



Stacy A. Mitchell, Esq.
Vice President
Rates & Regulatory Affairs

*Filed
Sept. 12, 2018*

RECEIVED
CASE MANAGEMENT

September 6, 2018

SEP 10 2018

BOARD OF PUBLIC UTILITIES
TRENTON, NJ

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SEP 10 2018

BOARD OF PUBLIC UTILITIES
TRENTON, NJ

UPS and ELECTRONIC MAIL

Aida Camacho, Board Secretary
NJ Board of Public Utilities
44 South Clinton Avenue, 3rd Floor
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 to Revise the Level of its Conservation Incentive Program ("CIP") Charges for the Year Ending September 30, 2019
BPU Docket No. GR18060609**

Dear Secretary Camacho:

Enclosed please find a fully executed Stipulation in the referenced matter. If you have any questions, please feel free to contact me directly.

Respectfully,

Stacy Mitchell
Stacy A. Mitchell

SAM:lvk
Enclosure

cc: Service List ✓

CMS

SEP 10 2018

BOARD OF PUBLIC UTILITIES
TRENTON, NJ

**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") FOR THE YEAR ENDING
SEPTEMBER 30, 2019**

: SERVICE LIST

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: BPU DOCKET NO. GR18060609

: OAL DOCKET NO. _____

NJ BOARD OF PUBLIC UTILITIES

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RECEIVED
CASE MANAGEMENT

SEP 10 2018

BOARD OF PUBLIC UTILITIES
TRENTON, NJ

STATE OF NEW JERSEY
BOARD OF PUBLIC UTILITIES

RECEIVED
MAIL ROOM

SEP 10 2018

BOARD OF PUBLIC UTILITIES
TRENTON, NJ

IN THE MATTER OF THE PETITION : BPU DOCKET NO. GR18060609
OF SOUTH JERSEY GAS COMPANY :
TO REVISE THE LEVEL OF ITS BASIC : STIPULATION FOR PROVISIONAL
GAS SUPPLY SERVICE ("BGSS") : BGSS/CIP RATES
CHARGE AND CONSERVATION :
INCENTIVE PROGRAM ("CIP") :
CHARGE FOR THE YEAR ENDING :
SEPTEMBER 30, 2019 :

APPEARANCES:

Stacy A. Mitchell, Regulatory Affairs Counsel, for Petitioner South Jersey Gas Company.

Felicia Thomas-Friel, Esq., Deputy Rate Counsel, and **Henry M. Ogden, Esq.**, Assistant Deputy Rate Counsel, for the New Jersey Division of Rate Counsel (**Stefanie A. Brand**, Director).

Alex Moreau, Deputy Attorney General, for the Staff of the New Jersey Board of Public Utilities (**Gurbir S. Grewal**, Attorney General of New Jersey).

TO THE HONORABLE COMMISSIONERS OF THE BOARD OF PUBLIC UTILITIES:

I. PROCEDURAL HISTORY

1. On June 1, 2018, South Jersey Gas Company ("South Jersey" or "Company") filed a Petition ("Petition"), in Docket No. GR18060609, requesting that the Board of Public Utilities ("Board") approve the Company's proposal to increase the current level of its periodic Basic Gas Supply Service Clause ("BGSS") per therm charge of \$0.340013¹ to \$0.564695, an increase of \$0.224682 per therm, for the period October 1, 2018 through September 30, 2019 ("BGSS/CIP Year"). The requested periodic BGSS rate would result in a monthly increase of \$22.47, or 16.9%, for a residential heating customer using 100 therms of gas during a winter month.

¹ All rates quoted herein include Sales and Use Taxes ("SUT").

2. The Company also proposed the following BGSS rates: 1) the gas cost portion of the Company's D-2 charge for Rate Schedule LVS to be set at \$15.007637 per Mcf; 2) the gas cost portion of the Firm D-2 charge for Rate Schedule EGS-LV Firm to be set at \$15.437520 per Mcf; 3) the Limited Firm D-2 charge for Rate Schedule EGS-LV and the D-2 charge for Rate Schedule FES to be set at \$7.503819 per Mcf; 4) the monthly BGSS non-commodity rate applicable to Rate Schedules GSG, GSG-LV, EGS, LVS, EGS-LV and NGV to be set at \$0.106134 per therm; (5) the Rider "I" Balancing Service Clause – Large Volume ("BSC-LV") charges for Opt-Out to be set at \$0.003074 per therm and Non Opt-Out to be set at \$0.033851 per therm; and (6) the Rider "J" Balancing Service Clause – General Service ("BSC-GS") charge to be set at \$0.033851 per therm.

3. These proposed changes translate to an increase in annual BGSS recoveries of \$65.5 million.

4. The Petition also sought Board approval to implement per therm Conservation Incentive Program ("CIP") rates of a credit of \$0.120976 for Group I Residential Non-Heat customers, \$0.005717 for Group II Residential Heat customers, a credit of \$0.000026 for Group III General Service (GSG), customers and \$0.011583 for Group IV General Service Large Volume (GSG-LV) customers, effective October 1, 2018. The requested CIP rates would result in a monthly decrease of \$7.25, or 5.5% for a residential heating customer using 100 therms of gas during a winter month. The proposed bill impact on a residential non-heating customer using 15 therms of gas during a month is a decrease of \$1.60, or 5.8%. The proposed bill impact on a GSG customer using 500 therms of gas during a month is a decrease of \$28.46, or 4.9%. The proposed

bill impact on a GSG-LV customer using 15,646 therms of gas a month is an increase of \$396.88, or 2.7%.

5. These proposed changes translate to a decrease in annual CIP recoveries of \$26.4 million.

6. Pursuant to the Board's October 12, 2006 and January 21, 2010 Orders in Docket No. GR05121020, any non-weather related CIP surcharges are required to be offset by reductions in BGSS costs. Subsequently, pursuant to the Board's May 21, 2014 Order in Docket No. GR13030185 approving the continuation of the CIP, CIP non-weather related margin recoveries are subject to a Modified BGSS Savings Test with three categories of BGSS Savings: (1) permanent savings achieved through permanent capacity releases; (2) gas cost savings from reductions of capacity on a long-term basis; *i.e.* for periods of at least one year; and (3) savings associated with avoided capacity costs to meet residential customer growth.

7. Also pursuant to the Board's Order in Docket No. GR13030185, a Variable Margin Revenue Test was established, under which recoverable non-weather CIP amounts shall not exceed 6.5 percent of aggregate variable margin revenues.

8. 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 non-weather related CIP component shall be subject to a dual eligibility test comprised of the Modified BGSS Savings Test and a Margin Revenue Test. 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.

9. The Company has proposed to credit an estimated excess of \$3.1 million of CIP related margin through the CIP. This was established by subtracting the deficiency of \$1.2 million of 2016-2017 CIP year non-weather CIP impacts, which failed the modified BGSS eligibility test and were not recovered through the 2017-2018 CIP mechanism, from the 2017-2018 non-weather related margin excess of \$4.3 million. Total CIP excess related to the 2017-2018 CIP year is \$6.4 million, of which \$2.1 million is weather-related margin revenues. The weather-related component of the CIP is recovered through the CIP. However, this portion is not subject to the Modified BGSS Savings Test.

10. 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 \$6.1 million. BGSS savings realized from avoided capacity costs to meet residential customer growth (Category Three of the Modified BGSS Savings Test) total \$0.1 million. Thus, the total BGSS savings for the 2018-2019 CIP year is \$8.4 million. This exceeds the \$3.1 million of non-weather related margin excess that will be credited through the CIP mechanism. However, as the \$3.1 million of non-weather CIP margin is an excess, the application of the dual-pronged eligibility test does not apply, including the Modified BGSS Savings Test and the Variable Margin Revenue test.

11. Rider M of South Jersey'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 ("TAC") (the "ROE Test"). Under this provision, the CIP may not contribute towards earnings in excess of a 9.60% ROE. After recovery of the CIP

margin revenues, South Jersey’s ROE for the period October 1, 2017 through September 30, 2018 is projected to be 8.22%. As a result, the ROE Test will not act as a limitation on South Jersey’s recovery through the CIP for the forthcoming 2018-2019 CIP year. This projected ROE is calculated on Exhibit A to the Petition.

12. The charts below demonstrate the impact of the proposed BGSS and CIP rate changes on a residential heat sales customer using 100 therms in a month and 1,000 therms annually.

