

The following illustrative table sets forth the calculation for a baseload AMA at the conditions described above.

Seasonal Pricing Summer NNYN and Winter Z3		
<u>AMA Example Analysis</u>	<b>Volume (Dth/d)</b>	<b>Total Cost</b>
a) Estimated Baseload at the least Commodity Cost*	10,000	\$9,168,314.26
b) Estimated Baseload Commodity Costs with AMA**	10,000	\$9,346,033.82
c) Delta or Additional Commodity Costs		\$177,719.56
d) AMA Fee (100 %)		\$3,210,000.00
e) Less Delta or additional Commodity Costs		(\$177,719.56)
f) Remaining Asset Management Fee subject to sharing formula		\$3,032,280.44
<b>Estimated Annual Cost to BGSS:</b>		
Commodity Costs		\$9,346,033.82
AMA Fee Not subject to Sharing		(\$177,719.56)
85% Sharing from AMA Fee		(\$2,577,438.37)
<b>Total Estimated Cost of Supply</b>		<b>\$6,590,875.89</b>
* Assumes least possible cost of either Z-6 plus variables or Z-3		
** Assumes Zone Z-3 Pricing		
<b>Summary</b>		
SJG at Full Sharing	\$481,500.00	
Exempt or 15% Delta (15% of Item (e))	(\$26,657.93)	
Revised SJG Sharing	\$454,842.07	

AMA Valuation

The evaluation of a seasonal priced AMA deal, at the market conditions as of February 21, 2024, when the transaction was awarded, using the latest available Nymex close and seasonal basis data, indicate that this transaction will represent an additional commodity cost to the BGSS customers, of \$177,719.56. Therefore, a reduction will be applied to the sharing formula to credit the 15% back to customers for the additional commodity cost incurred by doing a seasonal priced AMA or the equivalent of \$26,657.93 will be credited back to the company BGSS customers.

**BEFORE THE  
NEW JERSEY BOARD OF PUBLIC UTILITIES**

**SOUTH JERSEY GAS COMPANY**

**Direct Testimony**

**of**

**W. Peter Druckenmiller**

**Program Manager, Residential Energy Efficiency**

**On Behalf of**

**South Jersey Gas Company**

1 **I. INTRODUCTION**

2 **Q. PLEASE STATE YOUR NAME, AFFILIATION, AND BUSINESS**  
3 **ADDRESS.**

4 **A.** My name is Peter Druckenmiller, and my business address is One South Jersey  
5 Place, Atlantic City, New Jersey 08401. I am the Program Manager, Residential  
6 Energy Efficiency for South Jersey Gas (“South Jersey” or “Company”).

7 **Q. PLEASE EXPLAIN YOUR EDUCATIONAL AND PROFESSIONAL**  
8 **BACKGROUND.**

9 **A.** I earned a Bachelor of Arts degree in Economics and Business Administration from  
10 Ursinus College. In my current position as Program Manager, I manage program  
11 activities within the Company’s Energy Efficiency Department and provide subject  
12 matter expertise in energy efficiency program designs. I also represent the  
13 Company in civic and regulatory forums related to conservation and energy  
14 efficiency.

15 Prior to serving the Company in my current role, I was the Manager of  
16 Energy Efficiency Implementation for several utilities’ programs in Pennsylvania  
17 for five years. Prior to my energy efficiency implementation roles, I have served  
18 in numerous roles in natural gas transportation, and in scheduling and trading,  
19 working with portfolios through the Mid-Atlantic utilities.

20 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS**  
21 **PROCEEDING?**

22 **A.** The purpose of my testimony is to provide information about the various  
23 conservation-oriented initiatives that South Jersey has launched since the

1 Conservation Incentive Program (“CIP”) was originally approved by the Board of  
2 Public Utilities (“Board” or “BPU”) on October 12, 2006, in BPU Docket No.  
3 GR0512019, and further extended on January 20, 2010 and May 21, 2014<sup>1</sup>. My  
4 testimony will also discuss how South Jersey has or will spend five hundred  
5 thousand (\$500,000) to fund CIP programs that 1) aid customers in reducing their  
6 natural gas costs, 2) reduces the Company’s peak winter and design day system  
7 demand (as detailed in the Direct Testimony of Maria C. Mendoza), and 3) do not  
8 replicate existing programs offered through the Board’s Office of Clean Energy. I  
9 will also provide actual cost information for the CIP initiatives.

10 **Q. DO YOU SPONSOR ANY SCHEDULES AS PART OF YOUR**  
11 **TESTIMONY?**

12 **A.** Yes. My testimony includes the following schedules which were prepared under  
13 my supervision:

14 (i) Schedule WPD-1 contains the Company’s CIP Quarterly Report for the  
15 prior CIP period from October 2022 through September 2023 (“2022-23  
16 CIP Year”); and

17 (ii) Schedule WPD-2 contains the Company’s CIP Quarterly Report for the  
18 current CIP period from October 2023 through March 2024. The entire  
19 current CIP period is from October 2023 through September 2024 (“2023-  
20 24 CIP Year”).

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<sup>1</sup> In re the Petition of New Jersey Natural Gas Company and South Jersey Gas Company for Authorization to Continue the Conservation Incentive Program, BPU Docket No. GR13030185, Order dated May 21, 2014 (“May 2014 Order”).

1 (iii) Schedule WPD-3 contains the annual Conserve website content calendar for  
2 the 2023-24 CIP Year.

3 **Q. HOW IS THE BALANCE OF YOUR TESTIMONY ORGANIZED?**

4 **A.** The balance of my testimony is organized as follows:

5 Section II: CIP Background

6 Section III: Current Programs

7 Section IV: Current CIP Year Program Expenses

8 Section V: Future CIP Initiatives

9

10 **II. BACKGROUND**

11 **Q. PLEASE DESCRIBE THE COMPANY'S APPROACH TO**  
12 **CONSERVATION SINCE INCEPTION OF THE CIP?**

13 **A.** The CIP has enabled South Jersey to share the common goal of energy efficiency  
14 with its customers. For several years, the Company has focused resources on an  
15 effort to manage and develop energy conservation programs collaboratively with  
16 the BPU and other utilities. The Board's approval of the CIP has aligned the  
17 Company's interests with those of its customers, as the program has eliminated the  
18 Company's financial disincentive to promote methods and opportunities for  
19 customers to reduce their natural gas consumption and their bills.

20 South Jersey tied together, the themes of energy efficiency, comfort and  
21 savings, and as such, in 2016, the Company made the decision to create a separate  
22 and distinct Energy Efficiency Department, the purpose of which is to create a  
23 sustainable business model that will be applied to our various markets for years to  
24 come. To that point, in September 2020, the Company filed a petition in BPU

1 Docket No. GO20090618 seeking approval of a three (3) year \$166.9 million  
2 energy efficiency program (the “EEP V”), targeting more aggressive energy  
3 efficiency programming for both residential and commercial customers. In its April  
4 2021 Order<sup>2</sup>, the Board approved the Company’s EEP V for a three (3) year \$133.3  
5 million program, consisting of the following programs: (1) Efficient Products; (2)  
6 Existing Homes, Home Performance with Energy Star; (3) Commercial and  
7 Industrial with Direct install and Energy Solutions for Business: Prescriptive and  
8 Custom; (4) Multi-Family; (5) Utility led subprograms, Home Energy Reports,  
9 Quick Home Energy Checkup (QHEC), Existing Homes Moderate Income  
10 Weatherization; and (6) Commercial and Industrial, Engineered Solutions and  
11 Energy Management. The EEP V enables South Jersey to promote energy  
12 efficiency through better technology, energy education, and sensible energy  
13 consumption patterns through targeted presentations and partnerships with public  
14 entities and nonprofit organizations.

15 In response to the Board’s Order dated October 25, 2023<sup>3</sup> On November 20,  
16 2023, the Company filed for a six (6) month extension of its EEP V programs  
17 through December 31, 2024. On April 30, 2024, the Board approved the extension  
18 in BPU Docket No. GO20090618<sup>4</sup>.

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<sup>2</sup> In re the Matter of the Implementation of L. 2018, c. 17 Regarding the Establishment of Energy Efficiency and Peak Demand Reduction Programs, BPU Docket No. QO19010040, and in re the Matter of the Petition of South Jersey Gas Company for Approval of New Energy Efficiency Programs and Associated Cost Recovery Pursuant to the Clean Energy Act, BPU Docket No. GO20090618, Order dated April 7, 2021 (“April 2021 Order”).

<sup>3</sup> In re the Implementation of P.L. 2018, c. 17, the New Jersey Clean Energy Act of 2018, Regarding the Second Triennium of Energy Efficiency and Peak Demand Reduction Programs, BPU Docket No. QO23030150, Order dated October 25, 2023 (“October 2023 Order”).

<sup>4</sup> In the Matter of the Petition of South Jersey Gas Company for Approval of New Energy Efficiency Programs and Associated Cost Recovery Pursuant to The Clean Energy Act, BPU Docket No. GO20090618, Order dated April 30, 2024

1           Relatedly, South Jersey remains committed to supporting the State’s energy  
2 efficiency goals and we appreciate the key role we play in achieving the targets  
3 contained in the New Jersey Clean Energy Act of 2018 (the “Act”). We will  
4 continue to support programs that encourage energy efficiency in a manner  
5 consistent with the Act, which will help make energy bills more affordable for our  
6 customers.

7  
8 **III. CURRENT PROGRAMS**

9 **Q. PLEASE PROVIDE A BRIEF OVERVIEW OF THE CURRENT**  
10 **PROGRAMS.**

11 **A.** The current CIP programs consist of the following Company initiatives:

12 **Public Outreach**

13 To help customers increase their energy efficiency participation, SJG engages  
14 customers through Conserve, SJG’s portfolio of EE programs and a free, online  
15 bank of articles designed to help viewers save energy and money. The articles are  
16 conveniently located on the SJG website. Topics include tips and information to  
17 help customers decrease their energy consumption, lower their energy bills and  
18 reduce their impact on the environment. The Conserve site features new content  
19 monthly, with topic categories that focus generally on saving energy and money  
20 (Go Green & Save), home and family (Together at Home), community programs,  
21 including EmPowered Schools teacher features (Community), games, puzzles, and  
22 other content to engage children and families (Conserve Kids) and energy-saving  
23 products and services (Energy Efficiency Programs).



1 Conserve articles are developed based on trends, seasonality, and general  
2 consumer interest. Ongoing monitoring of article engagement informs future article  
3 topics. Seasonality topics include holidays and seasons (clean windows in spring  
4 and ways to celebrate the holidays with savings).

5 To celebrate Earth Day on April 22, 2024 and promote conservation, South  
6 Jersey Gas featured special banner ads on the Company's website and included  
7 energy efficiency program information in the customer newsletter, emails and  
8 social media. In addition, Conserve was promoted throughout the year on transit  
9 buses, print, billboards, local radio, and digital advertising, including paid social  
10 media and local events including Business at the Beach on April 17, 2024. The  
11 Company also participated in the Cape May County Zoo Earth Day Celebration on  
12 April 20, 2024, and ACUA's Earth Day Festival on April 28, 2024.

13 To create awareness of SJG's energy efficiency programs and the Conserve  
14 website, the Company utilizes a multichannel approach including owned channels  
15 - website, social media, bill messaging, statement inserts, and advertising on local  
16 radio, on digital platforms (Google / Facebook / Instagram / Nextdoor), streaming  
17 TV, and public transit placements.

## 18 **Sponsorships and Associations**

### 19 ***Sustainable Jersey***

20 In 2013, the Company engaged with Sustainable Jersey and made a  
21 substantial contribution to foster its efforts to create a South Jersey Hub where  
22 multiple towns were able to come together to join Hubs throughout the state,  
23 including the Atlantic/Cape May Hub and Burlington/Camden/Gloucester Hub

1 within our service territory. Sustainable Jersey is a network of municipalities,  
2 schools and school districts working collectively to bring about a sustainable New  
3 Jersey. Acting with state agencies, non-profit organizations, foundations, academia  
4 and industry, Sustainable Jersey research best practices for what communities could  
5 and should do to contribute to a sustainable future. The program culminates in a  
6 prestigious certification award to municipalities and schools that have documented  
7 meeting a set of rigorous standards. South Jersey Gas is also supporting the  
8 Sustainable Jersey Digital Schools program. This program's focus is supporting  
9 schools in address the digital divide and preparing digital learning for the next  
10 school year.

11 Sustainable Jersey provides financial resources and support for  
12 sustainability programs and encourages participation in clean energy and energy  
13 efficiency programs. With South Jersey's contribution, Sustainable Jersey has  
14 made considerable progress to advance initiatives throughout Southern New Jersey.

15 ***EmPowered Schools***

16 South Jersey has partnered with the Alliance to Save Energy's EmPowered  
17 Schools program, which is a year-long, STEM-based curriculum program that  
18 teaches students about energy efficiency. The program also positions students to  
19 lead energy-saving campaigns in their schools, homes and communities. Since the  
20 introduction of Alliance to Save Energy's Empowered Schools program in  
21 February 2019, the Company has provided support and resources to forty (40)  
22 schools across Atlantic, Camden, Cape May, Cumberland, Gloucester and Salem  
23 Counties.

1 **Q. DO ANY OF YOUR CIP INITIATIVES OR PROGRAMS COMPETE WITH**  
2 **THE OFFICE OF CLEAN ENERGY PROGRAMS?**

3 **A.** As directed by the June 2020 Order<sup>5</sup>, administration of the following programs  
4 transitioned from the Board’s Office of Clean Energy to the utilities: Efficient  
5 Products, Home Performance with Energy, Multifamily, C&I Direct Install, C&I  
6 Prescriptive and Custom. The Office of Clean Energy continues to administer New  
7 Construction, Large Energy Users, Energy Savings Improvement Program, State  
8 Facilities Initiative, Local Government Audits and Combined Heat and Pump and  
9 Fuel Cell Programs. South Jersey also collaborates with the Board and other utilities  
10 on program coordination and implementation. In addition, the Company  
11 participates in the Board’s monthly Energy Efficiency stakeholder meeting.

