

Stacy A. Mitchell, Esq.Senior Director, Regulatory Affairs



September 27, 2017

Overnight Mail

Irene Kim Asbury, Secretary
NJ Board of Public Utilities
44 South Clinton Avenue, 9th Floor
P. O. Box 350
Trenton, NJ 08625-0350

SEP 28 2017

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 to Revise the Level of its Conservation Incentive Program ("CIP") Charges 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 2017/2018 Annual Compliance Filings for a Change in the Statewide Electric and Gas Permanent Universal Service Fund Program Factors within the Electric and Gas Societal Benefits Charge Rates Pursuant to N.J.S.A. 48:2-21 and N.J.S.A. 48:2-21.1

BPU Docket No. ER17060676

Dear Secretary Asbury:

Enclosed please find an original and two (2) copies of South Jersey Gas Company's Compliance Filing, applicable to the above referenced matters.

list Copies a Moreau

If you have any questions, please don't hesitate to call me.

Respectfully,

SAM:caj Enclosure

cc: T. Walker (via email)

S. Peterson (via email)
F. Thomas-Friel (via email)

SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 11 - GAS

Eleventh Revised Sheet No. 6 Superseding Tenth 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: (1)

Customer Charge:

\$9.618800 per month

Delivery Charge:

(a) All consumption for customers who elected to transfer from Firm Sales Service to Firm Transportation Service

\$.721498 per therm

(b) All consumption for customers who elect Firm Sales Service

\$.721498 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.

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.

Issued April 28, 2017

by South Jersey Gas Company,

Effective with service rendered on and after October 1, 2017

D. Robbins, Jr., President

¹⁾ Please refer to Appendix A for components of Monthly Rates and Price to Compare

Superseding Tenth 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: (1)

Customer Charge:

\$29.123400 per month

Delivery Charges:

All consumption for customers who elected to transfer (a) from Sales Service to Firm Transportation Service

All therms

\$.596964 per therm

All consumption for customers who elect (b) Firm Sales Service

All therms

\$.596964 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).

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

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: (1)

Customer Charge:

\$160.312500 per month

Delivery Charges:

(a) All consumption for customers who elected to transfer from Sales Service to Firm Transportation Service (2)

Demand Charge:

D-1FT: \$9.618800 per Mcf of Contract Demand

Volumetric, Charge:

C-1FT: \$.377582 per therm

(b) All consumption for customers who elect Firm Sales Service

Demand Charge:

D-1: \$9.618800 per Mcf of Contract Demand

Volumetric Charge:

C-1: \$.377582 per therm

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

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

COMPREHENSIVE TRANSPORTATION SERVICE (CTS)

APPLICABLE TO USE OF SERVICE FOR:

All customers having a Firm Contract Demand, and an average annual daily Firm usage of 100 Mcf per day or more. To be eligible for service under this Rate Schedule CTS, 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. Provided, however, that any customer receiving service under this Rate Schedule CTS prior to August 29, 2003 shall continue to be eligible to receive service under this Rate Schedule CTS, notwithstanding the foregoing, if said customers continues to have a Firm Contract Demand of 100 Mcf per day or more. Further provided, however, that if a customer ceases to receive service under this Rate Schedule CTS, and seeks to return to service under this Rate Schedule CTS, said customer must meet all requirements for eligibility as though applying for service in the first instance.

CHARACTER OF SERVICE:

Firm Transportation Service and Limited Firm Transportation Service

MONTHLY RATE: (1)

Firm:

Customer Charge:

\$641.250000 per month

Delivery Charges:

Demand Charge: D-1FT: \$29.306500 per Mcf of Contract Demand

Volumetric Charges:

C-1FT:

All consumption for customers who elected to

transfer from Sales Service to Firm

Transportation Service

\$.119673 per therm

Limited Firm:

Customer Charge:

\$106.875000 per month

Delivery Charges:

Volumetric Charges:

C-1FT:

All consumption for customers who elected to

transfer from Sales Service to Firm

Transportation Service

\$.124947 per therm

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

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: (1)

Firm:

