

SOUTH JERSEY GAS COMPANY

Schedule 1.0

1. SJG will provide Company's customers ("Customers") with a "Consolidated Bill" or "Consolidated Billing" as that term is used in the Order of the Board of Public Utilities in Docket Nos. EX99090676 and EX94120585Y dated June 24, 2004 (the "Order"). A Customer of Company shall be entitled to a Consolidated Bill once it is determined by SJG that the Customer is creditworthy.
2. SJG will provide Consolidated Billing services for residential and commercial Customers at a cost of \$.075 per bill. This cost covers calculation of the Marketer charges, a line item on the bill identifying by Marketer the per unit cost and a total Marketer cost. Mailing and payment processing are also included.
3. SJG will purchase the receivables associated with Customers of Company for whom SJG provides a Consolidated Bill. The purchase price for the receivables associated with residential Customers shall be calculated as follows: (a) SJG's historical uncollectible rate, expressed as a percentage, for the immediately preceding calendar year will be applied to the average customer bill determined for each Company for the twelve month period ending the immediately preceding July 31 to determine the per bill rate to be assessed to the Company. This calculation will be applied for each twelve month period commencing September 1. Provided, however, that should the average bill of a customer of a Company increase or decrease by ten (10) or more percent during the twelve month period commencing September 1, an adjustment shall be made to the charges applicable to the Company. The purchase price for receivables associated with commercial/industrial Customers shall be as follows: (b) SJG's historical commercial/industrial uncollectible rate, expressed as a percentage and determined as of each December 31, will be applied on a monthly basis to the bills for customers of the Company.
4. A Customer of Company for whom a Consolidated Bill is sent will be informed that the failure of that Customer to keep its bill payment current may result in a conversion from Consolidated Billing to Dual Billing for a period of one year, or less, at the discretion of SJG. As used in this Schedule 1.0, the terms "Dual Billing" or "Dual Bill" shall have the same meaning as is ascribed to those terms by the Order.
5. Customer accounts that are one hundred twenty (120) days in arrears will be considered seriously delinquent and, at SJG's discretion, may be converted from Consolidated Billing to Dual Billing. Should SJG elect to discontinue Consolidated Billing to a seriously delinquent Customer, the Customer and the Company will be notified that the Consolidated Bill will not be supplied and that Dual Billing will commence with the next meter reading date, as long as the next meter reading date is no less than fifteen (15) days from the date of said notification.
6. If a Customer is converted from Consolidated Billing to Dual Billing for any reason, both SJG and the Company will be responsible for the Customer's respective receivables, effective as of the start of Dual Billing. That is, effective as of the start of Dual Billing, SJG will be responsible for receivables associated with transportation of the gas commodity, and Company will be responsible for receivables associated with acquisition of the gas commodity.

7. If SJG assumes the Company's receivables, then SJG will provide a means for notifying the Company, on at least a monthly basis, of all accounts of Customers sixty (60) or more days in arrears. The notification will identify the Customer and will also include the amount of commodity arrearage.

8. SJG will process enrollment applications for Company at no charge provided that the Customer's account number is provided. If a Customer enrollment application is received without provision of the Customer's account number, the enrollment will be processed at a rate of \$43.83 per hour.

9. SJG may implement the charging of an administrative fee, or alter the purchase price pursuant to which receivables are purchased from the Company. Provided, however, that SJG may only do so after providing the Staff of the Board with notice of the implementation of any such administrative fee (or any adjustment thereto after one is implemented) and of any adjustment to the purchase price for receivables. Such notice to the Staff of the Board must include supporting documentation. The Company retains its statutory right to question any administrative fee or change in receivables purchase price implemented pursuant to this paragraph 9.

10. The Order and any past or future applicable orders of the Board in Docket Nos. EX99090676 and EX94120585Y are incorporated into this Schedule 1.0.

ATTEST:

SOUTH JERSEY GAS COMPANY

By: _____

Title: _____

COMPANY NAME

By: _____

Title: _____