



South Jersey Gas

Stacy A. Mitchell, Esq.
Regulatory Affairs Counsel

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BOARD OF PUBLIC UTILITIES

AUG 10 2017

MAIL RECEIVED

August 8, 2017

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO: All Municipal Clerks in the South Jersey Gas Company Service Area and Freeholder Clerks of Atlantic County, Burlington County, Camden County, Cape May County, Cumberland County, Gloucester County, Ocean County, Salem County and County Executive of Atlantic County

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, 2018 BPU DOCKET NO. GR17060586

IN THE MATTER OF THE PETITION OF SOUTH JERSEY GAS COMPANY FOR APPROVAL OF BASE RATE ADJUSTMENTS PURSUANT TO THE ACCELERATED INFRASTRUCTURE REPLACEMENT PROGRAM (AIRP II) BPU DOCKET NO. GR17050441

IN THE MATTER OF THE PETITION OF SOUTH JERSEY GAS COMPANY FOR APPROVAL OF BASE RATE ADJUSTMENTS PURSUANT TO THE STORM HARDENING AND RELIABILITY PROGRAM (SHARP) BPU DOCKET NO. GR17050442

IN THE MATTER OF THE PETITION OF SOUTH JERSEY GAS COMPANY FOR APPROVAL OF AN INCREASE TO THE COST RECOVERY CHARGE ASSOCIATED WITH ENERGY EFFICIENCY PROGRAMS ("EET CHARGE") BPU DOCKET NO. GR17060673

Dear Municipal, Freeholder Clerks and Executive of Atlantic County:

Enclosed herewith for service upon you are copies of the Notice of Filing of Petition and of Public Hearing for each of the four (4) above-referenced matters. Kindly take note of the location and date of the hearings.

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

Respectfully,

Stacy Mitchell
Stacy A. Mitchell

SAM:lvk
Enclosures

cc: Service List (via email) ✓

Case mgmt

**IN THE MATTER OF THE PETITION OF SOUTH JERSEY GAS COMPANY FOR
APPROVAL OF BASE RATE ADJUSTMENTS PURSUANT TO THE ACCELERATED
INFRASTRUCTURE REPLACEMENT PROGRAM (AIRP II)
DOCKET NO. GR17050441**

**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, 2018
BPU Docket No. GR17060586**

**IN THE MATTER OF THE PETITION OF SOUTH JERSEY GAS COMPANY
FOR APPROVAL OF AN INCREASE TO THE COST RECOVERY CHARGE ASSOCIATED
WITH ENERGY EFFICIENCY PROGRAMS ("EET CHARGE")
B.P.U. DOCKET NO. GR17060673**

**IN THE MATTER OF THE PETITION OF SOUTH JERSEY GAS COMPANY FOR
APPROVAL OF BASE RATE ADJUSTMENTS PURSUANT TO THE STORM HARDENING
AND RELIABILITY PROGRAM (SHARP)
DOCKET NO. GR17050442**

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

**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, 2018
BPU Docket No. GR17060586**

NOTICE IS HEREBY GIVEN that, on June 1, 2017, South Jersey Gas Company (South Jersey or Company) filed its combined 2017-2018 Basic Gas Supply Service (BGSS) and Conservation Incentive Program (CIP) petition (Petition) with the New Jersey Board of Public Utilities (Board). The BGSS cost components were filed pursuant to the Order Approving BGSS Price Structure issued by the Board on January 6, 2003 in Docket No. GX01050304 (Generic BGSS Order). BGSS rates are designed to recover South Jersey's cost of gas applicable to customers purchasing gas from South Jersey. The Company earns no profit from the BGSS. By this Petition, the CIP rate is an upward 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. South Jersey requests that the Board approve its BGSS and CIP rate adjustments.

The impact of the Company's combined proposals on the overall bills for gas service for a residential heating customer using one-hundred (100) therms in a month would be a decrease of \$0.80, or 0.6 percent, resulting from South Jersey's proposed BGSS decrease of \$1.35 per month, or 1.1 percent, on a 100 therm bill and South Jersey's proposed CIP increase of \$0.55, or 0.5 percent, on a 100 therm bill.