100 Monthly Therms	Current Bill	Proposed Bill	Change (\$)	Change (%)
BGSS	\$133.00	\$155.47	\$22.47	16.9%
Rider “J” Balancing	\$133.00	\$131.35	(\$1.65)	(1.2%)
CIP	\$133.00	\$125.75	(\$7.25)	(5.5%)
Combined	\$133.00	\$146.58	\$13.58	10.2%

1,000 Annual Therms	Current Bill	Proposed Bill	Change (\$)	Change (%)
BGSS	\$1,351.34	\$1,576.03	\$224.69	16.6%
Rider “J” Balancing	\$1,351.34	\$1,334.90	(\$16.44)	(1.2%)
CIP	\$1,351.34	\$1,278.89	(\$72.45)	(5.4%)
Combined	\$1,351.34	\$1,487.12	\$135.78	(10.0%)

13. Following public notice published in newspapers of general circulation within South Jersey’s service territory, two public hearings for this proceeding were held on August 20, 2018 in Voorhees, New Jersey. No members of the public appeared or provided written comments.

II. STIPULATED TERMS

14. South Jersey, Board Staff, and the New Jersey Division of Rate Counsel, the only parties to this proceeding (collectively, the "Parties"), have discussed certain matters at issue in this proceeding. As a result of those discussions, the Parties have determined that additional time is needed to complete a comprehensive review of South Jersey's proposed BGSS rates. However, the Parties agree that the provisional implementation of the proposed BGSS rates, subject to refund with interest on any net over-recovered BGSS balance, is reasonable at this time. These changes are on a provisional basis subject to an opportunity for full review at the Office of Administrative Law ("OAL"), if necessary, and final approval by the Board.

15. In accordance with the Board's January 6, 2003 Order ("Generic BGSS Order") in BPU Docket No. GX01050304, New Jersey's four gas distribution companies ("GDCs"), by June 1, submit to the Board their annual BGSS gas cost filings for the BGSS year beginning in October. The Company may therefore seek to implement provisional increases in its BGSS rate of up to 5% to be effective December 1, 2018 and February 1, 2019, if the Company determines that such increases are necessary to permit it to avoid a BGSS under-recovered balance at September 30, 2019. The self-implementing increases will be provisional and subject to true-up in connection with the next annual BGSS filing. The Company is permitted to decrease its BGSS rate at any time upon five (5) days' notice and the filing of supporting documentation with the Board and Rate Counsel. The Company may also implement a decrease in its BGSS rates at any time, without prior Board approval upon five (5) days' notice to the Board and Rate Counsel.

16. Accordingly, the Parties stipulate and agree that, pending the conclusion of further review and discussion among the Parties, it would be both reasonable and in the public interest for the Board to authorize a provisional order to increase the current level of South Jersey's Periodic BGSS rate of \$0.340013 per therm (including taxes), to \$0.564695 per therm (including taxes), effective October 1, 2018 or on such other date as the Board deems appropriate.

17. The Parties further stipulate and agree that pending the conclusion of further review and discussion among the Parties, it would be both reasonable and in the public interest for the Board to authorize the following BGSS rates on a provisional basis: 1) the gas cost portion of the Company's D-2 charge for Rate Schedule LVS be set at \$15.007637 per Mcf (including taxes); 2) the gas cost portion of the Firm D-2 charge for Rate Schedule EGS-LV Firm be set at \$15.437520 per Mcf (including taxes); 3) the Limited Firm D-2 charge for Rate Schedule EGS-LV and the D-2 charge for Rate Schedule FES, respectively, be set at \$7.503819 per Mcf (including taxes); 4) the monthly BGSS non-commodity rate applicable to Rate Schedules GSG, GSG-LV, EGS, LVS, EGS-LV and NGV be set at \$0.106134 per therm (including taxes); (5) the Rider "I" Balancing Service Clause – Large Volume ("BSC-LV") charges for Opt-Out be set at \$0.003074 per therm, and Non Opt-Out be set at \$0.033851 per therm; and (6) the Rider "J" Balancing Service Clause – General Service ("BSC-GS") charge be set at \$0.033851 per therm.

18. The proposed Periodic BGSS rate of \$0.564695 will increase the bill of a residential customer using 100 therms during a winter month from \$133.00 to \$155.47, an increase of \$22.47 or 16.9%.

19. Additionally, the Parties stipulate and agree that, pending the conclusion of further review and discussion among the Parties, it would be both reasonable and in the public interest for

the Board to authorize the implementation of the following proposed per therm CIP rates: 1) a credit of \$0.120976 for Group I Residential Non-Heat customers, a decrease from the current credit rate of \$0.014313; 2) \$0.005717 for Group II Residential Heat customers, a decrease from the current rate of \$0.078172; 3) a credit of \$0.000026 for Group III General Service (GSG) customers, a decrease from the current rate of \$0.056877; and 4) \$0.011583 for Group IV General Service Large Volume (GSG-LV) customers, an increase from the current credit rate of \$0.013783. It is agreed by the Parties that these rate changes will be effective as of October 1, 2018, or as of such date that the Board deems appropriate. The proposed provisional CIP rate changes translate to a decrease in CIP-related recoveries of \$26.4 million and are subject to an opportunity for a full review at the OAL, if necessary, and final approval by the Board.

20. The proposed CIP rates result in a decrease of \$7.25, or 5.5%, per month to the residential heating customer using 100 therms. The impact on a residential non-heat customer using 15 therms of gas in a month is a decrease of \$1.60 or 5.8%. The impact on a GSG customer using 500 therms of gas in a month is a decrease of \$28.46 or 4.9%. The impact on a GSG-LV customer using 15,646 therms of gas in a month is an increase of \$396.88 or 2.7%.

21. Combining the BGSS recovery increase of \$65.5 million with a decrease in CIP-related recoveries of \$26.4 million results in a provisional recovery increase of \$39.1 million and a net increase of 13.58, or 10.2%, to the monthly bill of a residential heating customer using 100 therms.

22. The Company will submit tariff sheets in the form attached as Appendix 1 within five (5) days of the effective date of the Board's Order approving this Stipulation.

23. The Company agrees to continue to provide electronically to the Parties in this proceeding, on a monthly basis, the following updated information: 1) the BGSS NYMEX Update Report (also known as S-SCHART-1) attached hereto as Exhibit A; and 2) a monthly report (also known as S-SCHART-2) showing the calculation of net gas per therm (attached hereto as Exhibit B). The chart reflected on Exhibit A is to be completed using information from the first Friday of the month and submitted to the Parties the following Tuesday. The chart reflected on Exhibit B is to be submitted to the Parties on approximately the 15th of the following month.

24. The Parties further acknowledge that a Board Order approving this Stipulation will become effective upon the service of said Board Order, or upon such date after the service thereof as the Board may specify, in accordance with *N.J.S.A. 48:2-40*.

III. MISCELLANEOUS

24. This Stipulation represents a mutual balancing of interests and, therefore, is intended to be accepted and approved in its entirety. If this Stipulation is not adopted in its entirety by the Board, then any party hereto is free to pursue its then available legal remedies with respect to all issues addressed in this Stipulation as though this Stipulation had not been signed.

25. It is specifically understood and agreed that this Stipulation represents a negotiated interim agreement and has been made exclusively for the purpose of this proceeding. Except as expressly provided herein, South Jersey, Staff, and Rate Counsel shall not be deemed to have approved, agreed to, or consented to any principle or methodology underlying or supposed to underlie any agreement provided herein. Also, all rates are subject to Board audit.

WHEREFORE, the Parties hereto do respectfully submit this Stipulation and request that the Board issue a Decision and Order approving it in its entirety, in accordance with the terms hereof, as soon as reasonably possible.

SOUTH JERSEY GAS COMPANY

By: 
Stacy A. Mitchell, Esq.
VP, Rates & Regulatory Affairs

**GURBIR S. GREWAL
ATTORNEY GENERAL OF NEW JERSEY
Attorney for the Staff of the Board of Public Utilities**

By: _____
Alex Moreau
Deputy Attorney General

**STEFANIE A. BRAND
DIRECTOR, DIVISION OF RATE COUNSEL**

By: _____
Henry M. Ogden, Esq.
Assistant Deputy Rate Counsel

Dated: September 6, 2018

WHEREFORE, the Parties hereto do respectfully submit this Stipulation and request that the Board issue a Decision and Order approving it in its entirety, in accordance with the terms hereof, as soon as reasonably possible.