Customer Charge:

\$961.875000 per month

Delivery Charge:

(a) All consumption for customers who elected to transfer from Firm Sales Service to Firm Transportation Service

Demand Charge:

D-1FT: \$15.907500 per Mcf of Contract Demand

Volumetric Charge:

C-1FT: \$.109171 per therm

(b) All consumption for customers who elect Firm Sales Service

Demand Charge:

D-1: \$15.907500 per Mcf of Contract Demand

Volumetric Charge:

C-1: \$.109171 per therm

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

LARGE VOLUME SERVICE (LVS)

(continued)

Basic Gas Supply Service ("BGSS") Charge:

Demand Charge:

D-2: \$15.796918 per Mcf of Contract Demand.

Volumetric Charge:

C-2: See Rider "A" of this Tariff.

Limited Firm:

Customer Charge:

\$106.875000 per month

Delivery Charge:

(a) All consumption for customers who elected to transfer from Firm Sales Service to Firm Transportation Service

Volumetric Charge:

C-1FT: \$.163647 per therm

(b) All consumption for customers who elect Firm Sales Service

Volumetric Charge:

C-1FT: \$.163647 per therm

Basic Gas Supply Service ("BGSS") Charge:

Volumetric Charge:

C-2: See Rider "A" of this Tariff.

PRICE TO COMPARE:

The Company will provide the Price to Compare for an LVS customer, at said customer's request.

LINE LOSS:

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

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 (1)(2)

WINTER (November - March):

Demand Charge:

D-1 \$3.096400 per Mcf of Winter Daily Contract Demand

D-2 \$7.898459 per Mcf of Daily Billing Determinant or \$0 for Firm Transportation customers

Volumetric Charge:

C-1: \$.062547 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: \$.174100 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 \$3.096400 per Mcf of Summer Daily Contract Demand

D-2 \$7.898459 per Mcf of Daily Billing Determinant or \$0 for Firm Transportation customers

Volumetric Charge:

C-1: \$.062547 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: \$.174100 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)

Superseding Tenth Revised Sheet No. 40

ELECTRIC GENERATION SERVICE (EGS)

APPLICABLE TO USE OF SERVICE FOR:

Residential, commercial and industrial uses for 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, 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: (1)(2)

Residential Customer Charge:

\$9.618800 per month

Residential Delivery Charge

Residential Volumetric Charge:

\$.243447 per therm

Commercial and Industrial Customer Charge:

\$26.718800 per month

Commercial and Industrial Delivery Charge:

Commercial and Industrial Demand Charge:

D-1 Charge:

\$6.946900 per Mcf of contract

Volumetric Charges:

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

All Consumption for Firm Sales Service

\$.251765 per therm

All Consumption for Firm Transportation Service

\$.251765 per therm

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

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

Superseding Tenth Revised Sheet No. 41

ELECTRIC GENERATION SERVICE (EGS)

(Continued)

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

All Consumption for Firm Sales Service

\$.219702 per therm

All Consumption for Firm Transportation Service

\$.219702 per therm

Basic Gas Supply Service ("BGSS") Charge:

All Consumption

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.

Societal Benefits Clause:

The rates set forth above have been adjusted, 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.

Issued April 28, 2017 by South Jersey Gas Company,

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: (1)

Customer Charge:

\$192.3750 per month

FIRM:

Demand Charges: (2)

D-1 \$22.134858 per Mcf of Firm Daily Contract Demand.

D-2 \$1'5.491814 per Mcf of Firm Daily Contract Demand or \$0 for Firm Transportation customers.

Volumetric Charge:

C-1: \$.062547 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 \$7.898459 per Mcf of Limited Firm Daily Contract Demand or \$0 for Limited Firm Transportation customers

Volumetric Charge: (2)

C-1: \$.062547 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 \$.174100 per therm for all consumption within Limited Firm Contract Demand level.\(^1\)

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

⁽²⁾ Please refer to Special Provision (j).