The chart below demonstrates the impact of the BGSS and CIP rate changes:

Customer Type	Therm Level	Rates		Change	
		Bill as of June 1, 2017	Proposed Bill as of October 1, 2017	Amount	Percent
Residential Heat Sales	100	\$119.82	\$119.02	\$(0.80)	(0.6)%
Residential Non-Heat Sales	15	\$25.45	\$24.63	\$(0.82)	(3.2)%
General Service	500	\$513.00	\$505.64	\$(7.36)	(1.4)%
General Service - LV	15,646	\$11,036.19	\$10,543.77	(\$492.42)	(4.5)%

TAKE FURTHER NOTICE that 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 Rate Counsel, pursuant to the Generic BGSS Order. Any such self-implementing increases will be limited to a maximum of 5 percent of the total residential bill, effective December 1, 2017, and to a maximum of 5 percent of the total residential bill, effective February 1, 2018, as demonstrated in the chart below.

Customer Type	Therm Level	Rates		Change	
		Bill as of October 1, 2017	Proposed Bill Including December and February 5 Percent Increases	Amount	Percent
Residential Heat Sales	100	\$119.02	\$131.22	\$12.20	10.3%
Residential Non-Heat Sales	15	\$24.63	\$26.46	\$1.83	7.4%
General Service	500	\$505.64	\$566.62	\$60.98	12.1%
General Service - LV	15,646	\$10,543.77	\$10,543.77	\$0	0%

Further, these self-implementing increases will be provisional subject to true-up in connection with the annual BGSS filing. Pursuant to the Generic BGSS Order, South Jersey is permitted to decrease its BGSS rate at any time upon 5 days' notice and supporting documentation to the Board and the Division of Rate Counsel.

Pursuant to N.J.S.A. 48:3-1, any relief determined by the Board to be just and reasonable may be allocated to customers in such manner, and in such amounts or percentages, as the Board may deem appropriate. The Board may authorize an increase on any customer class or group or may exclude from increase any customer class or group, varying the percentage increase applicable. Therefore, the Board may establish the BGSS and CIP Charges at levels other than those proposed by South Jersey. South Jersey's natural gas costs addressed in this 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.

Copies of the Company's filing are available for inspection at the Company's offices located at One South Jersey Plaza, Folsom, New Jersey 08037, or at the Board of Public Utilities, 44 South Clinton Avenue, 7th Floor, Trenton, New Jersey 08625-0350. The Company's filing may also be found on the South Jersey Gas website at <https://www.southjerseygas.com/About-South-Jersey-Gas/Regulatory-Compliance-Tariff-Information.aspx>.

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

**August 29, 2017 at 4:30 p.m. and 5:30 p.m.
Voorhees Township, Municipal Court
Voorhees Town Center
Voorhees, New Jersey 08043
(located directly across from Township Library at 203 Laurel Road)**

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

SOUTH JERSEY GAS COMPANY

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

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

**IN THE MATTER OF THE PETITION OF SOUTH JERSEY GAS COMPANY FOR
APPROVAL OF BASE RATE ADJUSTMENTS PURSUANT TO THE ACCELERATED
INFRASTRUCTURE REPLACEMENT PROGRAM (AIRP II)
DOCKET NO. GR17050441**

NOTICE IS HEREBY GIVEN that, on April 28, 2017, South Jersey Gas Company (South Jersey or Company) filed a N.J.S.A. 48:2-21 petition (Petition) with the New Jersey Board of Public Utilities (Board) seeking Board approval to increase base rates associated with the Company's Accelerated Infrastructure Replacement Program (AIRP II). The Board approved the AIRP II and the associated cost recovery mechanism on October 31, 2016 in Docket No. GR16020175 (Order). The Order authorized the Company to invest \$302.5 million, over a five-year period commencing October 1, 2016 and ending September 30, 2021, to replace cast iron and unprotected bare steel mains and associated services. The Order also authorized the Company to make annual filings with the Board to recover the costs associated with AIRP II project investments and to earn a return on and a return of those investments through annual adjustments to base rates. This Petition seeks Board approval to recover the revenue requirements associated with AIRP II projects placed in-service from October 1, 2016 through June 30, 2017 with an October 1, 2017 rate effective date. The purpose of the AIRP II program is to continue to eliminate aging and leak prone materials and enhance the reliability and safety of the Company's gas distribution system.