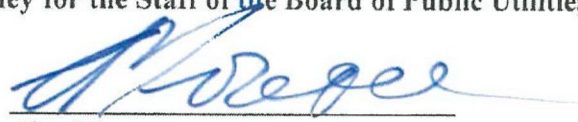
SOUTH JERSEY GAS COMPANY

By:


Stacy A. Mitchell, Esq.
VP, Rates & Regulatory Affairs

GURBIR S. GREWAL
ATTORNEY GENERAL OF NEW JERSEY
Attorney for the Staff of the Board of Public Utilities

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By:

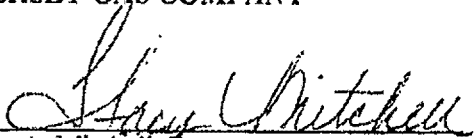
Henry M. Ogden, Esq.
Assistant Deputy Rate Counsel

Dated: September 6, 2018

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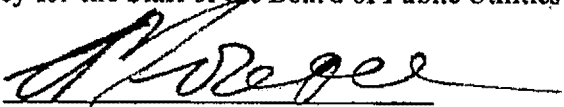
SOUTH JERSEY GAS COMPANY

By:


Stacy A. Mitchell, Esq.
VP, Rates & Regulatory Affairs

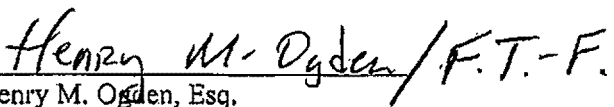
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ATTORNEY GENERAL OF NEW JERSEY
Attorney for the Staff of the Board of Public Utilities

By:


Alex Moreau
Deputy Attorney General

STEFANIE A. BRAND
DIRECTOR, DIVISION OF RATE COUNSEL

By:


Henry M. Ogden, Esq.
Assistant Deputy Rate Counsel

Dated: September 6, 2018

SOUTH JERSEY GAS COMPANY

Fifth Revised Sheet No. 6

B.P.U.N.J. No. 12 - GAS

Superseding Fourth 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:		\$10.662500 per month
Delivery Charge:		
(a)	Residential Non-Heating Customers Firm Sales Service and Firm Transportation Service	\$.667784790897 per therm
(b)	Residential Heating Customers Firm Sales Service and Firm Transportation Service	\$.794477883382 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.

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

Issued June 1, 2018
by South Jersey Gas Company,
D. Robbins, Jr., President

Effective with service rendered
on and after April 1, 2018

Filed pursuant to Order in Docket No. GR18060609 of the Board of
Public Utilities, State of New Jersey, dated September 17, 2018

SOUTH JERSEY GAS COMPANY

Fifth Revised Sheet No. 10

B.P.U.N.J. No. 12 - GAS

Superseding Fourth 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:

\$33.853438 per month

Delivery Charges:

Firm Sales Service and Firm Transportation Service \$.681146754499 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.
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.

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

Issued June 1, 2018
by South Jersey Gas Company,
D. Robbins, Jr., President

Effective with service rendered
on and after October 1, 2018

Filed pursuant to Order in Docket No. GR18060609 of the Board of
Public Utilities, State of New Jersey, dated September 17, 2018

SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 12 - GAS

**Fifth Revised Sheet No. 14
Superseding Fourth 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: ⁽¹⁾

Customer Charge:

\$159.937500 per month

Delivery Charges:

Firm Sales Service and Firm Transportation Service⁽²⁾

Demand Charge:

D-1FT: \$11.195625 per Mcf of Contract Demand

Volumetric Charge:

\$406902397986 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.

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

Issued June 1, 2018
by South Jersey Gas Company,
D. Robbins, Jr., President

Effective with service rendered
on and after October 1, 2018

Filed pursuant to Order in Docket No. GR18060609 of the Board of
Public Utilities, State of New Jersey, dated September 17, 2018

SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 12 - GAS

**Fifth Revised Sheet No. 25
Superseding Fourth 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: ⁽¹⁾

Firm:

Customer Charge:

\$959.625000 per month

Delivery Charge:

Firm Sales Service and Firm Transportation Service

Demand Charge:

D-1FT: \$19.192500 per Mcf of Contract Demand

Volumetric Charge:

\$.120567 per therm

Basic Gas Supply Service ("BGSS") Charge:

Demand Charge:

D-2: \$15.00763745-759966 per Mcf of Contract Demand.

Volumetric Charge:

See Rider "A" of this Tariff.

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

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D. Robbins, Jr., President

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 12 - GAS

**Fourth Revised Sheet No. 31
Superseding Third 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 ⁽¹⁾⁽²⁾

WINTER (November – March):

Demand Charge:

D-1 \$3.089100 per Mcf of Winter Daily Contract Demand
D-2 ~~\$7.5038197-879983~~ per Mcf of Daily Billing Determinant or \$0 for Firm Transportation

customers

Volumetric Charge:

C-1: \$.082633 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 ~~\$7.5038197-879983~~ per Mcf of Daily Billing Determinant or \$0 for Firm Transportation

customers

Volumetric Charge:

C-1: \$.082633 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. 12 - GAS

**Fifth Revised Sheet No. 38
Superseding Fourth 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: ⁽¹⁾⁽²⁾

Residential Customer Charge:

\$10.662500 per month

Residential Delivery Charge

Residential Volumetric Charge: \$259450275900 per therm

Commercial and Industrial Customer Charge:

\$79.968750 per month

Commercial and Industrial Delivery Charge:

Commercial and Industrial Demand Charge:

D-I Charge: \$8.796563 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

\$247457263907 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.

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SOUTH JERSEY GAS COMPANY

Fifth Revised Sheet No. 39

B.P.U.N.J. No. 12 - GAS

Superseding Fourth 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

\$~~215469234919~~ 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.

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. 12 - GAS

**Fifth Revised Sheet No. 43
Superseding Fourth 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: ⁽¹⁾

Customer Charge:
\$959.625000 per month

FIRM:

Demand Charges: ⁽²⁾

D-1 \$22.606417 per Mcf of Firm Daily Contract Demand.
D-2 ~~\$15.43752045-455576~~ per Mcf of Firm Daily Contract Demand or \$0 for Firm Transportation customers.

Volumetric Charge:

C-1: \$.082633 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 ~~\$7.5038197-879983~~ per Mcf of Limited Firm Daily Contract Demand or \$0 for Limited Firm Transportation customers

Volumetric Charge: ⁽²⁾

C-1: \$.082633 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 \$1.173700 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).

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 12 - GAS

**Thirteenth Revised Sheet No. 65
Superseding Twelfth 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

APPLICABLE RATES:

Periodic BGSS Subrider (Effective ~~October~~ January 1, 2018)¹:

<u>Rate Schedule</u>	<u>BGSS Rate Before Taxes (per therm)</u>	<u>BGSS Rate With Taxes (per therm)</u>
RSG	\$0.528285318187	\$0.564695340013
GSG (under 5,000 therms)	\$0.528285318187	\$0.564695340013

Monthly BGSS Subrider (Effective September 1, 2018):

<u>Rate Schedule</u>	<u>BGSS Rate Before Taxes (per therm)</u>	<u>BGSS Rate With Taxes (per therm)</u>
LVS C-2	\$0.349057	\$0.373114
FES	\$0.291262	\$0.311336
EGS	\$0.395931	\$0.423219
EGS-LV Firm C-2	\$0.349963	\$0.374083
EGS-LV Limited Firm C-2	\$0.372494	\$0.398167
GSG-LV	\$0.395931	\$0.423219
GSG (5,000 therms or greater)	\$0.395931	\$0.423219
NGV	\$0.395931	\$0.423219

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.

¹ Reflects currently approved Total BGSS Rate.