Fifth Revised Sheet No. 51 Superseding Fourth Revised Sheet No. 51

YARD LIGHTING SERVICE (YLS)

APPLICABLE TO USE OF SERVICE FOR:

Gas yard lighting where service is supplied through an installation furnished by the customer and approved by the Company. Each installation shall contain 1 upright mantle or 2 inverted mantles.

This rate is available only to an existing customer receiving service under this Rate Schedule, YLS, and not having other metered Service at the customer's present location as of the effective date of this Tariff.

CHARACTER OF SERVICE:

Firm Sales Service.

MONTHLY RATE:

The monthly charge shall be \$13.462456 per month for each installation.

TERMS OF PAYMENT:

Payment of all bills must be received in full at the Company's designated office within ten (10) days of the billing date.

TERM:

Customer may discontinue service upon adequate written notice to the Company.

TERMS AND CONDITIONS:

The General Terms and Conditions of this Tariff are incorporated into this rate schedule and this rate schedule shall be interpreted in accordance therewith.

STREET LIGHTING SERVICE (SLS)

APPLICABLE TO USE OF SERVICE FOR:

Gas Street lighting where service is supplied through an installation approved by the Company. Each installation shall contain three (3) inverted mantles.

This rate is available only to an existing customer receiving service under this Rate Schedule, SLS, and not having other metered service at the customer's present location as of the effective date of this Tariff.

CHARACTER OF SERVICE:

Firm Sales Service.

MONTHLY RATE:

The Monthly Rate shall be \$16.603909 per month for each installation.

TERMS OF PAYMENT:

Payment of all bills must be received in full at the Company's designated office within ten (10) days of the billing date.

TERM:

Customer may discontinue service upon adequate written notice to the Company.

TERMS AND CONDITIONS:

The General Terms and Conditions of this Tariff are incorporated into this rate schedule and this rate schedule shall be interpreted in accordance therewith.

Superseding Tenth Revised Sheet No. 62

NATURAL GAS VEHICLE (NGV)

APPLICABLE TO:

This service will be available to Commercial and Industrial customers who will utilize natural gas, for the purpose of providing vehicle fuel at Company-operated fueling stations or at separately metered customeroperated fueling stations.

CHARACTER OF SERVICE:

Firm Sales Service or Firm Transportation Service

COMPRESSED NATURAL GAS VEHICLE SERVICE AT COMPANY OPERATED FUELING STATIONS

This part of the service is available for refueling vehicles with compressed natural gas to customers who refuel at Company operated fueling stations. All service at Company operated fueling stations shall be Firm Sales Service. Provided, however, that in the Company's sole discretion, it may allow for Firm Transportation service for a Customer-specific dedicated dispenser or time fill system (separately metered) at a Company operated fueling station.

Rate for Monthly Consumption

Volumetric Charge

C-1: \$0.062547 per therm (\$0.078184 GGE*)

Distribution Charge: \$0.181992 per therm (\$0.227490 GGE*)

Compression Charge: \$0.581360 per therm (\$0.726700 GGE*)

Commodity Charges

All consumption for customers who elected Firm Sales Service

Basic Gas Supply Service ("BGSS") Charge:

See Rider "A" of this Tariff. BGSS rate * GGE Factor 1.25 = GGE

GGE indicates Gasoline Gallon Equivalent. The gasoline gallon equivalent shall be determined in accordance with local standards. The point of sale price to the Customer shall be displayed in gasoline gallon equivalents at public access dispensers at Company operated fueling stations, and shall be calculated as C-1 + Distribution Charge + Compression Charge + New Jersey Motor Vehicle Fuel Tax + Federal Excise Tax + BGSS.

Commodity charges do not include State of New Jersey Motor vehicle fuel tax and Federal Excise Tax. As of July 1, 2011 these taxes were \$0.0525 and \$0.183 per gallon, respectively and shall be charged at the prevailing rate when applicable. The Company is under no obligation to determine if a customer is exempt from taxation.