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

Residential Service (RSG)

Therm Level	Bill as of July 1, 2017 ⁽¹⁾	Bill as of October 1, 2017 ⁽²⁾	Dollar Increase	Percent Increase
25	\$37.84	\$38.18	\$0.34	0.9%
100	\$122.49	\$123.85	\$1.36	1.1%
200	\$235.36	\$238.08	\$2.72	1.2%

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

Therm Level	Bill as of July 1, 2017 ⁽¹⁾	Bill as of October 1, 2017 ⁽²⁾	Dollar Increase	Percent Increase
500	\$526.34	\$531.44	\$5.10	1.0%
1,000	\$1,023.55	\$1,033.76	\$10.21	1.0%
2,000	\$2,017.99	\$2,038.40	\$20.41	1.0%

(1) Based upon current Delivery Rates and Basic Gas Supply Service ("BGSS") charges in effect October 1, 2016 and assumes that the customer receives BGSS service from South Jersey.

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

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

The effect of the proposed increase would be an increase of \$1.36 or 1.1% for a residential customer using one-hundred (100) therms of gas during the winter months.

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

Copies of the Company's filing are available for inspection at the Company's offices located at One South Jersey Plaza, Folsom, New Jersey 08037, or at the Board of Public Utilities, 44 South Clinton Avenue, 7th Floor, Trenton, New Jersey 08625-0350. The Company's filing may also be found on the South Jersey website at <https://www.southjerseygas.com/About-South-Jersey-Gas/Regulatory-Compliance-Tariff-Information.aspx>.

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

August 29, 2017 at 4:30 p.m. and 5:30 p.m.
Voorhees Township, Municipal Court
Voorhees Town Center
Voorhees, New Jersey 08043
(located directly across from Township Library at 203 Laurel Road)

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

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

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

**IN THE MATTER OF THE PETITION OF SOUTH JERSEY GAS COMPANY FOR
APPROVAL OF BASE RATE ADJUSTMENTS PURSUANT TO THE STORM HARDENING
AND RELIABILITY PROGRAM (SHARP)
DOCKET NO. GR17050442**

NOTICE IS HEREBY GIVEN that, on April 28, 2017 South Jersey Gas Company (South Jersey or Company) filed a N.J.S.A. 48:2-21 petition (Petition) with the New Jersey Board of Public Utilities (Board) seeking approval to increase base rates associated with the Company's Storm Hardening and Reliability Program ("SHARP"). The Board approved the SHARP and the associated cost recovery mechanism on August 20, 2014 in Docket Nos. AX13030197 and GO13090814 (Order). The Order authorized the Company to invest \$103.5 million, over a three-year period commencing July 1, 2014 and ending June 30, 2017, to replace low pressure distribution mains and associated services with high pressure distribution mains and associated services in the municipalities of Atlantic City, Ventnor, Margate, Longport, Ocean City, Wildwood, North Wildwood, Wildwood Crest and West Cape May. The Order also authorized the Company to make annual filings with the Board to recover the costs associated with SHARP project investments and to earn a return on those investments through annual adjustments to base rates. The Petition seeks Board approval to recover the revenue requirements associated with SHARP project investments made from July 1, 2016 through June 30, 2017 with an October 1, 2017 rate effective date.

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

Residential Service (RSG)

Therm Level	Bill as of July 1, 2017 ⁽¹⁾	Bill as of October 1, 2017 ⁽²⁾	Dollar Increase	Percent Increase
25	\$37.84	\$38.12	\$0.28	0.7%
100	\$122.49	\$123.63	\$1.14	0.9%
200	\$235.36	\$237.64	\$2.28	1.0%

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

Therm Level	Bill as of July 1, 2017 ⁽¹⁾	Bill as of October 1, 2017 ⁽²⁾	Dollar Increase	Percent Increase
500	\$526.34	\$530.60	\$4.26	0.8%
1,000	\$1,023.55	\$1,032.09	\$8.54	0.8%
2,000	\$2,017.99	\$2,035.05	\$17.06	0.8%

(1) Based upon current Delivery Rates and Basic Gas Supply Service ("BGSS") charges in effect October 1, 2016 and assumes that the customer receives BGSS service from South Jersey.

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

The following Rate Schedules will also be affected by the Company's proposed base rate increase: General Service – Large Volume (GSG-LV), Comprehensive Firm Transportation Service (CTS), Large Volume Service (LVS), Electric Generation Service (EGS), Electric Generation Service – Large Volume

(EGS-LV), Natural Gas Vehicle Service (NGV), Yard Lights Service (YLS) and Street Lights Service (SLS).