12 **Q. PURSUANT TO THE BOARD’S APRIL 2023 ORDER, THE COMPANY**  
13 **AGREED TO ANNUALLY REVIEW THE CIP PROGRAMS IT FUNDS,**  
14 **COMPARE THEM TO OTHER AVAILABLE PROGRAMS, AND MAKE**  
15 **CHANGES TO THE PROGRAMS IT CHOOSES TO FUND IF IT**  
16 **DETERMINES OTHER PROGRAMS ARE MORE EFFECTIVE IN**  
17 **ACHIEVING THE CIP OBJECTIVES. WHAT ARE THE RESULTS OF**  
18 **THIS REVIEW?**

19

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<sup>5</sup> In re the Implementation of P.L. 2018, c. 17 Regarding the Establishment of Energy Efficiency and Peak Demand Reduction Programs, BPU Docket No. QO19010040, Order dated June 10, 2020 (“June 2020 Order”).

1 A. Based on the April 2023<sup>6</sup> Board Order, the Company has reviewed the programs  
2 that CIP funding supports.

3 The CIP Conserve website is a free resource to South Jersey’s customers,  
4 funded through the CIP, where customers can access information and articles  
5 designed to help save energy and money. Topics include tips and information to  
6 help customers decrease their energy consumption, lower their energy bills and  
7 reduce their impact on the environment. The results show that this is a useful tool  
8 for customers and contractors. The Conserve site also develops and hosts various  
9 articles cultivated for seasonality and customer engagement throughout the year.  
10 Topics are refreshed monthly and typically focus on saving energy, home and  
11 family, games, community engagement, and content for families.

12 The CIP funds have also shown to be beneficial with sponsoring  
13 EmPowered Schools, an educational component of a larger nonprofit, the Alliance  
14 to Save Energy, which promotes energy efficiency worldwide to achieve a healthier  
15 economy, a cleaner environment and energy security. Focusing the school as a  
16 real-world learning laboratory, students engage in STEM-based lessons with hands-  
17 on applications that turn their knowledge into power. Program content focuses on  
18 energy efficiency, demand response, and renewable energy. With EmPowered  
19 Schools, PK-12th grade students become ambassadors for energy conservation in  
20 their schools, homes, and communities. SJG has thirty-six (36) participating  
21 schools across its service territory. This allows the Company to spread energy

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<sup>6</sup> In the Matter of the Petition of South Jersey Gas Company to Revise the level of Its Basic Gas Supply Service (“BGSS”) Charge and Conservation Incentive Program (“CIP”) Charge for the Year Ending September 30, 2023, BPU Docket No. GR22060364, Order dated April 26, 2023 (“April 2023 Order”).

1 efficiency awareness through students in the community. Empowered Schools has  
2 successfully implemented this program for 25 years, including classroom and take-  
3 home resources for school students.

4 Through the CIP, the Company funds Sustainable Jersey, a network of  
5 municipalities, schools and school districts working collectively to bring about a  
6 sustainable New Jersey. Acting with state agencies, non-profit organizations,  
7 foundations, academia and industry, Sustainable Jersey research best practices for  
8 what communities could and should do to contribute to a sustainable future. SJG  
9 also supports Sustainable Jersey Digital Schools program which addresses the  
10 digital divide and prepares digital learning in order to help students prepare for  
11 college and careers. This program shows the best results with direct impact to  
12 customers with 83% of municipalities participation, and 67% of NJ public schools  
13 registered. Sustainable Jersey has been active for 15 years, certifying a collective  
14 impact where 91% of the NJ population lives.

15 The Company has also funded community events. These include ACUA  
16 Earth Day, Cape May Zoo Earth Day, Borough of Stone Harbor Green Fair, and  
17 Hammonton Green Committee Sponsorships. These events provide SJG with the  
18 opportunity to engage customers in the community and provide energy efficiency  
19 education. The Company directly reaches thousands of customers each year  
20 through traditional presentations, lunch and learn event, outreach tables at  
21 conferences and green fairs.

22 The funding has supported contractor groups such as New Jersey Air  
23 Conditioning Alliance. These events help drive awareness from the Trade Ally

1 networks to help customers save energy and money with up-to-date information on  
2 Utility Program incentives and information.

3

4 **Q. PURSUANT TO THE APRIL 2023 ORDER, THE COMPANY AGREED TO**  
5 **REVIEW AND UPDATE SOUTH JERSEY’S CONSERVE WEBSITE AT**  
6 **LEAST EVERY TWO MONTHS TO HELP ENSURE THAT THE**  
7 **CONTENT AND LINKS TO OTHER WEBSITES ARE CURRENT, AND**  
8 **ANNUALLY TO HELP ENSURE THAT THE CONTENT IS EFFECTIVE**  
9 **IN HELPING TO MEET THE CIP OBJECTIVES. WHAT IS THE**  
10 **COMPANY’S CONSERVE WEBSITE REVIEW PROCESS?**

11 **A.** South Jersey’s Marketing team receives a monthly report and an annual report from  
12 the Web Manager that includes pageviews and visited pages within the Conserve  
13 site during the year. The most recent annual report insights included the following  
14 information:

- 15 • Visitors were primarily leveraging the search box within the  
16 Conserve site
- 17 • Top searches included Energy Assessment, Energy Efficiency,  
18 Energy Report, Rebate, and Weatherization.

19 South Jersey’s Marketing team reviewed the 2023 calendar annual report as  
20 well as the April 2024 year-to-date report. These reports show that, for the period  
21 October 1, 2022, through September 30, 2023, there were 44,166 overall  
22 pageviews, 34,264 unique pageviews and 25 posted articles. The April 2023 year-  
23 to-date Conserve data shows there were 16,281 page views, 11,852 unique page

1 views and 12 posted articles. These metrics will be the baseline for comparing  
2 Conserve data for CIP year ending September 30, 2023, versus to that of the CIP  
3 year ending September 2024 and understanding trends related to website traffic.  
4 Schedule WPD-3 provides further information with regards to Conserve data.

5  
6 **IV: CURRENT CIP YEAR PROGRAM EXPENSES**

7 **Q. PLEASE PROVIDE AN OVERVIEW OF THE CURRENT CIP YEAR**  
8 **PROGRAM EXPENSES.**

9 **A.** Quarterly expenses incurred for each of South Jersey's CIP programs are  
10 summarized in SJG's CIP Quarterly Reports. The current 2023-2024 CIP Year  
11 program expenses are attached hereto as Schedule WPD-2. During the first half of  
12 the 2023-24 CIP Year, which is from October 2023 to April 2024, South Jersey  
13 invested \$246,902 in CIP programs. With the Company's enhanced involvement  
14 in Sustainable Jersey's increased targeted and cost-effective media promotions,  
15 South Jersey projects that it will spend approximately \$500,000 by the conclusion  
16 of the 2023-24 CIP Year.

17

18 **V: FUTURE CIP INITIATIVES**

19 **Q. DOES THE COMPANY HAVE PLANS FOR ADDITIONAL CIP**  
20 **INITIATIVES?**

21 **A.** SJG will continue to explore ideas for CIP programs, looking to identify new  
22 services and offers that complement existing programs administered by both SJG  
23 and the NJ Clean Energy Program.

1 **Q. PLEASE BRIEFLY SUMMARIZE YOUR TESTIMONY.**

2 **A.** My testimony has provided an overview of the programs in effect during the 2023-  
3 24 CIP Year, and their related expenditures. All South Jersey's CIP programs are  
4 designed to complement current energy policies articulated by the Board and the  
5 State of New Jersey and are intended to motivate customers to efficiently use  
6 energy and reduce their costs.

7 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

8 **A.** Yes.





**Cindy Capozzoli**  
Director, Rates

October 31, 2023

Mike Kammer  
Division of Energy  
NJ Board of Public Utilities  
44 South Clinton Street  
P. O. Box 350  
Trenton, NJ 08625-350

Brian Lipman  
Division of Rate Counsel  
140 East Front Street, 4<sup>th</sup> Floor  
P.O. Box 003  
Trenton, NJ 08625

**Re: Conservation Incentive Program (“CIP”) Quarterly Report**

Dear Mr. Kammer and Mr. Lipman:

Pursuant to the New Jersey Board of Public Utilities’ (“Board”) Order dated December 12, 2006, in Docket No. GR05121019, South Jersey Gas Company is filing its CIP Quarterly Report for the quarter ending September 30, 2023. The report is comprised of the following two components:

- Status Report of CIP Programs – Exhibit 1
- Quarterly CIP Report of Expenses – Exhibit 2

In accordance with the Board’s March 19, 2020 and June 10, 2020 Orders issued in Docket No. EO20030254, hard copies are not being submitted at this time, but can be provided at a later time, if needed.

Please do not hesitate to contact me, should you have any questions.

Respectfully,

A handwritten signature in blue ink that reads "Cindy Capozzoli".

Cindy Capozzoli

CC:caj/f84  
Attachments

cc: M. Minkel  
S. Peterson  
M. Cummings  
M. Caroselli  
C. Morrison

**South Jersey Gas Company**  
**Status Report of Approved Conservation Incentive Programs (CIP)**  
**Docket No. GR05121019**

**Report of Quarterly Activities as of September 30, 2023**

**Public Sector Outreach Program**

South Jersey Gas (“SJG” or the “Company”) continues to promote energy efficiency through its own suite of programs approved in Docket No. G020090618 (the EEP V), as well as those offered by the Office of Clean Energy to our customers. SJG continues to support efforts to participated in outreach events to educate customers on energy conservation and create awareness of our energy efficiency programs.

We contend that all customers, who can take advantage of the Company’s and the State’s energy efficiency programs, are making a deliberate effort to reduce their energy usage. SJG offers a variety of educational information that allows customers to learn how to save energy and money. The company includes energy efficiency information on our website, on bill inserts, through trade ally training and by educating students through the EmPowered Schools partnership.

To help customers increase their energy efficiency engagement, we continue to engage customers through Conserve, a free, online Energy Efficiency resource conveniently located on the SJG website (<https://southjerseygas.com/consERVE>). Conserve offers tips and information to help customers decrease their energy consumption, lower their energy bills, and reduce their impact on the environment. Conserve will feature new content on an ongoing basis, within topic categories that focus generally on saving energy and

money (*Go Green & Save*), home and family (*Together at Home*), community programs and reader input (*Community*), tips and education for students (*Conserve Kids*) and energy-saving products and services (*Energy Efficiency Programs*). In addition to energy-saving tips, ideas and solutions, Conserve will provide games, puzzles, and other content to engage children and families. To create awareness of SJG's energy efficiency programs and the Conserve website, the Company includes bill messaging and advertisements in community newspapers, on local radio and in transit rail stations.

### **Sponsorships and Associations**

SJG continues to sponsor and support Sustainable Jersey and Alliance to Save Energy's EmPowered Schools program, formerly PowerSave Schools. Sustainable Jersey is a network of municipalities, schools and school districts working collectively to bring about a sustainable New Jersey. Acting with state agencies, non-profit organizations, foundations, academia and industry, Sustainable Jersey researches best practices for what communities could and should do to contribute to a sustainable future. The program culminates in a prestigious certification award to municipalities and schools that have documented meeting a set of rigorous standards. SJG is also supporting the Sustainable Jersey Digital Schools program. This program's focus is supporting schools in address the digital divide and preparing digital learning for the next school year.

SJG has continued to partner with the Alliance to Save Energy's EmPowered Schools program, which is a year-long, STEM-based curriculum program that teaches students about energy efficiency. The program also positions students to lead energy-saving campaigns in their schools, homes, and communities. Since the introduction of Alliance

to Save Energy's Empowered Schools program in February 2019, the Company has provided support and resources to schools across Atlantic, Camden, Cape May, Cumberland, Gloucester, and Salem Counties. SJG will support thirty-four schools in our service area.

SJG has joined the Consortium for Energy Efficiency (CEE), a nonprofit organization that collaborates with energy efficiency program administrators on market strategies enabling new levels of energy reduction and environmental benefit.

**On-Going Energy Efficiency Messaging:**

The Company continues its efforts to leverage its partnership approach with the NJ Clean Energy Program, to offer customers, both residential and commercial, the most energy value available to them through our enhanced energy efficiency website at [www.southjerseygas.com/energyefficiencyprograms](http://www.southjerseygas.com/energyefficiencyprograms).

Exhibit 2

**South Jersey Gas Company  
Docket Number GR05121019**

**Quarterly CIP Report of Expenses**

Program Name	1st Quarter 10/01/22 - 12/31/22	2nd Quarter 1/1/23 -3/31/23	3rd Quarter 4/1/23 - 6/30/23	4th Quarter 7/1/23 - 9/30/23	Annual Total
Direct Mail Campaign					\$0
Public Sector Outreach	\$60,000	\$392	\$116,445	\$75,395	\$252,231
Training					\$0
Sponsorships & Associations		\$156,472	\$50,842	\$54,517	\$261,831
<b>Total CIP Expenses</b>	<b>\$60,000</b>	<b>\$156,863</b>	<b>\$167,287</b>	<b>\$129,912</b>	<b>\$514,061</b>

**Cindy Capozzoli**  
Director, Rates

May 9, 2024

Mike Kammer  
Division of Energy  
NJ Board of Public Utilities  
44 South Clinton Street  
P. O. Box 350  
Trenton, NJ 08625-350

Brian Lipman  
Division of Rate Counsel  
140 East Front Street, 4<sup>th</sup> Floor  
P.O. Box 003  
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Please do not hesitate to contact me, should you have any questions.

Respectfully,



Cindy Capozzoli

CC:caj/f84  
Attachments

cc: M. Minkel  
S. Peterson  
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M. Caroselli  
C. Morrison

**South Jersey Gas Company**  
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**Docket No. GR05121019**

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money (*Go Green & Save*), home and family (*Together at Home*), community programs and reader input (*Community*), tips and education for students (*Conserve Kids*) and energy-saving products and services (*Energy Efficiency Programs*). In addition to energy-saving tips, ideas and solutions, Conserve will provide games, puzzles, and other content to engage children and families. To create awareness of SJG's energy efficiency programs and the Conserve website, the Company includes bill messaging and advertisements in community newspapers, on local radio and in transit rail stations.