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 12 - GAS

**Second Revised Sheet No. 68
Superseding First 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		\$.047698050089
EGS-LV Firm		\$.049064049124
EGS-LV Limited Firm		\$.023849025044

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SOUTH JERSEY GAS COMPANY

**First Revised Sheet No. 86
Superseding Original Sheet No. 86**

B.P.U.N.J. No. 12 - GAS

**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: \$0.0030740027 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: \$0.0338510426 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

Second Revised Sheet No. 92

B.P.U.N.J. No. 12 - GAS

Superseding First 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: \$0.33851050300 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

Second Revised Sheet No. 102

B.P.U.N.J. No. 12 - GAS

Superseding First 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 terms 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:

	<u>Group I: RSG Non-Heating</u>	<u>Group II: RSG Heating</u>	<u>Group III: GSG</u>	<u>Group IV: GSG-LV</u>
CIP Factors Per Therm	(\$0.11317504 3395)	\$0.00534907 3454	(\$0.000024)0 53226	(\$0.01083604 2899)
Applicable Revenue Tax Factor	<u>1.0025052</u>	<u>1.0025052</u>	<u>1.0025052</u>	<u>1.0025052</u>
CIP Factors Per Therm	(\$0.113459043 424)	\$0.00536207331 5	(\$0.000024)053 343	(\$0.01086304 2927)
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	(\$0.12097601 43134)	\$0.005717078 172	(\$0.000026)0 56877	(\$0.01158304 3783)

- (g) The CIP shall not operate to cause the Company to earn in excess of its allowed rate of return on common equity of 9.60% 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..

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SOUTH JERSEY GAS COMPANY
 Schedule of Rate Components
 Appendix A - Effective October 1, 2018

<u>RESIDENTIAL GAS SERVICE (RSG) - NONHEAT CUSTOMER</u>					
	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
CUSTOMER CHARGE		10.000000		0.662500	10.662500
<u>DELIVERY CHARGE (per therm):</u>					
Base Rate		0.629030		0.041673	0.670703
TIC	C	0.001473	0.000003	0.000098	0.001574
SBC:					
RAC	E, G	0.032415	0.000071	0.002152	0.034639
CLEP	E, K	0.028215	0.000062	0.001873	0.030150
USF	E	<u>0.008200</u>	<u>0.000000</u>	<u>0.000500</u>	<u>0.008700</u>
Total SBC		0.068830	0.000133	0.004525	0.073489
CIP	M	(0.113175)	(0.000284)	(0.007517)	(0.120976)
EET	N	0.008557	0.000019	0.000568	0.009144
Balancing Service Charge BS-1	J	0.031668	0.000079	0.002103	0.033851
Balancing Service Charge BUY-OUT PRICE (Applicable to Transportation Customers Only)	J				Rate Set Monthly
TOTAL DELIVERY CHARGE		0.626383	(0.000049)	0.041450	0.667784
<u>BGSS: (Applicable To Sales Customers Only)</u>	A	0.528285	0.001323	0.035087	0.564695

SOUTH JERSEY GAS COMPANY
 Schedule of Rate Components
 Appendix A - Effective October 1, 2018

<u>RESIDENTIAL GAS SERVICE (RSG) - HEAT CUSTOMER</u>	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<u>CUSTOMER CHARGE</u>		10.000000		0.662500	10.662500
<u>DELIVERY CHARGE (per therm):</u>					
Base Rate		0.629030		0.041673	0.670703
TIC	C	0.001473	0.000003	0.000098	0.001574
SBC:					
RAC	E, G	0.032415	0.000071	0.002152	0.034639
CLEP	E, K	0.028215	0.000062	0.001873	0.030150
USF	E	<u>0.008200</u>	<u>0.000000</u>	<u>0.000500</u>	<u>0.008700</u>
Total SBC		0.068830	0.000133	0.004525	0.073489
CIP	M	0.005349	0.000013	0.000355	0.005717
EET	N	0.008557	0.000019	0.000568	0.009144
Balancing Service Charge BS-1	J	0.031668	0.000079	0.002103	0.033851
Balancing Service Charge BUY-OUT PRICE (Applicable to Transportation Customers Only)	J				Rate Set Monthly
Total Delivery Charge		0.744907	0.000248	0.049322	0.794477
<u>BGSS: (Applicable To Sales Customers Only)</u>	A	0.528285	0.001323	0.035087	0.564695

SOUTH JERSEY GAS COMPANY
 Schedule of Rate Components
 Appendix A - Effective October 1, 2018

<u>GENERAL SERVICE (GSG)</u>		<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
CUSTOMER CHARGE			31.750000		2.103438	33.853438
<u>DELIVERY CHARGE (per therm):</u>						
Base Rate			0.528127		0.034988	0.563115
TIC		C	0.001473	0.000003	0.000098	0.001574
SBC:						
RAC		E, G	0.032415	0.000071	0.002152	0.034639
CLEP		E, K	0.028215	0.000062	0.001873	0.030150
USF		E	0.008200	0.000000	0.000500	0.008700
Total SBC			0.068830	0.000133	0.004525	0.073489
CIP		M	(0.000024)	0.000000	(0.000002)	(0.000026)
EET		N	0.008557	0.000019	0.000568	0.009144
Balancing Service Charge BS-1		J	0.031668	0.000079	0.002103	0.033851
Balancing Service Charge BUY-OUT PRICE (Applicable to Transportation Customers Only)		J				Rate Set Monthly
Total Delivery Charge			0.638631	0.000235	0.042280	0.681146
<u>BGSS: (Applicable To Sales Customers Only using less than 5,000 therms annually)</u>		A	0.528285	0.001323	0.035087	0.564695
<u>BGSS: (Applicable To Sales Customers Only using 5,000 therms annually or greater)</u>		A				RATE SET MONTHLY

SOUTH JERSEY GAS COMPANY
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<u>GENERAL SERVICE-LV (GSG-LV)</u>	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<u>CUSTOMER CHARGE</u>		150.000000		9.937500	159.937500
<u>D-1 Demand Charge (Mcf)</u>		10.500000		0.695625	11.195625
<u>DELIVERY CHARGE (per therm):</u>					
Base Rate		0.260035		0.017227	0.277262
TIC	C	0.001473	0.000003	0.000098	0.001574
SBC:					
RAC	E, G	0.032415	0.000071	0.002152	0.034639
CLEP	E, K	0.028215	0.000062	0.001873	0.030150
USF	E	<u>0.008200</u>	<u>0.000000</u>	<u>0.000500</u>	<u>0.008700</u>
Total SBC		0.068830	0.000133	0.004525	0.073489
CIP	M	0.010836	0.000027	0.000720	0.011583
EET	N	0.008557	0.000019	0.000568	0.009144
Balancing Service Charge BS-1	J	0.031668	0.000079	0.002103	0.033851
Balancing Service Charge BUY-OUT PRICE (Applicable to Transportation Customers Only)	J				Rate Set Monthly
Total Delivery Charge		0.381399	0.000262	0.025241	0.406902
<u>BGSS: (Applicable Sales Customers Only)</u>	A				RATE SET MONTHLY

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<u>COMPREHENSIVE TRANSPORTATION SERVICE (CTS)</u>		<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<u>FIRM</u>						
<u>CUSTOMER CHARGE</u>			600.000000		39.750000	639.750000
<u>D-1 Demand Charge (Mcf)</u>			31.000000		2.053750	33.053750
<u>DELIVERY CHARGE (per therm):</u>						
Base Rate			0.046559		0.003085	0.049644
SBC:						
RAC		E, G	0.032415	0.000071	0.002152	0.034639
CLEP		E, K	0.028215	0.000062	0.001873	0.030150
USF		E	<u>0.008200</u>	<u>0.000000</u>	<u>0.000500</u>	<u>0.008700</u>
Total SBC			0.068830	0.000133	0.004525	0.073489
EET		N	0.008557	0.000019	0.000568	0.009144
Total Delivery Charge			0.123946	0.000152	0.008178	0.132277
Balancing Service Charge BS-1		I	0.031668	0.000079	0.002103	0.033851
Balancing Service Charge BS-1 (Opt Out Provision)		I	0.002876	0.000007	0.000191	0.003074
BUY-OUT PRICE						RATE SET MONTHLY
<u>LIMITED FIRM</u>						
<u>CUSTOMER CHARGE</u>			100.000000		6.625000	106.625000
<u>DELIVERY CHARGE (per therm):</u>						
Base Rate			0.058400		0.003900	0.062300
SBC:						
RAC		E, G	0.032415	0.000071	0.002152	0.034639
CLEP		E, K	0.028215	0.000062	0.001873	0.030150
USF		E	<u>0.008200</u>	<u>0.000000</u>	<u>0.000500</u>	<u>0.008700</u>
Total SBC			0.068830	0.000133	0.004525	0.073489
EET		N	0.008557	0.000019	0.000568	0.009144
Total Delivery Charge			0.135787	0.000152	0.008993	0.144933
Balancing Service Charge BS-1		I	0.031668	0.000079	0.002103	0.033851
Balancing Service Charge BS-1 (Opt Out Provision)		I	0.002876	0.000007	0.000191	0.003074
BUY-OUT PRICE						RATE SET MONTHLY