NATURAL GAS VEHICLE (NGV) (continued)

NATURAL GAS VEHICLE SERVICE AT CUSTOMER OPERATED FUELING STATIONS

This part of the service is available for the sale of separately metered uncompressed gas for the use of the customer solely as a vehicle fuel as follows:

The customer agrees to obtain and maintain, at its expense, all necessary certificates, licenses and regulatory approvals and pay all taxes levied on the gas compressed for refueling the customer's vehicles;

If the customer provides natural gas for resale as a motor fuel, the customer will be responsible for collecting and paying all applicable taxes on the gas compressed for resale and on the sale thereof and for the metering of such sale in accordance with local standards and regulations; and

The customer must execute a Standard Gas Service Agreement (NGV) for not less than 12 months and must produce evidence of Land Rights.

Rate for Monthly Consumption

Monthly Customer Charge

The monthly customer charge shall be determined in accordance with the maximum delivery capability requested by the customer.

0-999 Cf/hour	\$40.078100
1,000-4,999 Cf/hour	\$80.156300
5,000-24,999 Cf/hour	\$213.750000
25,000 and greater Cf/hour	\$641.250000

Volumetric Charges

C-1: \$0.062547 per therm (\$0.078184 GGE)

Distribution Charge: \$0.181992 per therm (\$0.227490 GGE)

Basic Gas Supply Service ("BGSS") Charge:

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

The customer shall pay all related motor vehicle taxes directly to the taxing entity. Such taxes shall be incremental to charges paid to the Company for the cost of receiving service under this rate schedule.

NATURAL GAS VEHICLE (NGV) (continued)

DELIVERY SERVICE FOR NATURAL GAS VEHICLES

This part of service is available for delivery of customer owned natural gas for use in compression and dispensing equipment at the Customer's premises, as follows:

The customer must purchase under a contract with an initial term of not less than one year an adequate supply of natural gas of a quality acceptable to the Company, and must make arrangements by which such volumes of natural gas can be delivered into the Company's distribution system at the Customer's expense.

By taking service under this part, the Customer warrants that it has good and legal title to all gas supplied to the Company, and agrees to indemnify, defend and hold the Company harmless from any loss, claims or damages in regard to such title.

Rate for Delivery Service

Monthly Customer Charge

The monthly customer charge shall be determined in accordance with the maximum delivery capability requested by the customer.

0-999 Cf/hour	\$40.078100
1,000-4,999 Cf/hour	\$80.156300
5,000-24,999 Cf/hour	\$213.750000
25,000 and greater Cf/hour	\$641.250000

Volumetric Charge

C-1: \$0.062547 per therm (\$0.078184 GGE)

Distribution Charge: \$0.181992 per therm (\$0.227490 GGE)

Sales taxes are not included in the above basic charges. The Company is under no obligation to determine if a customer is exempt from taxation. Customers seeking tax exemption must file verification with the Company.

APPLICABLE RIDERS FOR COMPANY OWNED AND CUSTOMER OWNED STATIONS:

BGSS charges are depicted in Rider "A" of this Tariff for Firm Basic Gas Supply Service Clause:

Sales Service.

The rates set forth above have been adjusted, as is appropriate, Societal Benefits Clause:

pursuant to Rider "E" of this Tariff.

All gas transported under this Rate Schedule NGV is subject to Balancing Service Clause:

balancing requirements pursuant to Rider "I" or Rider "J" of this

Tariff.

Issued April 28, 2017 D. Robbins, Jr. President

by South Jersey Gas Company,

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

APPLICABLE RATES:

Periodic BGSS Subrider (Effective October 1, 2017)1:

	BGSS Rate Before	BGSS Rate With
Rate Schedule	Taxes (per therm)	Taxes (per therm)
RSG	\$0.318187	\$0.340810
GSG (under 5.000 therms)	\$0.318187	\$0.340810

Monthly BGSS Subrider (Effective September 1, 2017):

BGSS Rate Before	BGSS Rate With
Taxes (per therm)	Taxes (per therm)
\$0.355405	\$0.380675
\$0.273178	\$0.292601
\$0.402704	\$0.431337
\$0.356523	\$0.381872
\$0.379055	\$0.406006
\$0.402704	\$0.431337
\$0,402704	\$0.431337
\$0.402704	\$0.431337
	Taxes (per therm) \$0.355405 \$0.273178 \$0.402704 \$0.356523 \$0.379055 \$0.402704 \$0.402704

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 Threshhold". This Periodic BGSS Subrider shall recover gas costs associated with service to customers served under this Subrider.