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to Save Energy's Empowered Schools program in February 2019, the Company has provided support and resources to forty schools across Atlantic, Camden, Cape May, Cumberland, Gloucester, and Salem Counties. SJG will support forty schools in our service area.

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**On-Going Energy Efficiency Messaging:**

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Exhibit 2

**South Jersey Gas Company  
Docket Number GR05121019**

**Quarterly CIP Report of Expenses**

Program Name	1st Quarter 10/01/23 - 12/31/23	2nd Quarter 1/1/24 - 3/31/24	3rd Quarter 4/1/24 - 6/30/24	4th Quarter 7/1/24 - 9/30/24	Annual Total
Direct Mail Campaign					\$0
Public Sector Outreach	\$47,575	\$700			\$48,275
Training					\$0
Sponsorships & Associations		\$198,627			\$198,627
Total CIP Expenses	\$47,575	\$199,327	\$0	\$0	\$246,902

## 2023-2024 CIP Year South Jersey Gas Marketing Content Calendar

(2023) Month	October	November	December
<b>Quarterly Theme</b>	<b>Take control Bills, Cold Weather, Community/Holidays, Festive &amp; Warm</b>		
<b>Theme</b>	Energy Efficiency Every Day!	Celebrate the season - Cook up your favorite recipes like a pro w/nat gas	Holidays - less sales, more feel good content
<b>Holidays</b>	Halloween; EE Day	Day Lights Saving, Verteran's Day, Thanksgiving	Winter Holidays; New Years Eve
<b>Conserve Articles</b>	Celebrate National Energy Awareness Month with Us!  Trick or Treat! Halloween saving tips	Save Energy & Energy with a Smart Thermostat this Season  Home to Host an Energy Efficient Thanksgiving	Winter is Coming! Five Tips to Stay Warm and Save  Deck the Halls with 12 Days of Energy Savings
(2024) Month	January	February	March
<b>Quarterly Theme</b>	<b>Have a Warm &amp; Efficient Winter Season Understanding your bill and taking control of energy costs; Utility Assistance; Energy Efficiency; Safety</b>		
<b>Theme</b>	High Bills, Payment Options, Cold Weather, Storm Prep	Fall In Love with the Savings	Go Green
<b>Holidays</b>	New Year's Day, Martin Luther King Jr Day	Black History Month, Groundhog's Day, Valentine's Day, President's Day	Women's History Month, St Patrick's Day, Daylight Saving
<b>Conserve Articles</b>	Start the New Year Off Right by Investing in Energy Conservation  Reducing your Energy Use in 2023 is Easy! 10 simple tips	Have an Energy-Efficient Valentine's Day	March into Daylights Saving Time with These Energy Tips  Spring Cleaning
(2024) Month	April	May	June
<b>Quarterly Theme</b>	<b>Go Green with Blossoming Savings Earth Day, Spring Beginnings, Safety, Small Business Week, Damage Prevention/811; AC tune up &amp; savings</b>		
<b>Theme</b>	Earth Month   Safe Digging Month	Get ready for an efficient summer	Have a Safe Summer
<b>Holidays</b>	Earth Day Conserve/Sustainability/Clean Energy Campaign	Mother's Day; Memorial Day; Small Business Week	Flag Day; Juneteeth; Father's Day; Summer Solstice ; National Safety Month
<b>Conserve Articles</b>	Can I Recycle this?  How to Green Your Work Routing	The Summer Surge: 10 Ways to Save on AC Costs this Summer  Smart Tips for an Energy-Efficient Garden	June is National Safety Month: Follow These Best Safety Practices this Summer and All Year Round  Summer School: Teaching Your Kids a Lesson in Energy Efficiency (tips on how kids can support energy conservation at home during the summer months)
(2024) Month	July	August	September
<b>Quarterly Theme</b>	<b>Now We're Cooking with Gas! Summertime Fun &amp; Fall Prep Summer Tips; Grilling; Get ready for cooler weather; Fall into savings; make sure your heater is ready; Back to school</b>		
<b>Theme</b>	Celebrate Summer with Savings & Safety	Get Ready for Fall	Fall Into Savings
<b>Holidays</b>	Independence Day 7.4; National New Jersey Day 7.27		Labor Day 9.5; Back to School ; Autumnal Equinox 9.21
<b>Conserve Articles</b> <i>tentitive topics</i>	Happy Fourth of July: How to Save Energy This Independence Day  Smart and Safe Grilling Tips for Your Summer BBQs	Back to School- Ways to Save  Saving Energy in High Temps	Preparing for Fall - how to save energy as the season changes  Creating an energy efficient school week routine

**BEFORE THE  
NEW JERSEY BOARD OF PUBLIC UTILITIES**

**SOUTH JERSEY GAS COMPANY**

**Direct Testimony  
of  
Daniel P. Yardley,  
Yardley Associates**

**On Behalf of  
South Jersey Gas Company**

1 **I. INTRODUCTION**

2 **Q. Please state your name, affiliation and business address.**

3 **A.** My name is Daniel P. Yardley. I am Principal, Yardley Associates and my business  
4 address is 2409 Providence Hills Drive, Matthews, NC 28105.

5 **Q. On whose behalf are you testifying?**

6 **A.** I am testifying on behalf of South Jersey Gas Company (“South Jersey Gas” or the  
7 “Company”).

8 **Q. Please summarize your professional and educational background.**

9 **A.** I have been employed as a consultant to the natural gas industry for thirty years.  
10 During this period, I have directed or participated in numerous consulting  
11 assignments. A number of these assignments involved the development of gas  
12 distribution company cost allocation, pricing, service unbundling, revenue  
13 decoupling and other tariff analyses. In addition to this work, I have performed  
14 interstate pipeline cost of service, rate design and service unbundling analyses; gas  
15 supply planning analyses; and financial evaluation analyses. I received a Bachelor  
16 of Science Degree in Electrical Engineering from the Massachusetts Institute of  
17 Technology in 1988.

18 **Q. Have you previously testified before the New Jersey Board of Public Utilities?**

19 **A.** Yes. I testified before the New Jersey Board of Public Utilities (the “Board”) on  
20 behalf of South Jersey Gas, Elizabethtown Gas Company and New Jersey Natural  
21 Gas Company (“NJNG”) in a number of different proceedings. I sponsored  
22 testimony in 2005 that supported the Company’s petition to implement an

1 innovative rate design that promoted customer conservation and energy efficiency,  
2 which led to the development of the Company’s Conservation Incentive Program  
3 (“CIP”), and in 2013 that supported continuation of the CIP. I have also testified  
4 or sponsored pre-filed testimony in proceedings before a number of other State  
5 utility regulatory commissions, the Federal Energy Regulatory Commission and the  
6 Canada Energy Regulator on matters pertaining to cost of service, cost allocation,  
7 rate design, revenue decoupling and upstream capacity planning.

8 **Q. What is the purpose of your testimony in this proceeding?**

9 **A.** The purpose of my testimony is to describe South Jersey Gas’ CIP and present the  
10 derivation of the associated tariff charges resulting from the operation of the  
11 program for the annual period ending September 30, 2024.

12 **Q. Are you sponsoring any exhibits that accompany your prepared direct**  
13 **testimony?**

14 **A.** Yes. I am sponsoring the following exhibits, each of which will be explained later  
15 in my testimony:

16 Schedule No. DPY-1: Comparison of 2022-23 Customer Usage to  
17 Baseline;

18 Schedule No. DPY-2: Comparison of 2023-24 Customer Usage to  
19 Baseline;

20 Schedule No. DPY-3: GSG and GSG-LV Large Customer Adjustment;

21 Schedule No. DPY-4: Determination of Weather-Related Component of  
22 CIP;

23 Schedule No. DPY-5: BGSS Savings Test;

24 Schedule No. DPY-6: Calculation of Over/(Under) Recovered CIP  
25 Balance;

1 Schedule No. DPY-7: Derivation of CIP Charge / Credit; and  
2 Schedule No. DPY-8: Proposed Tariff Sheets.

3 **II. DESCRIPTION OF THE CIP**

4 **Q. How was the Company’s CIP developed?**

5 **A.** Following a period of relatively low and stable prices throughout the 1990s, natural  
6 gas commodity prices experienced increased volatility and higher market clearing  
7 prices in the ensuing years as the growing demand for natural gas to fire electric  
8 generation contributed to a significant tightening of the supply-demand balance.  
9 Prices continued to rise following major hurricanes that damaged Gulf Coast  
10 production in the summer of 2005. South Jersey Gas, together with NJNG,  
11 developed and proposed an innovative program late in 2005 that would allow them  
12 to aggressively promote energy efficiency and conservation to customers. A  
13 necessary component of the proposal was the implementation of a tariff mechanism  
14 that eliminated the link between throughput and margin recoveries.

15 South Jersey Gas and NJNG, together with Board Staff and the New Jersey  
16 Division of Rate Counsel (“Rate Counsel”), worked diligently to agree on the terms  
17 of a pilot program. On October 12, 2006, the Board, in combined Docket Nos.  
18 GR05121019 and GR05121020, adopted a stipulation (“CIP Stipulation”)  
19 implementing the CIP for South Jersey on a three-year Pilot Program basis effective  
20 October 1, 2006. In January 2010, the Board extended the CIP for an additional  
21 three-to-four-year period. In May of 2014, the Board approved continuation of the  
22 CIP with limited modifications as agreed to by the Company, NJNG, Board Staff  
23 and Rate Counsel (“2014 CIP Stipulation”).

1 **Q. How does the CIP promote energy efficiency and conservation?**

2 **A.** The CIP is comprised of customer-oriented conservation programs and an  
3 innovative tariff mechanism that normalizes South Jersey Gas' margin recoveries  
4 for the impact of conservation and other changes in customer use. The CIP tariff  
5 more appropriately aligns South Jersey Gas' interests with those of its customers as  
6 any customer savings from conservation do not contribute negatively to the  
7 Company's financial performance. Elimination of the disincentives to pursue  
8 customer conservation has enabled South Jersey Gas to implement new initiatives  
9 that capitalize on various channels for promoting conservation by its customers.

10 **Q. Is the CIP consistent with the current public policy direction in New Jersey?**

11 **A.** Yes. The CIP promotes cost-effective energy choices by consumers by equipping  
12 them with greater information concerning their consumption patterns. To the extent  
13 that South Jersey Gas customers participate in programs to install or upgrade  
14 existing equipment with high efficiency alternatives, the New Jersey economy and  
15 the environment benefit. The CIP contributes to economic benefits through the  
16 local jobs supported by the contractor activity and the lower cost of energy use to  
17 customers. The CIP also contributes to environmental benefits as higher efficiency  
18 equipment leads to reductions in greenhouse gas emissions. These benefits are  
19 consistent with New Jersey energy policy objectives.

20 **Q. Please summarize the important features of the CIP tariff.**

21 **A.** Details of the CIP mechanism are set forth as Rider M of South Jersey Gas' tariff.  
22 Rider M is applicable to all residential and general service customers. The CIP  
23 tariff establishes a baseline monthly usage for four different groups of South Jersey



1 Gas customers: (i) residential non-heating, (ii) residential heating, (iii) general  
2 service, and (iv) general service – large volume. Additionally, Rider M sets forth  
3 the calculation method for establishing the charge or credit for each applicable  
4 group based on a comparison of actual usage to the baseline usage and on class-  
5 specific margin factors. Rider M also reflects features that potentially limit the  
6 Company’s recoveries in a given year. These include limitations upon the recovery  
7 of the margin impact of non-weather related changes in use, and a requirement that  
8 total recoveries not contribute to the Company earning in excess of 9.60 percent  
9 return on equity.

10 **Q. Please describe the recovery limitations applicable to the non-weather related**  
11 **CIP amount.**

12 **A.** The CIP incorporates a recovery limitation specifically applicable to changes in  
13 average consumption that are not attributable to weather. This is referred to as the  
14 non-weather component of the CIP amount and is determined by subtracting the  
15 weather component from the total CIP amount. The non-weather component is  
16 subject to a recovery limitation determined through the application of a two-  
17 pronged test. The first prong of the recovery test limits recoveries of any amounts  
18 whereby Basic Gas Supply Service (“BGSS”) savings are less than 75 percent of  
19 the non-weather component. The second prong of the recovery test limits recoveries  
20 of any amounts by which the non-weather component exceeds 6.5 percent of  
21 variable margin revenues. The amount of the non-weather component that does not  
22 pass both of these recovery limits is deferred to the subsequent year and is included  
23 in the non-weather component subject to the two-pronged test at that time.

1 **Q. Please explain the source of BGSS savings that are relied upon for the BGSS**  
2 **savings test.**

3 **A.** BGSS savings result from gas supply contract restructurings, avoided costs or other  
4 purchasing practices that benefit customers by lowering BGSS costs. The 2014  
5 CIP Stipulation specifies the categories of BGSS savings as well as an initial level  
6 of verified BGSS savings. In the current filing, the Company is supporting total  
7 BGSS savings of \$8.1 million as further described in the testimony of Maria  
8 Mendoza. The \$8.1 million of BGSS savings includes \$2.2 million of permanent  
9 capacity release savings, \$5.7 million of additional capacity release savings and  
10 \$0.2 million of avoided cost BGSS savings.

11 **Q. What steps are necessary to calculate the annual CIP charge or credit?**

12 **A.** The calculation of the Rider M adjustment is performed for each of the four  
13 customer groups subject to the clause, resulting in a single credit or charge  
14 applicable to all customers within each grouping. The calculation begins by  
15 dividing the actual customers for each month into the actual booked volumes to  
16 establish an actual average use per customer. An adjustment to the number of  
17 general service and general service large volume customers is made to reflect any  
18 large customers that have been added to the system.

19 Next, the monthly average use per customer value is compared to the baseline usage  
20 per customer for the corresponding customer group. This difference represents the  
21 average usage impact for all customers in the class for the month. In order to  
22 determine the total volume impact for the class, the monthly differences are  
23 multiplied by the corresponding actual number of customers.