The effect of the proposed increase would be an increase of \$1.14 or 0.9% for a residential customer using one-hundred (100) therms of gas during the winter months.

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

Copies of the Company's filing are available for inspection at the Company's offices located at One South Jersey Plaza, Folsom, New Jersey 08037, or at the Board of Public Utilities, 44 South Clinton Avenue, 7th Floor, Trenton, New Jersey 08625-0350. The Company's filing may also be found on the South Jersey website at <https://www.southjerseygas.com/About-South-Jersey-Gas/Regulatory-Compliance-Tariff-Information.aspx>.

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

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

**IN THE MATTER OF THE PETITION OF SOUTH JERSEY GAS COMPANY
FOR APPROVAL OF AN INCREASE TO THE COST RECOVERY CHARGE ASSOCIATED
WITH ENERGY EFFICIENCY PROGRAMS ("EET CHARGE")
B.P.U. DOCKET NO. GR17060673**

NOTICE IS HEREBY GIVEN that, on June 23, 2017, pursuant to N.J.S.A. 48:3-98.1, South Jersey Gas Company (South Jersey or the Company) filed a Petition with the New Jersey Board of Public Utilities (the Board) seeking Board approval to increase its Energy Efficiency Tracker (EET) charge by October 1, 2017 and to continue to recover costs associated with its Energy Efficiency Programs (EEPs). South Jersey is requesting to be allowed an ability to earn a return on its investments associated with its EEPs. South Jersey projects that its total EEP expenditures will amount to approximately \$35.9 million through September 2018. The EEPs provide participating customers with incentives to reduce their natural gas consumption. South Jersey proposes to recover the costs of its EEPs through its EET which will operate consistent with the Board-approved tracker mechanism.

The Company proposes to increase its EET charge to \$0.009917 per therm in order to recover a total revenue requirement of \$5.2 million (excluding SUT and PUA) for the period October 1, 2017 through September 30, 2018. The proposed EET charge would be applied to all customer classes. The impact of this increase on the bill of a typical residential heating customer using 100 therms of natural gas in a winter month is an increase of \$0.54 or 0.4%. Approval of the filing would impact charges for a typical customer usage, as follows:

BILL IMPACTS

Residential Heating Service (RSG)

Therm Level	Bill as of June 1, 2017 (1)	Bill as of October 1, 2017 (2)	Dollar Increase	Percent Increase
25	\$37.17	\$37.30	\$0.13	0.3%
100	\$119.82	\$120.36	\$0.54	0.4%
200	\$230.02	\$231.09	\$1.07	0.5%

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

Therm Level	Bill as of June 1, 2017 (1)	Bill as of October 1, 2017 (2)	Dollar Increase	Percent Increase
500	\$513.00	\$515.67	\$2.67	0.5%
1,000	\$996.88	\$1,002.23	\$5.35	0.5%
2,000	\$1,964.64	\$1,975.33	\$10.69	0.5%

(1) Based upon current Delivery Rates and Basic Gas Supply Service (BGSS) charges in effect October 1, 2016 and assumes that the customer receives BGSS service from South Jersey Gas.

(2) Same as (1) except includes change in EET charge.

Pursuant to N.J.S.A. 48:3-1, any relief determined by the Board to be just and reasonable may be allocated to customers in such manner, and in such amounts or percentages, as the Board may deem

appropriate. The Board may authorize an increase on any customer class or group or may exclude from increase any customer class or group, varying the percentage increase applicable. Therefore, the Board may authorize an EET charge at an amount different than the amount proposed by South Jersey. Any EET rate is effective upon Board approval.

Copies of the Company's filing are available for inspection at the Company offices located at One South Jersey Plaza, Folsom, New Jersey 08037, or at the Board of Public Utilities, 44 South Clinton Avenue, 7th Floor, Trenton, New Jersey 08625-0350. The Company's filing may also be found on the South Jersey website at <https://www.southjerseygas.com/About-South-Jersey-Gas/Regulatory-Compliance-Tariff-Information.aspx>.

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

**August 29, 2017 at 4:30 and 5:30 PM
Voorhees Township, Municipal Court
2400 Voorhees Town Center
Voorhees, New Jersey 08043**

(located directly across from Township Library at 203 Laurel Road)

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

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