

FOR IMMEDIATE RELEASE

November 7, 2016

Statement from Jeff DuBois, President, South Jersey Gas In Response to Court Decision on B.L. England Pipeline

"Today, decisions were issued by the Appellate Division of the Superior Court of New Jersey regarding the consolidated appeals on the approval of the Cape Atlantic Reliability Pipeline that would serve the B.L. England generating station and reinforce our system reliability for the more than 142,000 residents and businesses in Atlantic and Cape May counties.

The decisions reaffirm the assessment conducted by the New Jersey Board of Public Utilities regarding the proposed pipeline, and refer the final decision regarding the compliance of this proposal with the Pinelands Comprehensive Management Plan to the Pinelands Commission.

Although the court's ruling identified a procedural exception to the approvals received that will require further regulatory actions, it is important to note that they cited no exceptions to the merits of or need for the pipeline.

Over the last three years, South Jersey Gas has worked collaboratively and cooperatively with all of the governing agencies involved in this project and, subsequently, received their approvals. That process elicited extensive review which has produced a comprehensive formal record of both support for and opposition against the project, weighing the views of stakeholders both directly and indirectly involved with and impacted by this project.

Certainly, we are disappointed that these events will continue to delay the construction of this vitally important natural gas supply line. However, we believe that the need for a secondary feed to South Jersey Gas customers in Cape May and Atlantic counties, and the opportunity for the B.L. England facility to use cleaner, more efficient natural gas to generate locally sourced, lower-cost power for residents cannot be ignored.

We continue to review today's court decision and evaluate our next steps as part of our ongoing commitment to serving the natural gas needs of the residents and businesses in the region."

More information about the <u>Cape Atlantic Reliability Project</u> is available online.

About South Jersey Gas

South Jersey Gas, subsidiary of energy services holding company South Jersey Industries (NYSE:SJI), delivers clean, efficient natural gas and promotes energy efficiency to approximately 375,000 residential, commercial and industrial customers in Atlantic, Cape May, Cumberland, Salem, and significant portions of Gloucester, Burlington and Camden counties in New Jersey. Visit <u>www.southjerseygas.com</u> to learn more about South

Jersey Gas and its programs.

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