1           The margin impact is simply the usage impact multiplied by the margin  
2 revenue factor for the customer group set forth in Rider M. The charge or credit  
3 for the group is the total margin adjustment divided by the forecasted sales for the  
4 recovery period. Since the charge or credit is derived based on projected  
5 throughput, any over or under-recovery from the prior recovery period is included  
6 in the calculation of the charge or credit for the current period.

7 **Q. What time period is covered under this CIP filing?**

8 **A.** This filing addresses the annual period beginning October 1, 2023 through  
9 September 30, 2024 (“2023-24 CIP Year”). The schedules supporting this filing  
10 are based on seven (7) months of actual data and five (5) months of projected data  
11 for the period. The resulting charge or credit, including any over or under recovery  
12 for the prior period, is applied to customer bills beginning on October 1, 2024. The  
13 timing of the CIP rate adjustments was agreed to in order to synchronize them with  
14 the review and implementation of South Jersey Gas’ annual BGSS filing.

15 **Q. Have you prepared a summary of results for the prior year of the CIP program**  
16 **covering the twelve-month period ending September 30, 2023?**

17 **A.** Yes. Now that the annual period covered by the previous year of the CIP is  
18 complete, actual results for this time period can be calculated. Schedule No. DPY-  
19 1 provides the actual results for the 2022-23 CIP Year ending September 30, 2023  
20 for each of the four groups, which reflect a combined total of \$48.3 million margin  
21 revenue below the benchmark level, including both the weather and non-weather  
22 impacts.

1 **Q. Please provide a comparison of customer usage to the benchmark for the**  
2 **annual period beginning October 1, 2023.**

3 **A.** Actual average use per customer for October 2023 through April 2024 and  
4 projections through September 2024 are provided for each of the customer groups  
5 covered by the CIP tariff in Schedule No. DPY-2. Schedule No. DPY-2 also  
6 provides a comparison of the actual values shown in column (d) to the baseline  
7 values set forth in Rider M and shown in column (e). The margin impact of the  
8 difference in average use per customer is calculated by multiplying the change in  
9 average use per customer times the actual number of customers times the margin  
10 revenue factor. The margin revenue factor for each customer group is also set forth  
11 in Rider M. The total impact of changes in average use per customer for the period  
12 results in a forecasted margin of \$38.7 million below the benchmark level.

13 **Q. Does the comparison reflected in Schedule No. DPY-2 reflect the large**  
14 **customer adjustment as provided for in Rider M?**

15 **A.** Yes. The actual number of customers for the general service and general service  
16 large volume customer groups shown in column (c) of Schedule No. DPY-2 reflects  
17 an adjustment for large customer additions to South Jersey Gas' system. As  
18 specified in Rider M, an adjustment is made for any incremental general service  
19 customer that exceeds 1,200 cubic feet per hour of connected load and any general  
20 service large volume customer that exceeds 50,000 cubic feet per hour of connected  
21 load. The incremental load for these customers is converted into an equivalent  
22 number of additional customers to be included in the Rider M calculations going  
23 forward. This removes any potential disincentive to connecting beneficial, large

1 customer loads. The level of the monthly large customer adjustment applicable to  
2 the 2023-24 CIP Year is provided as Schedule No. DPY-3.

3 **Q. Have you performed the dual pronged eligibility test applicable to the non-**  
4 **weather component of the CIP for the current year?**

5 **A.** Yes. I determined the weather-related component of the CIP by calculating the  
6 margin impact of weather consistent with the terms of South Jersey Gas'  
7 Temperature Adjustment Clause. The calculation of the weather-related  
8 component for each customer group is provided in Schedule No. DPY-4. The total  
9 weather-related component, which equals \$24.3 million of revenue deficiency, is  
10 subtracted from the total CIP revenue deficiency of \$38.7 million to establish the  
11 non-weather-related component for the current period, which is a revenue  
12 deficiency of \$14.4 million as shown in on Page 1 of Schedule No. DPY-5. The  
13 modified BGSS Savings test and the variable margin revenue test are shown on  
14 Exhibit No. DPY-5. \$10.8 million of the non-weather-related deficiency passes the  
15 BGSS Savings test while \$14.5 million of the deficiency passes the Variable  
16 Margin Revenue test. Application of the dual pronged test results in the inclusion  
17 of \$10.8 million of the non-weather-related deficiency in the amount to be  
18 recovered in the current filing and deferral of the remaining \$3.6 million non-  
19 weather-related deficiency to next year's filing. The amount of the deferral will be  
20 updated based on actual customer usage through September 2024.

1 **Q. Do the calculations reflected on Schedule DPY-5 reflect a carry-forward from**  
2 **the 2022-2023 CIP Year?**

3 **A.** Yes. \$9.2 million of non-weather CIP impacts that did not pass the BGSS Savings  
4 test for the 2022-2023 CIP Year are carried forward to the current filing. Since the  
5 non-weather impacts exceeded available BGSS Savings for the 2023-2024 CIP  
6 Year, none of the prior year carry-forward of \$9.2 million is recoverable in the  
7 current year. The \$9.2 million of prior year carry-forward and the \$3.6 million of  
8 current year carry-forward total \$12.8 million, which will be deferred and subject  
9 to the BGSS Savings test in the 2025-2026 CIP filing.

10 **Q. Please provide the derivation of the CIP charge or credit to be effective**  
11 **October 1, 2024.**

12 **A.** The total amount of the CIP that is to be charged to customers through Rider M is  
13 the combination of the recoverable weather and non-weather-related margin  
14 impacts, or \$35.1 million. Recovery of this amount would not result in the  
15 Company exceeding the ROE limitation set forth in Rider M and calculated on  
16 Exhibit A to the Petition. The weather and non-weather-related CIP amounts are  
17 collected through customer group-specific charges based on projected throughput  
18 for the annual period beginning October 1, 2024. The throughput forecast is the  
19 same as that proposed to be utilized to establish the Periodic BGSS Rate effective  
20 October 1, 2024. In addition to the CIP amount for the current year, the calculated  
21 charges also include the net under-collection of the CIP for the recovery period  
22 ending September 30, 2024 of \$6.5 million, which is shown in Schedule No. DPY-  
23 6. The derivation of the resulting CIP charges is set forth in Schedule No. DPY-7.

1 This schedule also shows the application of state taxes in order to establish rates  
2 billed to customers.

3 **Q. Are you sponsoring revised tariff sheets that implement these charges?**

4 **A.** Yes. Schedule No. DPY-8 provides proposed tariff sheets that reflect the CIP  
5 charges to be effective October 1, 2024.

6 **Q. Given that the CIP charge or credit is based in part on projected data, how  
7 will these projections be trued up in the future?**

8 **A.** The actual CIP recoveries or credits to customers will be trued up in future filings.  
9 The first element of the true-up will reflect any adjustment to the recoverable  
10 amount based on actual data for the period May 1, 2024 through September 30,  
11 2024, which represents the final five (5) months of the current year of the CIP. The  
12 second element of the true-up relates to differences between actual and projected  
13 throughput for the annual period beginning October 1, 2024, which is the period  
14 over which the CIP charge or credit is collected. The true-up of these elements for  
15 actual experience will be reflected in the docket addressing the Company's CIP  
16 filing to be made on or before June 1, 2025.

17 **Q. Does this conclude your prepared direct testimony?**

18 **A.** Yes, it does.







South Jersey Gas Company  
2024-25 Conservation Incentive Program Filing

Comparison of 2023-24 Customer Usage to Baseline

Line No.	Month (a)	Total Class Throughput (b)	Number of Customers (c)	Average Use / Cust. (d) = (b) / (c)	Baseline Use / Cust. (e)	Difference Per Cust. (f) = (d) - (e)	Margin Revenue Factor (g)	Margin Excess / (Deficiency) (h) = (f) * (c) * (g)
1	<b>Group 1: RSG Non-Heating</b>							
2								
3	Actual	October-23	125,638	9,937	12.6	13.6	(0.9)	\$0.907968 \$ (8,525)
4	Actual	November-23	203,664	9,874	20.6	22.9	(2.3)	\$0.907968 \$ (20,384)
5	Actual	December-23	315,686	9,851	32.0	27.5	4.5	\$0.907968 \$ 40,663
6	Actual	January-24	394,278	9,820	40.2	35.7	4.5	\$0.907968 \$ 39,682
7	Actual	February-24	315,276	9,803	32.2	38.0	(5.8)	\$0.907968 \$ (51,970)
8	Actual	March-24	250,614	9,782	25.6	25.1	0.5	\$0.907968 \$ 4,618
9	Actual	April-24	188,699	9,740	19.4	16.5	2.9	\$0.907968 \$ 25,413
10	Projected	May-24	131,417	10,109	13.0	13.9	(0.9)	\$0.907968 \$ (8,261)
11	Projected	June-24	101,240	10,124	10.0	9.7	0.3	\$0.907968 \$ 2,758
12	Projected	July-24	131,846	10,142	13.0	10.3	2.7	\$0.907968 \$ 24,863
13	Projected	August-24	142,254	10,161	14.0	9.3	4.70	\$0.907968 \$ 43,362
14	Projected	September-24	132,275	10,175	13.0	11.4	1.6	\$0.907968 \$ 14,782
15				245.6	233.9			
16								
17		Total Group 1 Margin Excess / (Deficiency)						\$ 107,001
18								
19								
20								
21								
22								
23								
24								
25								
26								
27								
28								
29								
30								
31								
32								
33								
34								
35								
36								
37								
38								
39								
40								
41								
42								
43								
44								
45								
46								
47								
48		Total Group 2 Margin Excess / (Deficiency)			641.5	730.6		\$ (31,023,688)

South Jersey Gas Company  
2024-25 Conservation Incentive Program Filing  
Comparison of 2023-24 Customer Usage to Baseline

Line No.	Month	Total Class Throughput	Number of Customers	Average Use / Cust.	Baseline Use / Cust.	Difference Per Cust.	Margin Revenue Factor	Margin Excess / (Deficiency)	
	(a)	(b)	(c)	(d) = (b) / (c)	(e)	(f) = (d) - (e)	(g)	(h) = (f) * (c) * (g)	
1									
2									
3									
<b>Group 3: GSG</b>									
4	Actual	October-23	4,861,279	27,219	178.6	181.9	(3.3)	\$0.731793 \$ (64,980)	
5	Actual	November-23	9,689,025	27,392	353.7	338.5	15.2	\$0.731793 \$ 305,030	
6	Actual	December-23	12,612,430	27,537	458.0	524.2	(66.2)	\$0.731793 \$ (1,333,679)	
7	Actual	January-24	17,345,664	27,641	627.5	693.4	(65.9)	\$0.731793 \$ (1,332,306)	
8	Actual	February-24	14,317,041	27,635	518.1	577.8	(59.7)	\$0.731793 \$ (1,207,796)	
9	Actual	March-24	10,319,323	27,664	373.0	491.6	(118.6)	\$0.731793 \$ (2,400,500)	
10	Actual	April-24	6,944,015	27,651	251.1	286.9	(35.8)	\$0.731793 \$ (723,785)	
11	Projected	May-24	4,632,364	28,092	164.9	190.8	(25.9)	\$0.731793 \$ (532,410)	
12	Projected	June-24	3,548,586	28,099	126.3	112.0	14.3	\$0.731793 \$ 293,793	
13	Projected	July-24	3,582,436	28,129	127.4	110.2	17.2	\$0.731793 \$ 354,223	
14	Projected	August-24	3,582,452	28,163	127.2	123.3	3.9	\$0.731793 \$ 80,378	
15	Projected	September-24	3,589,933	28,193	127.3	108.7	18.6	\$0.731793 \$ 383,740	
16					3,433.2	3,739.3			
17									
18		Total Group 3 Margin Excess / (Deficiency)							\$ (6,178,292)
19									
20									
21									
22									
23									
24									
25									
26									
27									
28									
29									
30									
<b>Group 4: GSG Large Volume</b>									
31	Actual	October-23	1,807,180	183	9,875.3	9,871.9	3.4	\$0.363960 \$ 226	
32	Actual	November-23	2,979,994	184	16,195.6	19,424.5	(3,228.9)	\$0.363960 \$ (216,234)	
33	Actual	December-23	3,229,255	184	17,550.3	17,494.6	55.7	\$0.363960 \$ 3,730	
34	Actual	January-24	4,557,859	197	23,136.3	32,153.1	(9,016.8)	\$0.363960 \$ (646,503)	
35	Actual	February-24	4,198,972	196	21,423.3	21,291.2	132.1	\$0.363960 \$ 9,425	
36	Actual	March-24	3,785,351	197	19,215.0	22,463.0	(3,248.0)	\$0.363960 \$ (232,883)	
37	Actual	April-24	2,229,005	197	11,314.7	15,655.6	(4,340.9)	\$0.363960 \$ (311,240)	
38	Projected	May-24	1,487,256	198	7,511.4	9,494.2	(1,982.8)	\$0.363960 \$ (142,889)	
39	Projected	June-24	1,017,792	198	5,140.4	5,206.3	(65.9)	\$0.363960 \$ (4,752)	
40	Projected	July-24	1,019,057	198	5,146.8	4,652.4	494.4	\$0.363960 \$ 35,628	
41	Projected	August-24	1,037,592	198	5,240.4	6,225.3	(984.9)	\$0.363960 \$ (70,976)	
42	Projected	September-24	1,035,422	198	5,229.4	5,874.5	(645.1)	\$0.363960 \$ (46,489)	
43					146,979.0	169,806.6			
44									
45		Total Group 4 Margin Excess / (Deficiency)							\$ (1,622,957)
46									
47									
48		<b>Total Groups 1 through 4</b>							<b>\$ (38,717,936)</b>

South Jersey Gas Company  
2024-25 Conservation Incentive Program Filing  
GSG and GSG-LV Large Customer Adjustment