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<u>LARGE VOLUME SERVICE (LVS)</u>	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<u>FIRM</u>					
<u>CUSTOMER CHARGE</u>		900.000000		59.625000	959.625000
<u>D-1 Demand Charge (Mcf)</u>		18.000000		1.192500	19.192500
<u>D-2 DEMAND BGSS(Applicable to Sales Customers Only)</u>	A	14.039988	0.035170	0.932479	15.007637
<u>DELIVERY CHARGE (per therm):</u>					
Base Rate		0.035577		0.002357	0.037934
SBC:					
RAC	E, G	0.032415	0.000071	0.002152	0.034639
CLEP	E, K	0.028215	0.000062	0.001873	0.030150
USF	E	<u>0.008200</u>	<u>0.000000</u>	<u>0.000500</u>	<u>0.008700</u>
Total SBC		0.068830	0.000133	0.004525	0.073489
EET	N	0.008557	0.000019	0.000568	0.009144
Total Delivery Charge		0.112964	0.000152	0.007460	0.120567
Balancing Service Charge BS-1	I	0.031668	0.000079	0.002103	0.033851
Balancing Service Charge BS-1 (Opt Out Provision) (Applicable to Transportation Customers Only)	I	0.002876	0.000007	0.000191	0.003074
Balancing Service Charge CASH OUT CHARGE (CREDIT) (Applicable Transportatn Customers Only)	I				RATE SET MONTHLY
<u>BGSS: (Applicable Sales Customers Only)</u>	A				RATE SET MONTHLY
<u>LIMITED FIRM</u>					
<u>CUSTOMER CHARGE</u>		100.000000		6.625000	106.625000
<u>DELIVERY CHARGE (per therm):</u>					
Base Rate		0.122174		0.008094	0.130268
SBC:					
RAC	E, G	0.032415	0.000071	0.002152	0.034639
CLEP	E, K	0.028215	0.000062	0.001873	0.030150
USF	E	<u>0.008200</u>	<u>0.000000</u>	<u>0.000500</u>	<u>0.008700</u>
Total SBC		0.068830	0.000133	0.004525	0.073489
EET	N	0.008557	0.000019	0.000568	0.009144
Total Delivery Charge		0.199561	0.000152	0.013187	0.212901
Balancing Service Charge BS-1	I	0.031668	0.000079	0.002103	0.033851
Balancing Service Charge BS-1 (Opt Out Provision) (Applicable to Transportation Customers Only)	I	0.002876	0.000007	0.000191	0.003074
BUY-OUT PRICE	I				RATE SET MONTHLY

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FIRM ELECTRIC SALES (FES)					
	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
WINTER					
D-1 DEMAND (MCF) (Rate is negotiated. Shown here is the benchmark rate.)		2.897200		0.191900	3.089100
D-2 DEMAND BGSS(MCF) (Applicable to Sales Customers Only)	A	7.019994	0.017585	0.466240	7.503819
DELIVERY CHARGE (per therm):					
SBC:					
RAC	E, G	0.032415	0.000071	0.002152	0.034639
CLEP	E, K	0.028215	0.000062	0.001873	0.030150
USF	E	0.008200	0.000000	0.000500	0.008700
Total SBC		0.068830	0.000133	0.004525	0.073489
EET	N	0.008557	0.000019	0.000568	0.009144
Total Delivery Charge		0.077387	0.000152	0.005093	0.082633
C-3 All Therms (Rate is negotiated. Shown here is the benchmark rate.)		0.162900		0.010800	0.173700
C-4 Escalator Rate (To be determined as prescribed in the Company's Tariff)					
					RATE SET MONTHLY
Balancing Service Charge CASH OUT CHARGE (CREDIT) (Applicable to Firm Transportatin Customers Only)	I				RATE SET MONTHLY
BGSS: (Applicable To Sales Customers Only)	A				RATE SET MONTHLY
SUMMER					
D-1 DEMAND (MCF) (Rate is negotiated. Shown here is the benchmark rate.)		2.897200		0.191900	3.089100
D-2 DEMAND BGSS(MCF) (Applicable to Sales Customers Only)	A	7.019994	0.017585	0.466240	7.503819
SBC:					
RAC	E, G	0.032415	0.000071	0.002152	0.034639
CLEP	E, K	0.028215	0.000062	0.001873	0.030150
USF	E	0.008200	0.000000	0.000500	0.008700
EET	N	0.008557	0.000019	0.000568	0.009144
Total Delivery Charge		0.077387	0.000152	0.005093	0.082633
C-3 All Therms (Rate is negotiated. Shown here is the benchmark rate.)		0.162900		0.010800	0.173700
C-4 Escalator Rate (To be determined as prescribed in the Company's Tariff)					
					RATE SET MONTHLY
Balancing Service Charge CASH OUT CHARGE (CREDIT) (Applicable to Firm Transportatin Customers Only)	I				RATE SET MONTHLY
BGSS: (Applicable To Sales Customers Only)	A				RATE SET MONTHLY

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<u>ELECTRIC GENERATION SERVICE (EGS) - RESIDENTIAL</u>		<u>RIDER</u>	<u>RATE</u>	<u>PIA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
CUSTOMER CHARGE			10.000000		0.662500	10.662500
DELIVERY CHARGE (per therm):						
Base Rate			0.134084		0.008883	0.142967
SBC:						
RAC		E, G	0.032415	0.000071	0.002152	0.034639
CLEP		E, K	0.028215	0.000062	0.001873	0.030150
USF		E	<u>0.008200</u>	<u>0.000000</u>	<u>0.000500</u>	<u>0.008700</u>
	Total SBC		0.068830	0.000133	0.004525	0.073489
EET		N	0.008557	0.000019	0.000568	0.009144
Balancing Service Charge BS-1		J	0.031668	0.000079	0.002103	0.033851
	Total Delivery Charge		0.243139	0.000232	0.016079	0.259450
BGSS: (Applicable To Sales Customers Only)		A	0.528285	0.001323	0.035087	0.564695

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ELECTRIC GENERATION SERVICE (EGS) - COMMERCIAL/INDUSTRIAL

	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<u>CUSTOMER CHARGE</u>		75.000000		4.968750	79.968750
<u>D-1 DEMAND (MCF)</u>		8.250000		0.546563	8.796563
<u>DELIVERY CHARGE (per therm):</u>					
Base Rate - Winter Season (Nov - Mar)		0.122836		0.008138	0.130974
Base Rate - Summer Season (Apr - Oct)		0.092836		0.006150	0.098986
SBC:					
RAC	E, G	0.032415	0.000071	0.002152	0.034639
CLEP	E, K	0.028215	0.000062	0.001873	0.030150
USF	E	<u>0.008200</u>	<u>0.000000</u>	<u>0.000500</u>	<u>0.008700</u>
Total SBC		0.068830	0.000133	0.004525	0.073489
EET	N	0.008557	0.000019	0.000568	0.009144
Balancing Service Charge BS-1	J	0.031668	0.000079	0.002103	0.033851
Total Delivery Charge - Winter Season		0.231891	0.000232	0.015334	0.247457
Total Delivery Charge - Summer Season		0.201891	0.000232	0.013346	0.215469
<u>BGSS: (Applicable To Sales Customers Only)</u>	A				RATE SET MONTHLY