Issued June 1, 2017

by South Jersey Gas Company, D. Robbins, Jr., President

¹ Reflects currently approved Total BGSS Rate.

Fourth Revised Sheet No. 70 Superseding Third Revised Sheet No. 70

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:

D-2 Deduction

Rate Schedule	Including Taxes			
LVS	\$.050206			
EGS-LV Firm	\$.045968			
EGS-LV Limited Firm	\$.025103			

Issued June 1, 2017 by South Jersey Gas Company, D. Robbins, Jr., President

Seventh Revised Sheet No. 77 Superseding Sixth Revised Sheet No. 77

RIDER "E" SOCIETAL BENEFITS CLAUSE (SBC) (Continued)

UNIVERSAL SERVICE FUND:

Pursuant to the "Electric Discount and Energy Competition Act", N.J.S.A. 48:3-49, the Board established the Permanent Universal Service Fund ("USF") and the Lifeline Credit and Tenants Assistance Program ("Lifeline") both of which will be collected from Rate Schedules RSG, GSG, GSG-LV, EGS, EGS-LV, CTS, LVS, FES, IGS, ITS and NGV. The USF and Lifeline factors established in this Rider "E" were set forth by the Board.

Pursuant to Section 12b of the "Electric Discount and Energy Competition Act", N.J.S.A. 48:3-60b, the Board established an Interim Universal Service Fund. All gas consumed under Rate Schedules RSG, GSG, GSG-LV, EGS, EGS-LV, CTS, LVS and FES shall recover the Company's contributions toward the Universal Service Fund (over a twelve month period on a forecasted basis in accordance with this Rider "E").

Pursuant to Section 12b of the "Electric Discount and Energy Competition Act", N.J.S.A. 48:3-60.1, electric generators that use natural gas and/or natural gas delivery service to generate electricity that is sold for resale are to be exempt from paying the societal benefit charge on the throughput used to generate electricity that is sold for resale. In order to determine the percentage of the throughput exmpt from the SBC, a customer must provide a form of Annual Certification which will provide the percentage of the customer's throughput that will be exempt from the SBC. South Jersey Gas will forward the forms to the customer in December to be updated for each subsequent calendar year's actual experience. If the customer does not return the completed forms by January 15, then the SBC will be assessed on all of the customer's usage. If the customer returns the forms on or before January 15, then adjustments to the customer's bills will be made on a prospective basis beginning in February of the subsequent year. That is, commencing in February, the customer's SBC charge will be adjusted based on the percentage of the customer's throughtput from the prior calendar year used to generate electricity that was sold for resale.

The interest rate on USF under and over recoveries shall be the interest rate based on a two-year constant maturity Treasuries as published in the Federal Reserve Statistical Release on the first day of each month (or the closest day thereafter on which the rates are published), plus sixty basis points, but shall not exceed the Company's overall rate of return as authorized by the Board.

Rates subject to this Rider have been adjusted to recover the following Societal Benefit Charges:

				USF (Including	
Rate Schedule and Appropriate I	<u>Rate</u>	RAC	CLEP	Lifeline)	<u>SBC</u>
Rate Schedule RSG	Delivery	.029166	.020110	.008700	.057976
Rate Schedule GSG	Delivery	.029166	.020110	.008700	.057976
Rate Schedule GSG-LV	Delivery	.029166	.020110	.008700	.057976
Rate Schedule EGS	Delivery	.029166	.020110	.008700	.057976

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by South Jersey Gas Company,

D. Robbins, Jr., President

RIDER "E" SOCIETAL BENEFITS CLAUSE (SBC) (Continued)