Line No.	Month	Customers Above 1,200 CFH		Equivalent GSG Customers		Monthly Adjustment (f) = (e) - (b)	Cumulative Large Customer Adjustment (g)
		Count (b)	CFH (c)	Avg. CFH (d)	Customers (e) = (c) / (d)		
1							
2	Starting Point						301
3							
4							
5	Actual October-23	4	12,617	600	21	17	318
6	Actual November-23	5	5,915	600	10	5	323
7	Actual December-23	6	16,900	600	28	22	345
8	Actual January-24	4	6,394	600	11	7	352
9	Actual February-24	2	8,000	600	13	11	363
10	Actual March-24	4	14,141	600	24	20	383
11	Actual April-24	2	10,369	600	17	15	398
12	Projected May-24	0	0	600	0	0	398
13	Projected June-24	0	0	600	0	0	398
14	Projected July-24	0	0	600	0	0	398
15	Projected August-24	0	0	600	0	0	398
16	Projected September-24	0	0	600	0	0	398
17							
18							
19							
20							
21							
22							
23							
24							
25							
26							
27							
28	Starting Point						0
29							
30							
31	Actual October-23	0	0	25,000	0	0	0
32	Actual November-23	0	0	25,000	0	0	0
33	Actual December-23	0	0	25,000	0	0	0
34	Actual January-24	0	0	25,000	0	0	0
35	Actual February-24	0	0	25,000	0	0	0
36	Actual March-24	0	0	25,000	0	0	0
37	Actual April-24	0	0	25,000	0	0	0
38	Projected May-24	0	0	25,000	0	0	0
39	Projected June-24	0	0	25,000	0	0	0
40	Projected July-24	0	0	25,000	0	0	0
41	Projected August-24	0	0	25,000	0	0	0
42	Projected September-24	0	0	25,000	0	0	0
43							



South Jersey Gas Company  
2024-25 Conservation Incentive Program Filing

Determination of Weather-Related Component of CIP

Line No.	Month (a)	Actual October-23 (b)	Actual November-23 (c)	Actual December-23 (d)	Actual January-24 (e)	Actual February-24 (f)	Actual March-24 (g)	Actual April-24 (h)	Projected May-24 (i)	Total (j)
1										
2	<u>481.31 GSG Com Heat Sales</u>									
3										
4	Therms	1,994,122	5,377,420	6,877,626	9,691,397	8,107,238	5,477,041	3,648,596	3,394,380	44,567,821
5	Customers	20,073	20,280	20,391	20,507	20,504	20,538	20,520	20,572	20,423
7	Base Load / Customer	<u>74.09</u>	<u>74.09</u>	<u>74.09</u>	<u>74.09</u>	<u>74.09</u>	<u>74.09</u>	<u>74.09</u>	<u>74.09</u>	<u>74.1</u>
8	Total Baseload	1,487,129	1,502,465	1,510,689	1,519,283	1,519,060	1,521,579	1,520,246	1,524,098	12,104,549
9										
10	Heat Load	506,992	3,874,955	5,366,938	8,172,114	6,588,178	3,955,462	2,128,351	1,870,282	32,463,272
11										
12	Actual Degree Days	172	568	670	865	745	510	315	122	3,966
13	Normal Degree Days	<u>232</u>	<u>513</u>	<u>792</u>	<u>958</u>	<u>816</u>	<u>656</u>	<u>340</u>	<u>122</u>	<u>4,429</u>
14	Difference	(61)	55	(123)	(93)	(71)	(146)	(25)	-	(464)
15										
16	Actual Heat Use per Degree Day	2,956.00	6,828.00	8,016.00	9,448.00	8,843.00	7,756.00	6,757.00	15,330.00	8,186.00
17										
18	Weather Impact - Therms	(178,838)	372,126	(981,960)	(878,664)	(627,853)	(1,132,376)	(168,925)	-	(3,596,490)
19										
20	Margin Revenue Factor	0.731793	0.731793	0.731793	0.731793	0.731793	0.731793	0.731793	0.731793	
21										
22	Weather Impact - Dollars	\$ (130,872)	\$ 272,319	\$ (718,591)	\$ (643,000)	\$ (459,458)	\$ (828,665)	\$ (123,618)	\$ -	\$ (2,631,885)
23										
24										
25										
26	<u>481.32 GSG Ind Heat Sales</u>									
27										
28	Therms	57,279	215,044	327,812	472,857	355,715	225,047	132,473	83,688	1,869,914
29	Customers	266	266	267	267	268	267	267	264	267
31	Base Load / Customer	<u>80.38</u>	<u>80.38</u>	<u>80.38</u>	<u>80.38</u>	<u>80.38</u>	<u>80.38</u>	<u>80.38</u>	<u>80.38</u>	<u>80.4</u>
32	Total Baseload	21,380	21,380	21,460	21,460	21,541	21,460	21,460	21,219	171,362
33										
34	Heat Load	35,899	193,663	306,352	451,396	334,174	203,587	111,012	62,469	1,698,552
35										
36	Actual Degree Days	172	568	670	865	745	510	315	122	3,966
37	Normal Degree Days	<u>232</u>	<u>513</u>	<u>792</u>	<u>958</u>	<u>816</u>	<u>656</u>	<u>340</u>	<u>122</u>	<u>4,429</u>
38	Difference	(61)	55	(123)	(93)	(71)	(146)	(25)	-	(464)
39										
40	Actual Heat Use per Degree Day	209.00	341.00	458.00	522.00	449.00	399.00	352.00	512.00	428.00
41										
42	Weather Impact - Therms	(12,645)	18,585	(56,105)	(48,546)	(31,879)	(58,254)	(8,800)	-	(197,644)
43										
44	Margin Revenue Factor	0.731793	0.731793	0.731793	0.731793	0.731793	0.731793	0.731793	0.731793	
45										
46	Weather Impact - Dollars	\$ (9,253)	\$ 13,600	\$ (41,057)	\$ (35,526)	\$ (23,329)	\$ (42,630)	\$ (6,440)	\$ -	\$ (144,635)









South Jersey Gas Company  
2024-25 Conservation Incentive Program Filing

BGSS Savings Test

Line No.	<u>Description</u> (a)	<u>Margin Excess/(Deficiency)</u>			<u>Amount</u> (b)
1	<b><u>Step 1: Determine Weather and Non-Weather CIP Impacts</u></b>				
2					
3	CIP Group 1	\$	-	\$	107,001
4	CIP Group 2	\$	(18,606,762)	\$	(12,416,926)
5	CIP Group 3	\$	(4,907,857)	\$	(1,270,435)
6	CIP Group 4	\$	(749,219)	\$	(873,738)
7		\$	(24,263,838)	\$	(14,454,098)
8				\$	(38,717,936)
9					
10					
11					
12					
13					
14					
15	<b><u>Step 2: Apply Modified BGSS Savings Test</u></b>				
16					
17					
18	<b><u>A. Non-weather Impact Subject to Modified BGSS Savings Test</u></b>				
19	Non-Weather Deficiency			\$	14,454,098
20	75% Factor				<u>75%</u>
21	Subtotal			\$	10,840,573
22					
23	Prior Year Carry-Forward (Modified BGSS Savings Test)			\$	9,168,837
24	75% Factor				<u>75%</u>
25	Subtotal			\$	6,876,628
26					
27	Non-weather Impact Subject to Test			\$	<b>17,717,201</b>
28					
29					
30	<b><u>B. BGSS Savings</u></b>				
31	Permanent Capacity Savings			\$	2,243,369
32	Additional Capacity BGSS Savings			\$	5,657,819
33	Avoided Cost BGSS Savings			\$	<u>231,453</u>
34	Total BGSS Savings			\$	<b>8,132,641</b>
35					
36					
37	<b><u>C. Results</u></b>				
38	Non-Weather Impacts Passing Test (current accrual)	\$		\$	<b>10,843,521</b>
39	Non-Weather Impacts Passing Test (prior year carry-forward)	\$		\$	-
40	Non-Weather Impacts Exceeding Test	\$		\$	<b>12,779,414</b>

South Jersey Gas Company  
2024-25 Conservation Incentive Program Filing

Line No.	Description (a)	BGSS Savings Test	Amount (b)
1	<b>Step 3: Apply Variable Margin Revenue Test</b>		
2			
3			
4	<u>A. Non-weather Impact Subject to Variable Margin Revenue Test</u>		
5	Non-Weather Impact	\$ 14,454,098	
6			
7	Prior Year Carry-Forward (Variable Margin Revenue Test)	\$ -	
8			
9	Non-weather Impact Subject to Test	\$ 14,454,098	
10			
11			
12	<u>B. Variable Margin Revenues</u>		
13	Variable Margin Revenues applicable to 6.5% Fixed Recovery Cap	\$ 343,097,215	
14	6.5% Factor	6.5%	
15	Subtotal	<u>\$ 22,301,319</u>	
16			
17	Total Fixed Recovery Cap	<b>\$ 22,301,319</b>	
18			
19			
20	<u>C. Results</u>		
21	Non-Weather Impacts Passing Test (current accrual)	<b>\$ 14,454,098</b>	
22	Non-Weather Impacts Passing Test (prior year carry-forward)	\$ -	
23	Non-Weather Impacts Exceeding Test	\$ -	
24			
25			
26	Notes:		
27	(1) Variable margin revenues equal to the actual number of customers multiplied by the Benchmark UPC		
28	and multiplied by the margin revenue factor.		
29			
30			
31			
32	<b>Step 4: Determine Recoverable Non-Weather CIP Impacts</b>		
33			
34			
35	<u>A. Current Year Accrual Recoverable Non-Weather Impacts</u>		
36	Amount Passing Modified BGSS Savings Test	\$ 10,843,521	
37			
38	Amount Passing Variable Margin Revenue Test	\$ 14,454,098	
39			
40	Recoverable Amount	\$	<b>10,843,521</b>
41			
42			
43	<u>B. Previous Carry-Forward Recoverable Amounts</u>		
44	Total Unrecoverable Amount From Prior Year	\$	-
45			
46	Prior Year Subject to Modified BGSS Savings Test	\$ 9,168,837	
47	Prior Year Passing Modified BGSS Savings Test	<u>\$ -</u>	
48	Remaining Unrecoverable Amount	\$ 9,168,837	
49			
50	Prior Year Subject to Variable Margin Revenue Test	\$ -	
51	Prior Year Passing Variable Margin Revenue Test	<u>\$ -</u>	
52	Remaining Unrecoverable Amount	\$ -	
53			
54	Non-Recoverable Prior Year Carry-Forward	\$	9,168,837
55			
56	Recoverable Amount From Prior Year	\$	-
57			
58			
59			
60	<b>Total Non-Weather Recoverable CIP Amount</b>	<b>\$</b>	<b>10,843,521</b>
61			
62	<b>CIP Non-Weather Amount Carried Forward to Next Year</b>	<b>\$</b>	<b>12,779,414</b>

South Jersey Gas Company  
2024-25 Conservation Incentive Program Filing

Calculation of Over/(Under) Recovered CIP Balance

Line No.	Category	Group 1 RSG Non-Heating	Group 2 RSG Heating	Group 3 GSG	Group 4 GSG-LV	Total (f) = (b) + (c) + (d) + (e)
	(a)	(b)	(c)	(d)	(e)	(b) + (c) + (d) + (e)
1						
2						
3						
4	Actual October-23	\$ 4,208	\$ 507,468	\$ 207,697	\$ 44,653	\$ 764,026
5	Actual November-23	\$ 5,352	\$ 1,804,504	\$ 523,544	\$ 93,967	\$ 2,427,367
6	Actual December-23	\$ 8,961	\$ 3,388,486	\$ 942,143	\$ 147,523	\$ 4,487,113
7	Actual January-24	\$ 12,189	\$ 4,659,531	\$ 1,255,683	\$ 185,846	\$ 6,113,249
8	Actual February-24	\$ 12,180	\$ 4,712,640	\$ 1,288,241	\$ 199,006	\$ 6,212,067
9	Actual March-24	\$ 9,854	\$ 3,621,776	\$ 1,028,222	\$ 183,219	\$ 4,843,070
10	Actual April-24	\$ 8,019	\$ 2,757,176	\$ 815,158	\$ 137,992	\$ 3,718,345
11	Projected May-24	\$ 3,259	\$ 1,319,676	\$ 500,195	\$ 69,731	\$ 1,892,861
12	Projected June-24	\$ 2,548	\$ 727,512	\$ 352,970	\$ 59,461	\$ 1,142,491
13	Projected July-24	\$ 4,106	\$ 633,077	\$ 319,977	\$ 42,596	\$ 999,755
14	Projected August-24	\$ 3,035	\$ 476,196	\$ 240,186	\$ 39,434	\$ 758,852
15	Projected September-24	\$ 3,460	\$ 515,046	\$ 345,942	\$ 56,669	\$ 921,117
16						
17						
18						
19						
20						
21						
22	<b>Total Recoveries</b>	<b>\$ 77,172</b>	<b>\$ 25,123,089</b>	<b>\$ 7,819,958</b>	<b>\$ 1,260,097</b>	<b>\$ 34,280,315</b>
23						
24	<b>Prior Period Adjustment</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
25						
26						
27						
28						
29	<b>Recoverable CIP Amounts</b>					
30	Final from 2022-2023 CIP Year (Excess)/Deficiency	\$ 104,921	\$ 30,165,752	\$ 9,067,936	\$ 1,392,846	\$ 40,731,455
31						
32	<b>Total Recoverable CIP</b>	<b>\$ 104,921</b>	<b>\$ 30,165,752</b>	<b>\$ 9,067,936</b>	<b>\$ 1,392,846</b>	<b>\$ 40,731,455</b>
33						
34						
35						
36	<b>Over / (Under) Recovery</b>	<b>\$ (27,749)</b>	<b>\$ (5,042,663)</b>	<b>\$ (1,247,978)</b>	<b>\$ (132,749)</b>	<b>\$ (6,451,140)</b>