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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>
FIRM					
CUSTOMER CHARGE		900.000000		59.625000	959.625000
D-1 DEMAND (MCF) (Rate is negotiated. Shown here is the benchmark rate.)		21.201798		1.404619	22.606417
D-2 DEMAND BGSS (MCF) (Applicable to Sales Customers Only)	A	14.442153	0.036178	0.959189	15.437520
DELIVERY CHARGE (per therm):					
SBC:					
RAC	E, G	0.032415	0.000071	0.002152	0.034639
CLEP	E, K	0.028215	0.000062	0.001873	0.030150
USF	E	<u>0.008200</u>	<u>0.000000</u>	<u>0.000500</u>	<u>0.008700</u>
		0.068830	0.000133	0.004525	0.073489
EET	N	0.008557	0.000019	0.000568	0.009144
Total Delivery Charge		0.077387	0.000152	0.005093	0.082633
Balancing Service Charge BS-1	I	0.031668	0.000079	0.002103	0.033851
Balancing Service Charge BS-1 (Opt Out Provision)	I	0.002876	0.000007	0.000191	0.003074
Balancing Service Charge CASH OUT CHARGE (CREDIT) (Applicable to Firm Transportatin Customers Only)	I				RATE SET MONTHLY
BGSS: (Applicable To Sales Customers Only)	A				RATE SET MONTHLY
LIMITED FIRM					
D-2 DEMAND BGSS(MCF) (Applicable to Sales Customers Only)	A	7.019994	0.017585	0.466240	7.503819
DELIVERY CHARGE (per therm):					
SBC:					
RAC	E, K	0.032415	0.000071	0.002152	0.034639
CLEP	E, G	0.028215	0.000062	0.001873	0.030150
USF	E	<u>0.008200</u>	<u>0.000000</u>	<u>0.000500</u>	<u>0.008700</u>
		0.068830	0.000133	0.004525	0.073489
EET	N	0.008557	0.000019	0.000568	0.009144
Total Delivery Charge		0.077387	0.000152	0.005093	0.082633
C-3 (Rate is negotiated. Shown here is the benchmark rate.)		0.162900		0.010800	0.173700
Balancing Service Charge BS-1	I	0.031668	0.000079	0.002103	0.033851
Balancing Service Charge BS-1 (Opt Out Provision)	I	0.002876	0.000007	0.000191	0.003074
Balancing Service Charge CASH OUT CHARGE (CREDIT) (Applicable to Firm Transportatin Customers Only)	I				RATE SET MONTHLY
BGSS: (Applicable To Sales Customers Only)	A				RATE SET MONTHLY

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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			13.023977		0.862838	13.886815
<u>STREET LIGHTING SERVICE (SLS)</u>						
MONTHLY CHARGE / INSTALL			15.996701		1.059781	17.056482
<u>INTERRUPTIBLE GAS SALES (IGS)</u>						
Commodity						Rate Set Monthly
SBC:						
RAC		E, K	0.032415	0.000071	0.002152	0.034639
USF		E	0.008200	0.000000	0.000500	0.008700
	Total SBC:		0.040615	0.000071	0.002652	0.043339
EET		N	0.008557	0.000019	0.000568	0.009144

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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>
CUSTOMER CHARGE		100.000000		6.625000	106.625000
TRANSPORTATION CHARGE A		0.028400		0.001900	0.030300
SBC:					
RAC	E, K	0.032415	0.000071	0.002152	0.034639
CLEP	E, G	0.028215	0.000062	0.001873	0.030150
USF	E	<u>0.008200</u>	<u>0.000000</u>	<u>0.000500</u>	<u>0.008700</u>
Total SBC:		0.068830	0.000133	0.004525	0.073489
EET	N	0.008557	0.000019	0.000568	0.009144
TRANSPORTATION CHARGE B		0.093200		0.006200	0.099400
SBC:					
RAC	E, K	0.032415	0.000071	0.002152	0.034639
CLEP	E, G	0.028215	0.000062	0.001873	0.030150
USF	E	<u>0.008200</u>	<u>0.000000</u>	<u>0.000500</u>	<u>0.008700</u>
Total SBC:		0.068830	0.000133	0.004525	0.073489
EET	N	0.008557	0.000019	0.000568	0.009144
TRANSPORTATION CHARGE C		0.153200		0.010100	0.163300
SBC:					
RAC	E, K	0.032415	0.000071	0.002152	0.034639
CLEP	E, G	0.028215	0.000062	0.001873	0.030150
USF	E	<u>0.008200</u>	<u>0.000000</u>	<u>0.000500</u>	<u>0.008700</u>
Total SBC:		0.068830	0.000133	0.004525	0.073489
EET	N	0.008557	0.000019	0.000568	0.009144

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<u>NATURAL GAS VEHICLE (NGV)</u>			<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<u>COMPANY OPERATED FUELING STATIONS</u>						
<u>DELIVERY CHARGE (per therm):</u>						
SBC						
RAC		E, K	0.032415	0.000071	0.002152	0.034639
CLEP		E, G	0.028215	0.000062	0.001873	0.030150
USF		E	<u>0.008200</u>	<u>0.000000</u>	<u>0.000500</u>	<u>0.008700</u>
	Total SBC:		0.068830	0.000133	0.004525	0.073489
EET		N	0.008557	0.000019	0.000568	0.009144
	Total Delivery Charge		0.077387	0.000152	0.005093	0.082633
			0.172933	0.000433	0.0114850	0.184851
<u>DISTRIBUTION CHARGE</u>						
			0.560000	0.001403	0.037193	0.598596
<u>COMPRESSION CHARGE</u>						
Balancing Service Charge BS-1		I	0.031668	0.000079	0.002103	0.033851
Balancing Service Charge BS-1 (Opt Out Provision) (Applicable for Transportation Customers Only)		I	0.002876	0.000007	0.000191	0.003074
Balancing Service Charge BS-1		J	0.031668	0.000079	0.002103	0.033851
<u>BGSS: (Applicable To Sales Customers Only)</u>		A				RATE SET MONTHLY
<u>CUSTOMER OPERATED FUELING STATIONS</u>						
<u>CUSTOMER CHARGE</u>						
	0 - 999 CF/hour		37.500000		2.484400	39.984400
	1,000 - 4,999 CF/hour		75.000000		4.968800	79.968800
	5,000 - 24,999 CF/hour		200.000000		13.250000	213.250000
	25,000 or Greater CF/hour		900.000000		59.625000	959.625000
<u>DELIVERY CHARGE (per therm):</u>						
SBC						
RAC		E, K	0.032415	0.000071	0.002152	0.034639
CLEP		E, G	0.028215	0.000062	0.001873	0.030150
USF		E	<u>0.008200</u>	<u>0.000000</u>	<u>0.000500</u>	<u>0.008700</u>
	Total SBC:		0.068830	0.000133	0.004525	0.073489
EET		N	0.008557	0.000019	0.000568	0.009144
	Total Delivery Charge		0.077387	0.000152	0.005093	0.082633
			0.172933	0.000433	0.011485	0.184851
<u>DISTRIBUTION CHARGE</u>						
Balancing Service Charge BS-1		I	0.031668	0.000079	0.002103	0.033851
Balancing Service Charge BS-1 (Opt Out Provision) (Applicable for Transportation Customers Only)		I	0.002876	0.000007	0.000191	0.003074
Balancing Service Charge BS-1		J	0.031668	0.000079	0.002103	0.033851
<u>BGSS: (Applicable To Sales Customers Only)</u>		A				RATE SET MONTHLY
<u>Facilities Charge (Applicable only to Customers that elect the Company construct Compressed Natural Gas ("CNG") fueling Facilities located on Customer's property)</u>			0.324176		0.021477	0.345653

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Heat Residential Rate Schedule:

	RSG FSS	RSG-FTS	Difference
BGSS	0.564695	0.000000	0.564695
Base Rate	0.670703	0.670703	0.000000
CLEP	0.030150	0.030150	0.000000
RAC	0.034639	0.034639	0.000000
CIP	0.005717	0.005717	0.000000
USF	0.008700	0.008700	0.000000
TIC	0.001574	0.001574	0.000000
EET	0.009144	0.009144	0.000000
BSC "J" BS-1	0.033851	0.033851	0.000000
Price to Compare	1.359172	0.794477	0.564695

NonHeat Residential Rate Schedule:

	RSG FSS	RSG-FTS	Difference
BGSS	0.564695	0.000000	0.564695
CIP	(0.120976)	(0.120976)	0.000000
Base Rate	0.670703	0.670703	0.000000
CLEP	0.030150	0.030150	0.000000
RAC	0.034639	0.034639	0.000000
USF	0.008700	0.008700	0.000000
TIC	0.001574	0.001574	0.000000
EET	0.009144	0.009144	0.000000
BSC "J" BS-1	0.033851	0.033851	0.000000
Price to Compare	1.232479	0.667784	0.564695

GSG
(Under 5,000 therms annually)