Rate Schedule and Appropriate Ra	<u>te</u>	RAC	<u>CLEP</u>	USF (Including <u>Lifeline)</u>	SBC
Rate Schedule EGS-LV	C-₁1	.029166	.020110	.008700 (1)	.057976
Rate Schedule CTS	C-1FT	.029166	.020110	.008700	.057976
Rate Schedule LVS	C-1/C-1FT	.029166	.020110	.008700	.057976
Rate Schedule FES	C-1FT	.029166	.020110	.008700	.057976
Rate Schedule IGS	Monthly Rate	.029166	N/A	.008700	.037866
Rate Schedule ITS	Monthly Rate	.029166	.020110	.008700	.057976
Rate Schedule NGV	Dęlivery	.029166	.020110	.008700	.057976

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⁽¹⁾ This element of the Societal Benefits Charge will not be applicable to those customers with special existing contracts limiting their rate exposure, until the expiration of those contracts, in accordance with the Orders of the Board of Public Utilities in Docket No. EX00020091.

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 2006 Order of the Board of Public Utilities in Docket No. GR05121019. The value of the weather-related changes in customer usage shall be calculated in accordance with Rider F to this tariff.
- Except as limited by Paragraph (d), above, the amount to be surcharged or credited to the Customer Class Group (e) 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:

,	Group I: RSG <u>Non-Heating</u>	Group II: RSG <u>Heating</u>	Group III: <u>GSG</u>	Group IV: GSG-LV
CIP Factors Per Therm	(\$0.013395)	\$0.073154	\$0.053226	(\$0.012899)
Applicable Revenue Tax Factor	1.0022	1.0022	1.0022	1.0022
CIP Factors Per Therm	(\$0.013424)	\$0.073315	\$0.053343	(\$0.012927)
Applicable NJ Sales Tax Factor	1.06875	1.06875	1.06875	1.06875
CIP Factors Per Therm with NJ Sales Tax	<u>(\$0.014347)</u>	<u>\$0.078355</u>	<u>\$0.057010</u>	<u>(\$0.013816)</u>

- (g) The CIP shall not operate to cause the Company to earn in excess of its allowed rate of return on common equity of 9.75% for any twelve month period ending September 30; any revenue which is not recovered will not be deferred. For purposes of this paragraph (f), the Company's rate of return on common equity shall be calculated by dividing the Company's net income for such annual period by the Company's average 13 month common equity balance for such annual period, all data as reflected in the Company's monthly reports to the Board of Public Utilities. The Company's net income shall be calculated by subtracting from total net income 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, (6) the Energy Efficiency Tracker, (7) the Accelerated Infrastructure Replacement Program and (8) the Storm Hardening and Reliability Program..
- (h) As used in this Rider "M", the following terms shall have the meanings ascribed to them herein:

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CONSERVATION INCENTIVE PROGRAM (CIP)

(Continued)

rounded to the nearest whole number. Similarly, the Incremental Large Customer Count Adjustment for the GSG-LV customer class for the applicable month shall equal the aggregate connected load for all new active customers that exceed the 50,000 CFH threshold divided by 25,000 CFH, rounded to the nearest whole number.

Margin Revenue Factor - the Margin Revenue Factor ("MRF") shall be the base rate, as reflected in (ix) Appendix A to this Tariff, applicable to the Customer Class Groups to which the CIP applies, net of any applicable Riders, including taxes. The MRFs by Customer Class Group are as follows:

> \$0.569789 per therm Group I (RSG non-heating): \$0.569789 per therm Group II (RSG heating): \$0.453266 per therm Group III (GSG): \$0.247996 per therm Group IV (GSG-LV):

The annual filing for the adjustment to the CIP rate shall be concurrent with the annual filing for BGSS. The CIP (i) factor shall be credited/collected on a per therm basis within the Delivery Charge for all service classifications stated above. The level of BGSS savings referenced in Special Provision (d) to this Rider "M" shall be identified in the annual CIP filing, and serve as an offset to the non-weather related portion of the CIP charge provided in Special Provision (g) to this Rider "M". The Periodic and Monthly BGSS rates identified in Rider "A" to this tariff shall include the BGSS savings, as applicable.