(Credited to Ratepayer)/Owed to SJG

South Jersey Gas Company  
2024-25 Conservation Incentive Program Filing

Derivation of CIP Charge / Credit

Line No.	Description (a)	Margin Excess / (Deficiency) (b)	2024-25 Throughput Therms (c)	Charge / (Credit) (d) = (-b) / (c)	Taxes (e)	Total Charge / (Credit) (f) = (d) + (e)
1	<b>Group 1: RSG Non-Heating</b>					
2						
3	Weather-Related	\$ -				
4	Non Weather-Related	\$ 7,650				
5	Total CIP	\$ 7,650				
6						
7	Prior Year Amounts					
8	Prior Year Carry-Over	\$ -				
9	Prior Year Over/(Under) Recovery	\$ (27,749)				
10	Total CIP Including Prior Year	\$ (20,099)				
11	Net Charge/(Credit)		2,367,817	\$ 0.008489		
12						
13	NJ State Sales Tax				\$ 0.000562	
14	Total Including Sales Tax					\$ 0.009051
15						
16						
17						
18	<b>Group 2: RSG Heating</b>					
19						
20	Weather-Related	\$ (18,606,762)				
21	Non Weather-Related	\$ (9,253,298)				
22	Total CIP	\$ (27,860,060)				
23						
24	Prior Year Amounts					
25	Prior Year Carry-Over	\$ -				
26	Prior Year Over/(Under) Recovery	\$ (5,042,663)				
27	Total CIP Including Prior Year	\$ (32,902,723)				
28	Net Charge/(Credit)		273,310,343	\$ 0.120386		
29						
30	NJ State Sales Tax				\$ 0.007976	
31	Total Including Sales Tax					\$ 0.128362

South Jersey Gas Company  
2024-25 Conservation Incentive Program Filing

Derivation of CIP Charge / Credit

Line No.	Description (a)	Margin Excess / (Deficiency) (b)	2024-25 Throughput Therms (c)	Charge / (Credit) (d) = (-b) / (c)	Taxes (e)	Total Charge / (Credit) (f) = (d) + (e)
1	<b>Group 3: GSG</b>					
2						
3	Weather-Related	\$ (4,907,857)				
4	Non Weather-Related	\$ (946,749)				
5	Total CIP	\$ (5,854,606)				
6						
7	Prior Year Amounts					
8	Prior Year Carry-Over	\$ -				
9	Prior Year Over/(Under) Recovery	\$ (1,247,978)				
10	Total CIP Including Prior Year	\$ (7,102,584)				
11	Net Charge/(Credit)		108,592,047	\$ 0.065406		
12						
13	NJ State Sales Tax				\$ 0.004333	
14	Total Including Sales Tax					\$ 0.069739
15						
16						
17						
18	<b>Group 4: GSG Large Volume</b>					
19						
20	Weather-Related	\$ (749,219)				
21	Non Weather-Related	\$ (651,124)				
22	Total CIP	\$ (1,400,343)				
23						
24	Prior Year Amounts					
25	Prior Year Carry-Over	\$ -				
26	Prior Year Over/(Under) Recovery	\$ (132,749)				
27	Total CIP Including Prior Year	\$ (1,533,092)				
28	Net Charge/(Credit)		27,423,902	\$ 0.055904		
29						
30	NJ State Sales Tax				\$ 0.003704	
31	Total Including Sales Tax					\$ 0.059608

**SOUTH JERSEY GAS COMPANY**

**B.P.U.N.J. No. 14 - GAS**

**Sixth Revised Sheet No. 6  
Superseding Fifth Revised Sheet No. 6**

**RESIDENTIAL SERVICE (RSG)**

**APPLICABLE TO USE OF SERVICE FOR:**

All residential purposes. Customer may elect Firm Sales Service or Firm Transportation Service. To be eligible for Firm Transportation Service RSG, a customer must hold clear and marketable title to gas that is made available for delivery to the customer’s residence on the Company’s system.

**CHARACTER OF SERVICE** Firm Sales Service and Firm Transportation Service.

**MONTHLY RATE:** <sup>(1)</sup>

**Customer Charge:** \$10.502563 per month

**Delivery Charge:**

(a) Residential Non-Heating Customers  
Firm Sales Service and Firm Transportation Service \$1.~~232286~~204421 per therm

(b) Residential Heating Customers  
Firm Sales Service and Firm Transportation Service \$1.~~307111~~323732 per therm

**Basic Gas Supply Service (“BGSS”) Charge:**

All consumption for customers who elect Firm Sales Service. See Rider “A” of this Tariff.

**APPLICABLE RIDERS:**

Basic Gas Supply Service Clause: BGSS charges are depicted in Rider “A” of this Tariff.

Infrastructure Investment Program The rates set forth above have been adjusted, as is appropriate, pursuant to Rider “B” of this Tariff.

Transportation Initiation Clause: The rates set forth above have been adjusted, as is appropriate, pursuant to Rider “C” of this Tariff.

Societal Benefits Clause: The rates set forth above have been adjusted, as is appropriate, pursuant to Rider “E” of this Tariff.

Temperature Adjustment Clause: The rates set forth above have been adjusted, as is appropriate, pursuant to Rider “F” of this Tariff.

<sup>(1)</sup> Please refer to Appendix A for components of Monthly Rates and Price to Compare

Issued \_\_\_\_\_  
by South Jersey Gas Company,  
B. Schomber, President

Effective with service rendered  
on and after \_\_\_\_\_

Filed pursuant to Order in Docket No. \_\_\_\_\_  
of the Board of Public Utilities, State of New Jersey, dated \_\_\_\_\_

**SOUTH JERSEY GAS COMPANY**

**B.P.U.N.J. No. 14 - GAS**

**Sixth Revised Sheet No. 10  
Superseding Fifth Revised Sheet No. 10**

**GENERAL SERVICE (GSG)**

**APPLICABLE TO USE OF SERVICE FOR:**

All Commercial and Industrial Customers who would not qualify for any other Rate Schedule. A customer qualifying for service under Rate Schedule GSG may elect either Firm Sales Service or Firm Transportation Service. To be eligible for Firm Transportation Service under this Rate Schedule GSG, a customer must hold clear and marketable title to gas that is made available for delivery to customer's facility on the Company's system.

**CHARACTER OF SERVICE:**

Firm Sales Service or Firm Transportation Service.

**MONTHLY RATE: <sup>(1)</sup>**

**Customer Charge:**

\$40.496175 per month

**Delivery Charges:**

Firm Sales Service and Firm Transportation Service \$1.~~095803~~077262 per therm

**Basic Gas Supply Service ("BGSS") Charge:**

All consumption for customers who elect Firm Sales Service See Rider "A" of this Tariff.

**LINE LOSS:**

Line Loss shall be 1.43% as provided in Special Provision (o).

**APPLICABLE RIDERS:**

Basic Gas Supply Service Clause:	BGSS charges are depicted in Rider "A" of this Tariff.
Infrastructure Investment Program	The rates set forth above have been adjusted, as is appropriate, pursuant to Rider "B" of this Tariff.
Transportation Initiation Clause:	The rates set forth above have been adjusted, as is appropriate, pursuant to Rider "C" of this Tariff.
Societal Benefits Clause:	The rates set forth above have been adjusted, as is appropriate, pursuant to Rider "E" of this Tariff.
Temperature Adjustment Clause:	The rates set forth above have been adjusted, as is appropriate, pursuant to Rider "F" of this Tariff.

<sup>(1)</sup> Please refer to Appendix A for components of Monthly Rates and Price to Compare.

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B. Schomber, President

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on and after \_\_\_\_\_

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**SOUTH JERSEY GAS COMPANY**

**B.P.U.N.J. No. 14 - GAS**

**Sixth Revised Sheet No. 14  
Superseding Fifth Revised Sheet No. 14**

**GENERAL SERVICE – LARGE VOLUME (GSG-LV)**

**APPLICABLE TO USE OF SERVICE FOR:**

All Commercial and Industrial Customers who would not qualify for any other Rate Schedule (other than Rate Schedule GSG), and who has an annualized usage of 100,000 therms or more,. A customer qualifying for service under Rate Schedule GSG-LV may elect either Firm Sales Service or Firm Transportation Service. To be eligible for Firm Transportation Service under this Rate Schedule GSG-LV, a customer must hold clear and marketable title to gas that is made available for delivery to customer’s facility on the Company’s system.

**CHARACTER OF SERVICE:**

Firm Sales Service or Firm Transportation Service.

**MONTHLY RATE: <sup>(1)</sup>**

**Customer Charge:**

\$264.003500 per month

**Delivery Charges:**

Firm Sales Service and Firm Transportation Service<sup>(2)</sup>

Demand Charge:

D-1FT: \$14.199998 per Mcf of Contract Demand

Volumetric Charge:

\$~~.664847~~ .674929 per therm

**Basic Gas Supply Service (“BGSS”) Charge:**

All consumption for customers who elect  
Firm Sales Service

See Rider “A” of this Tariff.

**LINE LOSS:**

Line Loss shall be 1.43% as provided in Special Provision (o).

<sup>(1)</sup> Please refer to Appendix A for components of Monthly Rates and Price to Compare.

<sup>(2)</sup> See Special Provision (p) of this Rate Schedule GSG-LV, regarding appropriate balancing charges.

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B. Schomber, President

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**SOUTH JERSEY GAS COMPANY**

**Third Revised Sheet No. 102**

**B.P.U.N.J. No. 14 - GAS**

**Superseding Second Revised Sheet No. 102**

**RIDER "M"**  
**CONSERVATION INCENTIVE PROGRAM**  
(Continued)

mechanism. The Deficiency or Excess shall be calculated each month by multiplying the result obtained from subtracting the Baseline Usage per Customer from the Actual Usage per Customer by the actual number of customers, and then multiplying the resulting therms by the Margin Revenue Factor.

- (d) Recovery of any Deficiency in accordance with Paragraph (c), above, associated with non-weather related changes in customer usage will be limited to the level of BGSS savings achieved as provided for in the 2014 Order of the Board of Public Utilities in Docket No. GR13030185. The value of the weather-related changes in customer usage shall be calculated in accordance with Rider F to this tariff.
- (e) Except as limited by Paragraph (d), above, the amount to be surcharged or credited to the Customer Class Group shall equal the aggregate Deficiency or Excess for all months during the Annual Period determined in accordance with the provisions herein, divided by the FAU for the Customer Class Group.
- (f) The currently effective CIP Factor by Customer Class Group are as follows:

	<b>Group I: RSG <u>Non-Heating</u></b>	<b>Group II: RSG <u>Heating</u></b>	<b>Group III: <u>GSG</u></b>	<b>Group IV: <u>GSG-LV</u></b>
CIP Factors Per Therm	\$0. <u>0346220084</u> 89	\$0. <u>104798120</u> 386	\$0. <u>082795065</u> 406	\$0. <u>0464490559</u> 04
Applicable NJ Sales Tax Factor	<u>1.066250</u>	<u>1.066250</u>	<u>1.066250</u>	<u>1.066250</u>
CIP Factors Per Therm with NJ Sales Tax	<u>\$0.036916009</u> 051	<u>\$0.11174112836</u> 2	<u>\$0.088280069</u> 739	<u>\$0.0495260596</u> 08

- (g) Cost recovery under the CIP is contingent on an earnings test. If the product of the earnings test calculation exceeds the Company's most recently approved ROE by fifty (50) basis points or more, cost recovery under the CIP shall not be allowed.

The Company's rate of return on common equity shall be calculated by dividing the Company's regulated jurisdictional net income for the annual period by the Company's average jurisdictional common equity balance for such annual period. The average jurisdictional common equity balance will be derived by multiplying the average of the Company's beginning and ending net rate base for the annual period by the Board-approved equity ratio in the Company's most recent rate case. The Company's regulated jurisdictional net income shall be calculated by subtracting from total net income the CIP booked margin revenue accruals and the Company's share of margins from: (1) Interruptible Sales; (2) Interruptible Transportation; (3) On-System Capacity Release; (4) Off-System Sales and Capacity Release; (5) the Storage Incentive Mechanism; and (6) the Energy Efficiency Tracker.

- (h) As used in this Rider "M", the following terms shall have the meanings ascribed to them herein:

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Public Utilities, State of New Jersey, dated \_\_\_\_\_

SOUTH JERSEY GAS COMPANY  
Schedule of Rate Components  
Appendix A - Effective \_\_\_\_\_

<b>RESIDENTIAL GAS SERVICE (RSG) - NONHEAT CUSTOMER</b>					
	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<b>CUSTOMER CHARGE</b>		9.850000		0.652563	<b>10.502563</b>
<b>DELIVERY CHARGE (per therm):</b>					
Base Rate		0.897170		0.059438	0.956608
IIP	B	0.010798	0.000000	0.000715	0.011513
TIC	C	0.000728	0.000000	0.000048	0.000776
SBC:					
RAC	E, G	0.055318	0.000000	0.003665	0.058983
CLEP	E, K	0.025189	0.000000	0.001669	0.026858
USF	E	<u>0.016600</u>	<u>0.000000</u>	<u>0.001100</u>	<u>0.017700</u>
Total SBC		0.097107	0.000000	0.006434	0.103541
CIP	M	0.008489	0.000000	0.000562	0.009051
EET	N	0.038533	0.000000	0.002553	0.041086
Balancing Service Charge BS-1	J	0.076761	0.000000	0.005085	0.081846
Balancing Service Charge BUY-OUT PRICE (Applicable to Transportation Customers Only)	J				Rate Set Monthly
<b>TOTAL DELIVERY CHARGE</b>		1.129586	0.000000	0.074835	<b>1.204421</b>
<b>BGSS: (Applicable To Sales Customers Only)</b>	A	0.389249	0.000000	0.025788	<b>0.415037</b>

SOUTH JERSEY GAS COMPANY  
Schedule of Rate Components  
Appendix A - Effective \_\_\_\_\_