	GSG FSS	GSG-FTS	Difference
BGSS	0.564695	0.000000	0.564695
CIP	(0.000026)	(0.000026)	0.000000
Base Rates	0.563115	0.563115	0.000000
CLEP	0.030150	0.030150	0.000000
RAC	0.034639	0.034639	0.000000
USF	0.008700	0.008700	0.000000
TIC	0.001574	0.001574	0.000000
EET	0.009144	0.009144	0.000000
BSC "J" BS-1	0.033851	0.033851	0.000000
Price to Compare	1.245841	0.681146	0.564695

GSG
(5,000 therms annually or greater)

	GSG FSS	GSG-FTS	Difference
BGSS	0.423219	0.000000	0.423219
CIP	(0.000026)	(0.000026)	0.000000
Base Rates	0.563115	0.563115	0.000000
CLEP	0.030150	0.030150	0.000000
RAC	0.034639	0.034639	0.000000
USF	0.008700	0.008700	0.000000
TIC	0.001574	0.001574	0.000000
EET	0.009144	0.009144	0.000000
BSC "J" BS-1	0.033851	0.033851	0.000000
Price to Compare	1.104365	0.681146	0.423219

GSG-LV

Prior to 7/15/97

	GSG-LV FSS	GSG-LV-FTS	Difference
BGSS	0.423219	0.000000	0.423219
CIP	0.011583	0.011583	0.000000
Base Rates	0.277262	0.277262	0.000000
CLEP	0.030150	0.030150	0.000000
RAC	0.034639	0.034639	0.000000
USF	0.008700	0.008700	0.000000
TIC	0.001574	0.001574	0.000000
EET	0.009144	0.009144	0.000000
BSC "J" BS-1	0.033851	0.033851	0.000000
Price to Compare	0.830121	0.406902	0.423219

S-SCHART-1
BGSS NYMEX Update Report
As of July 6, 2018

Month	a BGSS	b NYMEX	c = b - a Incr/ (Decr)	% Chg /	d Sales forecast (dths)	e Hedged volume (dths)	f = d - e Unhedged volume (dths)	g = c x f Change in value unhedged
Oct-16	\$ 2,459	\$ 2,952	\$ 0.493		1,370,119	500,000	870,119	\$428,969
Nov-16	\$ 2,672	\$ 2,764	\$ 0.092		2,890,862	1,242,199	1,648,663	\$151,677
Dec-16	\$ 2,965	\$ 3,232	\$ 0.267		4,676,835	2,087,546	2,589,289	\$691,340
Jan-17	\$ 3,096	\$ 3,930	\$ 0.834		5,274,932	3,627,247	1,647,685	\$1,374,169
Feb-17	\$ 3,089	\$ 3,391	\$ 0.302		4,612,659	3,032,763	1,579,896	\$477,129
Mar-17	\$ 3,039	\$ 2,627	\$ (0.412)		3,582,350	1,808,337	1,774,013	(\$730,893)
Apr-17	\$ 2,850	\$ 3,175	\$ 0.325		1,810,968	550,000	1,260,968	\$409,815
May-17	\$ 2,835	\$ 3,142	\$ 0.307		945,586	550,000	395,586	\$121,445
Jun-17	\$ 2,865	\$ 3,236	\$ 0.371		603,104	550,000	53,104	\$19,702
Jul-17	\$ 2,900	\$ 3,067	\$ 0.167		590,928	550,000	40,928	\$6,835
Aug-17	\$ 2,909	\$ 2,969	\$ 0.060		612,419	550,000	62,419	\$3,745
Sep-17	\$ 2,905	\$ 2,961	\$ 0.056		611,725	550,000	61,725	\$3,457
Avg Total \$	\$ 2,882	\$ 3,121	\$ 0.239	8.3%	27,582,487	15,598,092	11,984,395	\$2,957,388
Oct-17	\$ 3,414	\$ 2,974	\$ (0.440)		1,362,877	750,000	612,877	(\$269,666)
Nov-17	\$ 3,461	\$ 2,752	\$ (0.709)		2,940,137	1,409,802	1,530,335	(\$1,085,008)
Dec-17	\$ 3,580	\$ 3,074	\$ (0.506)		4,778,751	2,447,508	2,331,243	(\$1,179,609)
Jan-18	\$ 3,655	\$ 2,738	\$ (0.917)		5,554,012	3,290,020	2,263,992	(\$2,076,081)
Feb-18	\$ 3,618	\$ 3,631	\$ 0.013		5,796,586	2,982,721	2,813,865	\$36,580
Mar-18	\$ 3,520	\$ 2,639	\$ (0.881)		3,826,523	1,887,637	1,938,886	(\$1,708,159)
Apr-18	\$ 2,955	\$ 2,691	\$ (0.264)		1,870,307	600,000	1,270,307	(\$335,361)
May-18	\$ 2,888	\$ 2,821	\$ (0.067)		1,051,259	600,000	451,259	(\$30,234)
Jun-18	\$ 2,912	\$ 2,875	\$ (0.037)		642,265	600,000	42,265	(\$1,564)
Jul-18	\$ 2,936	\$ 2,996	\$ 0.060		636,095	600,000	36,095	\$2,166
Aug-18	\$ 2,942	\$ 2,858	\$ (0.084)		669,080	600,000	69,080	(\$5,803)
Sep-18	\$ 2,918	\$ 2,826	\$ (0.092)		678,198	480,000	198,198	(\$18,234)
Avg Total \$	\$ 3,233	\$ 2,906	\$ (0.327)	-10.1%	29,806,090	16,247,688	13,558,402	(\$6,670,972)

Footnotes:
a : Nymex rate used for annual BGSS periodic rate filing
b : Nymex rate as of date of the report
c : Increase/Decrease in the Nymex rate compared to rate used for annual BGSS periodic rate filing
d : Sales forecast (includes fuel requirement)
e : 'Hedged' volume consists of all fixed price contracts (financial or physical), purchased call option positions, and tentative storage withdrawal volumes (reduced by fuel required for delivery to citygate)
f : 'Unhedged' volume consists of sales volume forecast less 'hedged' volume
g : Not necessarily representative of a change in under/over-recovery value

South Jersey Gas Company
Calculation of Net Cost of Gas Per Therm

	Actual Oct-17	Actual Nov-17	Actual Dec-17	Actual Jan-18	Actual Feb-18	Actual Mar-18	Actual Apr-18	Actual May-18	Actual Jun-18	Projected Jul-18	Projected Aug-18	Projected Sep-18	Total
1 NYMEX - 5/10/17 - Included in BGSS Filing	\$3,414	\$3,461	\$3,580	\$3,655	\$3,618	\$3,520	\$2,955	\$2,888	\$2,912	\$2,936	\$2,942	\$2,916	
2 NYMEX - Actual Settlement	\$2,974	\$2,752	\$3,074	\$3,202	\$3,631	\$2,639	\$2,691	\$2,821	\$2,875	\$0,000	\$0,000	\$0,000	
3 Breakdown of Gross Cost of Gas Per Therm:													
4 Flowing Gas Cost	0.6134	0.5000	0.5794	0.9632	0.2263	0.3189	0.1982	0.1624	0.3595	0.2291	0.2419	0.1374	0.4614
5 Gas Withdrawn From Storage Cost	0.0539	0.1129	0.1110	0.0777	0.0894	0.0886	0.0180	0.0059	0.0011	0.0418	0.0213	0.0270	0.0691
6 Hedged Volumes Delivered Cost	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
7 Pipeline Demand Cost	0.7764	0.3157	0.1575	0.0799	0.0964	0.1313	0.1409	0.3296	0.7257	0.9864	0.8645	0.7509	0.2158
8 Storage Demand Cost	0.0080	0.0031	0.0043	0.0017	0.0018	0.0017	0.0023	0.0041	0.0070	0.0106	0.0091	0.0078	0.0031
9 Peaking Cost	0.0073	0.0062	0.0148	0.0149	0.0007	0.0014	0.0014	0.0037	0.0069	0.0080	0.0073	0.0058	0.0069
10 Weighted Average Fuel Cost	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
11 Variable Pipeline Cost	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
12 Other Costs	0.0372	0.0000	(0.0006)	0.0000	0.0000	0.0000	0.0000	0.0000	0.0768	0.0000	0.0000	0.0000	0.0026
13 Total Gross Cost of Gas Per Therm	\$1,5263	\$0,9379	\$0,8665	\$1,1374	\$0,4146	\$0,5420	\$0,3608	\$0,5057	\$1,1770	\$1,2758	\$1,1441	\$0,9289	\$0,7589
14													
15	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Weighted
16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Average
17													
18 NYMEX - Actual Settlement	\$2,952	\$2,764	\$3,232	\$3,930	\$3,391	\$2,627	\$3,175	\$3,142	\$3,236	\$3,067	\$2,969	\$2,961	
19 Breakdown of Gross Cost of Gas Per Therm:													
20 Flowing Gas Cost	0.5568	0.4121	0.3412	0.2574	0.2019	0.3200	0.7117	0.3374	0.3024	0.4194	0.3049	0.1631	0.6038
21 Gas Withdrawn From Storage Cost	0.0323	0.0964	0.0907	0.0812	0.0797	0.0564	0.0175	0.0246	0.0063	0.0433	0.0186	0.0368	0.1172
22 Hedged Volumes Delivered Cost	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
23 Pipeline Demand Cost	0.6347	0.3299	0.1479	0.0945	0.1055	0.1235	0.1519	0.3792	0.4739	0.7713	0.8359	0.7021	0.1578
24 Storage Demand Cost	0.0055	0.0023	0.0020	0.0017	0.0025	0.0024	0.0026	0.0070	0.0062	0.0116	0.0111	0.0074	0.0036
25 Peaking Cost	0.0133	0.0026	0.0190	0.0092	0.0041	0.0263	0.0016	0.0038	0.0032	0.0117	0.0181	0.0085	0.0206
26 Weighted Average Fuel Cost	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
27 Variable Pipeline Cost	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
28 Other Costs	0.0138	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0331	0.0000	0.0000	0.0683	0.0032
29 Total Gross Cost of Gas Per Therm	\$1,2564	\$0,8433	\$0,6008	\$0,4440	\$0,3938	\$0,5306	\$0,8854	\$0,7520	\$0,8251	\$1,2573	\$1,1885	\$1,2862	\$0,9063