<b>RESIDENTIAL GAS SERVICE (RSG) - HEAT CUSTOMER</b>					
	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<b>CUSTOMER CHARGE</b>		9.850000		0.652563	<b>10.502563</b>
<b>DELIVERY CHARGE (per therm):</b>					
Base Rate		0.897170		0.059438	0.956608
IIP	B	0.010798	0.000000	0.000715	0.011513
TIC	C	0.000728	0.000000	0.000048	0.000776
SBC:					
RAC	E, G	0.055318	0.000000	0.003665	0.058983
CLEP	E, K	0.025189	0.000000	0.001669	0.026858
USF	E	<u>0.016600</u>	<u>0.000000</u>	<u>0.001100</u>	<u>0.017700</u>
Total SBC		<u>0.097107</u>	<u>0.000000</u>	<u>0.006434</u>	<u>0.103541</u>
CIP	M	0.120386	0.000000	0.007976	0.128362
EET	N	0.038533	0.000000	0.002553	0.041086
Balancing Service Charge BS-1	J	0.076761	0.000000	0.005085	0.081846
Balancing Service Charge BUY-OUT PRICE (Applicable to Transportation Customers Only)	J				Rate Set Monthly
<b>Total Delivery Charge</b>		<b>1.241483</b>	<b>0.000000</b>	<b>0.082249</b>	<b>1.323732</b>
<b>BGSS: (Applicable To Sales Customers Only)</b>	A	0.389249	0.000000	0.025788	<b>0.415037</b>

SOUTH JERSEY GAS COMPANY  
Schedule of Rate Components  
Appendix A - Effective \_\_\_\_\_

<b>GENERAL SERVICE (GSG)</b>					
	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<b>CUSTOMER CHARGE</b>		37.980000		2.516175	<b>40.496175</b>
<b>DELIVERY CHARGE (per therm):</b>					
Base Rate		0.723187		0.047911	0.771098
IIP	B	0.008606	0.000000	0.000570	0.009176
TIC	C	0.000728	0.000000	0.000048	0.000776
SBC:					
RAC	E, G	0.055318	0.000000	0.003665	0.058983
CLEP	E, K	0.025189	0.000000	0.001669	0.026858
USF	E	<u>0.016600</u>	<u>0.000000</u>	<u>0.001100</u>	<u>0.017700</u>
Total SBC		0.097107	0.000000	0.006434	0.103541
CIP	M	0.065406	0.000000	0.004333	0.069739
EET	N	0.038533	0.000000	0.002553	0.041086
Balancing Service Charge BS-1	J	0.076761	0.000000	0.005085	0.081846
Balancing Service Charge BUY-OUT PRICE (Applicable to Transportation Customers Only)	J				Rate Set Monthly
<b>Total Delivery Charge</b>		1.010328	0.000000	0.066934	<b>1.077262</b>
<b>BGSS: (Applicable To Sales Customers Only using less than 5,000 therms annually)</b>	A	0.389249	0.000000	0.025788	<b>0.415037</b>
<b>BGSS: (Applicable To Sales Customers Only using 5,000 therms annually or greater)</b>	A				<b>RATE SET MONTHLY</b>

SOUTH JERSEY GAS COMPANY  
Schedule of Rate Components  
Appendix A - Effective \_\_\_\_\_

<b>GENERAL SERVICE-LV (GSG-LV)</b>					
	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<b>CUSTOMER CHARGE</b>		247.600000		16.403500	<b>264.003500</b>
<b>D-1 Demand Charge (Mcf)</b>		13.317700		0.882298	<b>14.199998</b>
<b><u>DELIVERY CHARGE (per therm):</u></b>					
Base Rate		0.359109		0.023791	0.382900
IIP	B	0.004851	0.000000	0.000321	0.005172
TIC	C	0.000728	0.000000	0.000048	0.000776
SBC:					
RAC	E, G	0.055318	0.000000	0.003665	0.058983
CLEP	E, K	0.025189	0.000000	0.001669	0.026858
USF	E	<u>0.016600</u>	<u>0.000000</u>	<u>0.001100</u>	<u>0.017700</u>
	Total SBC	0.097107	0.000000	0.006434	0.103541
CIP	M	0.055904	0.000000	0.003704	0.059608
EET	N	0.038533	0.000000	0.002553	0.041086
Balancing Service Charge BS-1	J	0.076761	0.000000	0.005085	0.081846
Balancing Service Charge BUY-OUT PRICE (Applicable to Transportation Customers Only)	J				Rate Set Monthly
<b>Total Delivery Charge</b>		0.632993	0.000000	0.041936	<b>0.674929</b>
<b><u>BGSS: (Applicable Sales Customers Only)</u></b>	A				<b>RATE SET MONTHLY</b>

SOUTH JERSEY GAS COMPANY  
Schedule of Rate Components  
Appendix A - Effective \_\_\_\_\_

**COMPREHENSIVE TRANSPORTATION SERVICE (CTS)**

	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<b>FIRM</b>					
<b><u>CUSTOMER CHARGE</u></b>		820.630000		54.366738	<b>874.996738</b>
<b><u>D-1 Demand Charge (Mcf)</u></b>		34.701100		2.298948	<b>37.000048</b>
<b><u>DELIVERY CHARGE (per therm):</u></b>					
Base Rate		0.091136		0.006038	0.097174
IIP	B	0.003001	0.000000	0.000199	0.003200
SBC:					
RAC	E, G	0.055318	0.000000	0.003665	0.058983
CLEP	E, K	0.025189	0.000000	0.001669	0.026858
USF	E	<u>0.016600</u>	<u>0.000000</u>	<u>0.001100</u>	<u>0.017700</u>
Total SBC		0.097107	0.000000	0.006434	0.103541
EET	N	0.038533	0.000000	0.002553	0.041086
<b>Total Delivery Charge</b>		0.229777	0.000000	0.015224	0.245001
Balancing Service Charge BS-1	I	0.076761	0.000000	0.005085	0.081846
Balancing Service Charge BS-1 (Opt Out Provision)	I	0.001972	0.000000	0.000131	0.002103
BUY-OUT PRICE					RATE SET MONTHLY
<b>LIMITED FIRM</b>					
<b><u>CUSTOMER CHARGE</u></b>		500.000000		33.125000	<b>533.125000</b>
<b><u>DELIVERY CHARGE (per therm):</u></b>					
Base Rate		0.058400		0.003900	0.062300
SBC:					
RAC	E, G	0.055318	0.000000	0.003665	0.058983
CLEP	E, K	0.025189	0.000000	0.001669	0.026858
USF	E	<u>0.016600</u>	<u>0.000000</u>	<u>0.001100</u>	<u>0.017700</u>
Total SBC		0.097107	0.000000	0.006434	0.103541
EET	N	0.038533	0.000000	0.002553	0.041086
<b>Total Delivery Charge</b>		0.194040	0.000000	0.012887	0.206927
Balancing Service Charge BS-1	I	0.076761	0.000000	0.005085	0.081846
Balancing Service Charge BS-1 (Opt Out Provision)	I	0.001972	0.000000	0.000131	0.002103
BUY-OUT PRICE					RATE SET MONTHLY

SOUTH JERSEY GAS COMPANY  
Schedule of Rate Components  
Appendix A - Effective \_\_\_\_\_

<b>LARGE VOLUME SERVICE (LVS)</b>	<b>RIDER</b>	<b>RATE</b>	<b>PUA</b>	<b>NJ SALES TAX</b>	<b>TARIFF RATE</b>
<b>FIRM</b>					
<b>CUSTOMER CHARGE</b>		1,148.890000		76.113963	<b>1,225.003963</b>
<b>D-1 Demand Charge (Mcf)</b>		20.633100		1.366943	<b>22.000043</b>
<b>D-2 DEMAND BGSS(Applicable to Sales Customers Only)</b>	A	15.476711	0.000000	1.025332	<b>16.502043</b>
<b>DELIVERY CHARGE (per therm):</b>					
Base Rate		0.061199		0.004054	0.065253
IIP	B	0.001564	0.000000	0.000104	0.001668
SBC:					
RAC	E, G	0.055318	0.000000	0.003665	0.058983
CLEP	E, K	0.025189	0.000000	0.001669	0.026858
USF	E	<u>0.016600</u>	<u>0.000000</u>	<u>0.001100</u>	<u>0.017700</u>
Total SBC		<u>0.097107</u>	<u>0.000000</u>	<u>0.006434</u>	<u>0.103541</u>
EET	N	0.038533	0.000000	0.002553	0.041086
<b>Total Delivery Charge</b>		<b>0.198403</b>	<b>0.000000</b>	<b>0.013145</b>	<b>0.211548</b>
Balancing Service Charge BS-1	I	0.076761	0.000000	0.005085	0.081846
Balancing Service Charge BS-1 (Opt Out Provision) (Applicable to Transportation Customers Only)	I	0.001972	0.000000	0.000131	0.002103
Balancing Service Charge CASH OUT CHARGE (CREDIT) (Applicable Transportation Customers Only)	I				RATE SET MONTHLY
<b>BGSS: (Applicable Sales Customers Only)</b>	A				<b>RATE SET MONTHLY</b>
<b>LIMITED FIRM</b>					
<b>CUSTOMER CHARGE</b>		500.000000		33.125000	<b>533.125000</b>
<b>DELIVERY CHARGE (per therm):</b>					
Base Rate		0.148587		0.009844	0.158431
IIP	B	0.001564	0.000000	0.000104	0.001668
SBC:					
RAC	E, G	0.055318	0.000000	0.003665	0.058983
CLEP	E, K	0.025189	0.000000	0.001669	0.026858
USF	E	<u>0.016600</u>	<u>0.000000</u>	<u>0.001100</u>	<u>0.017700</u>
Total SBC		<u>0.097107</u>	<u>0.000000</u>	<u>0.006434</u>	<u>0.103541</u>
EET	N	0.038533	0.000000	0.002553	0.041086
<b>Total Delivery Charge</b>		<b>0.285791</b>	<b>0.000000</b>	<b>0.018935</b>	<b>0.304726</b>
Balancing Service Charge BS-1	I	0.076761	0.000000	0.005085	0.081846
Balancing Service Charge BS-1 (Opt Out Provision) (Applicable to Transportation Customers Only)	I	0.001972	0.000000	0.000131	0.002103
BUY-OUT PRICE	I				RATE SET MONTHLY



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<b>FIRM ELECTRIC SALES (FES)</b>					
	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<b>WINTER</b>					
<b>D-1 DEMAND (MCF) (Rate is negotiated. Shown here is the benchmark rate.)</b>		2.897200		0.191900	<b>3.089100</b>
<b>D-2 DEMAND BGSS(MCF) (Applicable to Sales Customers Only)</b>	A	7.738356	0.000000	0.512666	<b>8.251022</b>
<b>DELIVERY CHARGE (per therm):</b>					
SBC:					
RAC	E, G	0.055318	0.000000	0.003665	0.058983
CLEP	E, K	0.025189	0.000000	0.001669	0.026858
USF	E	<u>0.016600</u>	<u>0.000000</u>	<u>0.001100</u>	<u>0.017700</u>
Total SBC		0.097107	0.000000	0.006434	0.103541
EET	N	0.038533	0.000000	0.002553	0.041086
<b>Total Delivery Charge</b>		0.135640	0.000000	0.008987	<b>0.144627</b>
<b>C-3 All Therms (Rate is negotiated. Shown here is the benchmark rate.)</b>		0.162900		0.010800	<b>0.173700</b>
<b>C-4 Escalator Rate (To be determined as prescribed in the Company's Tariff)</b>					
Balancing Service Charge CASH OUT CHARGE (CREDIT) (Applicable to Firm Transportatin Customers Only)	I				RATE SET MONTHLY
<b>BGSS: (Applicable To Sales Customers Only)</b>	A				<b>RATE SET MONTHLY</b>
<b>SUMMER</b>					
<b>D-1 DEMAND (MCF) (Rate is negotiated. Shown here is the benchmark rate.)</b>		2.897200		0.191900	<b>3.089100</b>
<b>D-2 DEMAND BGSS(MCF) (Applicable to Sales Customers Only)</b>	A	7.738356	0.000000	0.512666	<b>8.251022</b>
SBC:					
RAC	E, G	0.055318	0.000000	0.003665	0.058983
CLEP	E, K	0.025189	0.000000	0.001669	0.026858
USF	E	0.016600	0.000000	0.001100	0.017700
EET	N	0.038533	0.000000	0.002553	0.041086
<b>Total Delivery Charge</b>		0.135640	0.000000	0.008987	<b>0.144627</b>
<b>C-3 All Therms (Rate is negotiated. Shown here is the benchmark rate.)</b>		0.162900		0.010800	<b>0.173700</b>
<b>C-4 Escalator Rate (To be determined as prescribed in the Company's Tariff)</b>					
Balancing Service Charge CASH OUT CHARGE (CREDIT) (Applicable to Firm Transportatin Customers Only)	I				RATE SET MONTHLY
<b>BGSS: (Applicable To Sales Customers Only)</b>	A				<b>RATE SET MONTHLY</b>

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**ELECTRIC GENERATION SERVICE (EGS) - RESIDENTIAL**

	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<b><u>CUSTOMER CHARGE</u></b>		9.850000		0.652563	<b>10.502563</b>
<b><u>DELIVERY CHARGE (per therm):</u></b>					
Base Rate		0.180446		0.011955	0.192401
IIP	B	0.002099	0.000000	0.000139	0.002238
SBC:					
RAC	E, G	0.055318	0.000000	0.003665	0.058983
CLEP	E, K	0.025189	0.000000	0.001669	0.026858
USF	E	<u>0.016600</u>	<u>0.000000</u>	<u>0.001100</u>	<u>0.017700</u>
Total SBC		0.097107	0.000000	0.006434	0.103541
EET	N	0.038533	0.000000	0.002553	0.041086
Balancing Service Charge BS-1	J	0.076761	0.000000	0.005085	0.081846
<b>Total Delivery Charge</b>		0.394946	0.000000	0.026166	0.421112
<b><u>BGSS: (Applicable To Sales Customers Only)</u></b>	A	0.389249	0.000000	0.025788	<b>0.415037</b>