Footnotes:

Flowing Gas Cost = Gas purchased for delivery to city gate during month - not injected into storage
 Gas Withdrawn From Storage Cost = Gas withdrawn from storage - includes cost of injection, withdrawl, fees, line loss
 Hedged Volumes Delivered Cost = Hedged Volumes delivered to city gate - not injected into storage
 Pipeline Demand Cost = Fixed Pipeline costs
 Storage Demand Cost = Fixed Storage related costs
 Peaking Cost = Peaking Cost includes peaking services, LNG, Propane, etc...
 Weighted Average Fuel Cost = Commodity x fuel % for each pipeline - represents portion of gas shipped that is retained by pipeline
 Variable Pipeline Cost = Pipeline Charge per therm shipped

South Jersey Gas Company
Calculation of Net Cost of Gas Per Therm

	Actual Oct-17	Actual Nov-17	Actual Dec-17	Actual Jan-18	Actual Feb-18	Actual Mar-18	Actual Apr-18	Actual May-18	Actual Jun-18	Actual Jul-18	Projected Aug-18	Projected Sep-18	Total
1 Asset Management Credits	(\$0.1293)	(\$0.1927)	(\$0.1054)	(\$0.0480)	(\$0.0594)	(\$0.0775)	(\$0.0174)	(\$0.0392)	(\$0.0624)	(\$0.1659)	(\$0.1488)	(\$0.1291)	(\$0.0731)
2 Off-system sales	(\$0.0931)	(\$0.0594)	(\$0.0283)	(\$0.0118)	(\$0.0142)	(\$0.0204)	(\$0.0121)	(\$0.0413)	(\$0.0969)	(\$0.1582)	(\$0.1419)	(\$0.1254)	(\$0.0319)
3 Capacity release	(\$0.0035)	(\$0.0018)	(\$0.0008)	(\$0.0034)	(\$0.0006)	(\$0.0009)	(\$0.0038)	(\$0.0016)	(\$0.0027)	(\$0.0035)	(\$0.0035)	(\$0.0020)	(\$0.0014)
4 On System Credits to BGSS-P Customers	\$0.0000	\$0.0000	(\$0.0006)	\$0.0000	\$0.0000	(\$0.0015)	\$0.0000	\$0.0000	(\$0.0136)	\$0.0000	\$0.0000	\$0.0000	(\$0.0096)
5 Supplier Refunds	\$0.0000	(\$0.0006)	(\$0.0003)	(\$0.0002)	(\$0.0002)	(\$0.0003)	(\$0.0002)	(\$0.0006)	(\$0.0013)	(\$0.0009)	(\$0.0008)	(\$0.0006)	(\$0.0004)
6 Gas for Company Use	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
7 Line Loss	(\$0.3273)	(\$0.1718)	(\$0.1211)	(\$0.1137)	(\$0.1287)	(\$0.1313)	(\$0.1256)	(\$0.1588)	(\$0.2130)	(\$0.2387)	(\$0.2402)	(\$0.1987)	(\$0.1413)
8 Transfer to Non BGSS-P Customers	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
9 Other	(\$0.6193)	(\$0.4342)	(\$0.2565)	(\$0.1741)	(\$0.2031)	(\$0.2219)	(\$0.1591)	(\$0.2415)	(\$0.3898)	(\$0.5873)	(\$0.5352)	(\$0.4569)	(\$0.2486)
10 Total Credits, Refunds, & Recoveries Per Therm	\$0.9069	\$0.5137	\$0.6100	\$0.4933	\$0.2114	\$0.3101	\$0.2017	\$0.3642	\$0.7872	\$0.6886	\$0.6089	\$0.4726	\$0.5102

11 Total Net Cost Per Therm (Page 1, Line 13 less Page 2, Line 10)

	Actual Oct-16	Actual Nov-16	Actual Dec-16	Actual Jan-17	Actual Feb-17	Actual Mar-17	Actual Apr-17	Actual May-17	Actual Jun-17	Actual Jul-17	Actual Aug-17	Actual Sep-17	Weighted Average
1 Asset Management Credits	(\$0.1566)	(\$0.2395)	(\$0.0788)	(\$0.0734)	(\$0.0837)	(\$0.0757)	(\$0.0275)	(\$0.0721)	(\$0.1074)	(\$0.1130)	(\$0.1894)	(\$0.1780)	(\$0.0368)
2 Off-system sales	(\$0.1202)	(\$0.0348)	(\$0.0175)	(\$0.0098)	(\$0.0119)	(\$0.0149)	(\$0.0147)	(\$0.0420)	(\$0.0486)	(\$0.0962)	(\$0.1011)	(\$0.0842)	(\$0.0172)
3 Capacity release	(\$0.0033)	(\$0.0024)	(\$0.0024)	(\$0.0003)	(\$0.0007)	(\$0.0010)	(\$0.0009)	(\$0.0026)	(\$0.0023)	(\$0.0024)	(\$0.0040)	(\$0.0029)	(\$0.0014)
4 On System Credits to BGSS-P Customers	(\$0.0000)	(\$0.0000)	(\$0.0003)	\$0.0000	\$0.0000	\$0.0000	\$0.0000	(\$0.0000)	(\$0.0027)	\$0.0000	\$0.0000	\$0.0000	(\$0.0140)
5 Supplier Refunds	(\$0.0010)	(\$0.0000)	(\$0.0003)	(\$0.0002)	(\$0.0002)	(\$0.0003)	(\$0.0003)	(\$0.0008)	(\$0.0011)	(\$0.0009)	(\$0.0015)	(\$0.0014)	(\$0.0003)
6 Gas for Company Use	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
7 Line Loss	(\$0.2399)	(\$0.1665)	(\$0.1170)	(\$0.1314)	(\$0.1357)	(\$0.1368)	(\$0.1366)	(\$0.1740)	(\$0.1619)	(\$0.2730)	(\$0.2752)	(\$0.3188)	(\$0.1808)
8 Transfer to Non BGSS-P Customers	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
9 Other	(\$0.3210)	(\$0.4438)	(\$0.2162)	(\$0.2150)	(\$0.2322)	(\$0.2288)	(\$0.1740)	(\$0.2916)	(\$0.3310)	(\$0.3866)	(\$0.3714)	(\$0.3853)	(\$0.2508)
10 Total Credits, Refunds, & Recoveries	\$0.7354	\$0.2995	\$0.3846	\$0.2290	\$0.1615	\$0.3018	\$0.7114	\$0.4604	\$0.4941	\$0.7708	\$0.6170	\$0.7009	\$0.6555

11 Total Net Cost Per Therm (Page 1, Line 29 less Page 2, Line 11)