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<b><u>ELECTRIC GENERATION SERVICE (EGS) - COMMERCIAL/INDUSTRIAL</u></b>					
	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<b>CUSTOMER CHARGE</b>		86.280000		5.716050	<b>91.996050</b>
<b>D-1 DEMAND (MCF)</b>		9.144200		0.605803	<b>9.750003</b>
<b><u>DELIVERY CHARGE (per therm):</u></b>					
Base Rate - Winter Season (Nov - Mar)		0.168130		0.011139	0.179269
Base Rate - Summer Season (Apr - Oct)		0.138130		0.009151	0.147281
IIP	B	0.002099	0.000000	0.000139	0.002238
SBC:					
RAC	E, G	0.055318	0.000000	0.003665	0.058983
CLEP	E, K	0.025189	0.000000	0.001669	0.026858
USF	E	<u>0.016600</u>	<u>0.000000</u>	<u>0.001100</u>	<u>0.017700</u>
	Total SBC	0.097107	0.000000	0.006434	0.103541
EET	N	0.038533	0.000000	0.002553	0.041086
Balancing Service Charge BS-1	J	0.076761	0.000000	0.005085	0.081846
		<b>Total Delivery Charge - Winter Season</b>	0.382630	0.000000	<b>0.407980</b>
		<b>Total Delivery Charge - Summer Season</b>	0.352630	0.000000	<b>0.375992</b>
<b><u>BGSS: (Applicable To Sales Customers Only)</u></b>	A				<b>RATE SET MONTHLY</b>

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<u>ELECTRIC GENERATION SERVICE-LV (EGS-LV)</u>	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<b>FIRM</b>					
<b>CUSTOMER CHARGE</b>		820.630000		54.366738	<b>874.996738</b>
<b><u>D-1 DEMAND (MCF) (Rate is negotiated. Shown here is the benchmark rate.)</u></b>		27.611897		1.829288	<b>29.441185</b>
<b><u>D-2 DEMAND BGSS (MCF) (Applicable to Sales Customers Only)</u></b>	A	15.556592	0.000000	1.030624	<b>16.587216</b>
<b><u>DELIVERY CHARGE (per therm):</u></b>					
IIP	B	0.000267	0.000000	0.000018	0.000285
SBC:					
RAC	E, G	0.055318	0.000000	0.003665	0.058983
CLEP	E, K	0.025189	0.000000	0.001669	0.026858
USF	E	<u>0.016600</u>	<u>0.000000</u>	<u>0.001100</u>	<u>0.017700</u>
		0.097107	0.000000	0.006434	0.103541
EET	N	0.038533	0.000000	0.002553	0.041086
<b>Total Delivery Charge</b>		0.135907	0.000000	0.009005	<b>0.144912</b>
Balancing Service Charge BS-1	I	0.076761	0.000000	0.005085	0.081846
Balancing Service Charge BS-1 (Opt Out Provision)	I	0.001972	0.000000	0.000131	0.002103
Balancing Service Charge CASH OUT CHARGE (CREDIT) (Applicable to Firm Transportatin Customers Only)	I				RATE SET MONTHLY
<b><u>BGSS: (Applicable To Sales Customers Only)</u></b>	A				<b>RATE SET MONTHLY</b>
<b>LIMITED FIRM</b>					
<b><u>D-2 DEMAND BGSS(MCF) (Applicable to Sales Customers Only)</u></b>	A	7.738356	0.000000	0.512666	<b>8.251022</b>
<b><u>DELIVERY CHARGE (per therm):</u></b>					
SBC:					
RAC	E, K	0.055318	0.000000	0.003665	0.058983
CLEP	E, G	0.025189	0.000000	0.001669	0.026858
USF	E	<u>0.016600</u>	<u>0.000000</u>	<u>0.001100</u>	<u>0.017700</u>
		0.097107	0.000000	0.006434	0.103541
EET	N	0.038533	0.000000	0.002553	0.041086
<b>Total Delivery Charge</b>		0.135640	0.000000	0.008987	<b>0.144627</b>
<b><u>C-3 (Rate is negotiated. Shown here is the benchmark rate.)</u></b>		0.162900		0.010800	<b>0.173700</b>
Balancing Service Charge BS-1	I	0.076761	0.000000	0.005085	0.081846
Balancing Service Charge BS-1 (Opt Out Provision)	I	0.001972	0.000000	0.000131	0.002103
Balancing Service Charge CASH OUT CHARGE (CREDIT) (Applicable to Firm Transportatin Customers Only)	I				RATE SET MONTHLY
<b><u>BGSS: (Applicable To Sales Customers Only)</u></b>	A				<b>RATE SET MONTHLY</b>

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<u>YARD LIGHTING SERVICE (YLS)</u>	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
MONTHLY CHARGE / INSTALL		15.798780		1.046669	16.845449
<b>STREET LIGHTING SERVICE (SLS)</b>					
MONTHLY CHARGE / INSTALL		18.987976		1.257953	20.245929
<b>INTERRUPTIBLE GAS SALES (IGS)</b>					
Commodity					Rate Set Monthly
SBC:					
RAC	E, K	0.055318	0.000000	0.003665	0.058983
USF	E	0.016600	0.000000	0.001100	0.017700
Total SBC:		0.071918	0.000000	0.004765	0.076683
EET	N	0.038533	0.000000	0.002553	0.041086

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<b>INTERRUPTIBLE TRANSPORTATION (ITS)</b>					
	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<b>CUSTOMER CHARGE</b>		<b>500.000000</b>		<b>33.125000</b>	<b>533.125000</b>
<b>TRANSPORTATION CHARGE A</b>		<b>0.078400</b>		<b>0.005200</b>	<b>0.083600</b>
SBC:					
RAC	E, K	0.055318	0.000000	0.003665	0.058983
CLEP	E, G	0.025189	0.000000	0.001669	0.026858
USF	E	<u>0.016600</u>	<u>0.000000</u>	<u>0.001100</u>	<u>0.017700</u>
Total SBC:		0.097107	0.000000	0.006434	0.103541
EET	N	0.038533	0.000000	0.002553	0.041086
<b>TRANSPORTATION CHARGE B</b>		<b>0.143200</b>		<b>0.009500</b>	<b>0.152700</b>
SBC:					
RAC	E, K	0.055318	0.000000	0.003665	0.058983
CLEP	E, G	0.025189	0.000000	0.001669	0.026858
USF	E	<u>0.016600</u>	<u>0.000000</u>	<u>0.001100</u>	<u>0.017700</u>
Total SBC:		0.097107	0.000000	0.006434	0.103541
EET	N	0.038533	0.000000	0.002553	0.041086
<b>TRANSPORTATION CHARGE C</b>		<b>0.203200</b>		<b>0.013500</b>	<b>0.216700</b>
SBC:					
RAC	E, K	0.055318	0.000000	0.003665	0.058983
CLEP	E, G	0.025189	0.000000	0.001669	0.026858
USF	E	<u>0.016600</u>	<u>0.000000</u>	<u>0.001100</u>	<u>0.017700</u>
Total SBC:		0.097107	0.000000	0.006434	0.103541
EET	N	0.038533	0.000000	0.002553	0.041086

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<b><u>NATURAL GAS VEHICLE (NGV)</u></b>		<b><u>RATE</u></b>	<b><u>PUA</u></b>	<b><u>NJ SALES TAX</u></b>	<b><u>TARIFF RATE</u></b>
<b><u>COMPANY OPERATED FUELING STATIONS</u></b>					
<b><u>DELIVERY CHARGE (per therm):</u></b>					
IIP	B	0.003736	0.000000	0.000248	0.003984
SBC					
RAC	E, K	0.055318	0.000000	0.003665	0.058983
CLEP	E, G	0.025189	0.000000	0.001669	0.026858
USF	E	<u>0.016600</u>	<u>0.000000</u>	<u>0.001100</u>	<u>0.017700</u>
	Total SBC:	0.097107	0.000000	0.006434	0.103541
EET	N	0.038533	0.000000	0.002553	0.041086
	<b>Total Delivery Charge</b>	<b>0.139376</b>	<b>0.000000</b>	<b>0.009235</b>	<b>0.148611</b>
	<b><u>DISTRIBUTION CHARGE</u></b>	<b>0.241844</b>	<b>0.000000</b>	<b>0.0160220</b>	<b>0.257866</b>
	<b><u>COMPRESSION CHARGE</u></b>	<b>0.656506</b>	<b>0.000000</b>	<b>0.043494</b>	<b>0.700000</b>
Balancing Service Charge BS-1	I	0.076761	0.000000	0.005085	0.081846
Balancing Service Charge BS-1 (Opt Out Provision) (Applicable for Transportation Customers Only)	I	0.001972	0.000000	0.000131	0.002103
Balancing Service Charge BS-1	J	0.076761	0.000000	0.005085	0.081846
<b><u>BGSS: (Applicable To Sales Customers Only)</u></b>	A				<b>RATE SET MONTHLY</b>
<b><u>CUSTOMER OPERATED FUELING STATIONS</u></b>					
<b><u>CUSTOMER CHARGE</u></b>					
		0 - 999 CF/hour	37.500000	2.484400	<b>39.984400</b>
		1,000 - 4,999 CF/hour	75.000000	4.968800	<b>79.968800</b>
		5,000 - 24,999 CF/hour	241.970000	16.030500	<b>258.000500</b>
		25,000 or Greater CF/hour	925.000000	61.281250	<b>986.281250</b>
<b><u>DELIVERY CHARGE (per therm):</u></b>					
IIP	B	0.003736	0.000000	0.000248	0.003984
SBC					
RAC	E, K	0.055318	0.000000	0.003665	0.058983
CLEP	E, G	0.025189	0.000000	0.001669	0.026858
USF	E	<u>0.016600</u>	<u>0.000000</u>	<u>0.001100</u>	<u>0.017700</u>
	Total SBC:	0.097107	0.000000	0.006434	0.103541
EET	N	0.038533	0.000000	0.002553	0.041086
	<b>Total Delivery Charge</b>	<b>0.139376</b>	<b>0.000000</b>	<b>0.009235</b>	<b>0.148611</b>
	<b><u>DISTRIBUTION CHARGE</u></b>	<b>0.241844</b>	<b>0.000000</b>	<b>0.016022</b>	<b>0.257866</b>
Balancing Service Charge BS-1	I	0.076761	0.000000	0.005085	0.081846
Balancing Service Charge BS-1 (Opt Out Provision) (Applicable for Transportation Customers Only)	I	0.001972	0.000000	0.000131	0.002103
Balancing Service Charge BS-1	J	0.076761	0.000000	0.005085	0.081846
<b><u>BGSS: (Applicable To Sales Customers Only)</u></b>	A				<b>RATE SET MONTHLY</b>
<b><u>Facilities Charge (Applicable only to Customers that elect the Company construct Compressed Natural Gas ("CNG") fueling Facilities located on Customer's property)</u></b>		0.276150		0.018295	<b>0.294445</b>

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Heat Residential Rate Schedule:

	RSG FSS	RSG-FTS	Difference
BGSS	0.415037	0.000000	0.415037
Base Rate	0.956608	0.956608	0.000000
IIP	0.011513	0.011513	0.000000
CLEP	0.026858	0.026858	0.000000
RAC	0.058983	0.058983	0.000000
CIP	0.128362	0.128362	0.000000
USF	0.017700	0.017700	0.000000
TIC	0.000776	0.000776	0.000000
EET	0.041086	0.041086	0.000000
BSC "J" BS-1	0.081846	0.081846	0.000000
<b>Price to Compare</b>	<b>1.738769</b>	<b>1.323732</b>	<b>0.415037</b>

NonHeat Residential Rate Schedule:

	RSG FSS	RSG-FTS	Difference
BGSS	0.415037	0.000000	0.415037
CIP	0.009051	0.009051	0.000000
Base Rate	0.956608	0.956608	0.000000
IIP	0.011513	0.011513	0.000000
CLEP	0.026858	0.026858	0.000000
RAC	0.058983	0.058983	0.000000
USF	0.017700	0.017700	0.000000
TIC	0.000776	0.000776	0.000000
EET	0.041086	0.041086	0.000000
BSC "J" BS-1	0.081846	0.081846	0.000000
<b>Price to Compare</b>	<b>1.619458</b>	<b>1.204421</b>	<b>0.415037</b>

GSG

(Under 5,000 therms annually)

	GSG FSS	GSG-FTS	Difference
BGSS	0.415037	0.000000	0.415037
CIP	0.069739	0.069739	0.000000
Base Rates	0.771098	0.771098	0.000000
IIP	0.009176	0.009176	0.000000
CLEP	0.026858	0.026858	0.000000
RAC	0.058983	0.058983	0.000000
USF	0.017700	0.017700	0.000000
TIC	0.000776	0.000776	0.000000
EET	0.041086	0.041086	0.000000
BSC "J" BS-1	0.081846	0.081846	0.000000
<b>Price to Compare</b>	<b>1.492299</b>	<b>1.077262</b>	<b>0.415037</b>

GSG

(5,000 therms annually or greater)

	GSG FSS	GSG-FTS	Difference
BGSS	0.362613	0.000000	0.362613
CIP	0.069739	0.069739	0.000000
Base Rates	0.771098	0.771098	0.000000
IIP	0.009176	0.009176	0.000000
CLEP	0.026858	0.026858	0.000000
RAC	0.058983	0.058983	0.000000
USF	0.017700	0.017700	0.000000
TIC	0.000776	0.000776	0.000000
EET	0.041086	0.041086	0.000000
BSC "J" BS-1	0.081846	0.081846	0.000000
<b>Price to Compare</b>	<b>1.439875</b>	<b>1.077262</b>	<b>0.362613</b>

GSG-LV

Prior to 7/15/97

	GSG-LV FSS	GSG-LV-FTS	Difference
BGSS	0.362613	0.000000	0.362613
CIP	0.059608	0.059608	0.000000
Base Rates	0.382900	0.382900	0.000000
IIP	0.005172	0.005172	0.000000
CLEP	0.026858	0.026858	0.000000
RAC	0.058983	0.058983	0.000000
USF	0.017700	0.017700	0.000000
TIC	0.000776	0.000776	0.000000
EET	0.041086	0.041086	0.000000
BSC "J" BS-1	0.081846	0.081846	0.000000
<b>Price to Compare</b>	<b>1.037542</b>	<b>0.674929</b>	<b>0.362613</b>