



Dominick DiRocco, Esq.  
VP/Rates & Regulatory Affairs

One South Jersey Place  
Atlantic City, NJ 08401  
T: (609) 561-9000 x 4262  
ddirocco@sjindustries.com

June 1, 2026

**Electronic Filing**

Sherri Lewis, Board Secretary  
New Jersey Board of Public Utilities  
44 South Clinton Avenue  
Trenton, NJ 08625-0350

**Re: In the Matter of the Petition of South Jersey Gas Company to Revise the Level of Its Periodic Basic Gas Supply Service Rate and Conservation Incentive Program Rates for the Year Ending September 30, 2027  
BPU Docket No. \_\_\_\_\_**

Dear Secretary Lewis:

Enclosed herewith is South Jersey Gas Company's Verified Petition to revise the level of its Periodic Basic Gas Supply Service rate and its Conservation Incentive Program rates for the year ending September 30, 2027, which has been filed electronically today utilizing the New Jersey Board of Public Utilities' ("Board" or "BPU") e-filing program.

In accordance with the Board's March 19, 2020 and June 10, 2020 Orders issued in BPU Docket No. EO20030254, hard copies are not being submitted at this time, but can be provided at a later time, if needed.

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

Respectfully yours,

A handwritten signature in black ink that reads "Dominick DiRocco". The signature is written in a cursive, flowing style.

Dominick DiRocco

DD:caj  
Enclosures

cc: Service List (electronically)

**IN THE MATTER OF THE PETITION OF SOUTH JERSEY GAS COMPANY  
TO REVISE THE LEVEL OF ITS PERIODIC BASIC GAS SUPPLY SERVICE RATE AND  
CONSERVATION INCENTIVE PROGRAM RATES FOR THE YEAR ENDING  
SEPTEMBER 30, 2027**

**BPU DOCKET NO. \_\_\_\_\_**

**SERVICE LIST**

**NJ BOARD OF PUBLIC UTILITIES**

Jacqueline Galka  
NJ Board of Public Utilities  
44 South Clinton Avenue  
Trenton, NJ 08625  
[jacqueline.galka@bpu.nj.gov](mailto:jacqueline.galka@bpu.nj.gov)

Stacy Peterson  
NJ Board of Public Utilities  
44 South Clinton Avenue  
Trenton, NJ 08625  
[Stacy.peterson@bpu.nj.gov](mailto:Stacy.peterson@bpu.nj.gov)

Heather Weisband  
NJ Board of Public Utilities  
44 South Clinton Avenue  
Trenton, NJ 08625  
[Heather.weisband@bpu.nj.gov](mailto:Heather.weisband@bpu.nj.gov)

**DIVISION OF LAW**

Steven Chaplar, DAG  
Dept. of Law & Public Safety  
Division of Law  
RJ Hughes Justice Complex  
25 Market Street, 7<sup>th</sup> Floor West  
P.O. Box 112  
Trenton, NJ 08625  
[steven.chaplar@law.njoag.gov](mailto:steven.chaplar@law.njoag.gov)

Jordan K. Mitchell  
Dept. of Public Law & Public Safety  
Division of Law  
Public Utilities Section  
R.J. Hughes Justice Complex  
25 Market Street, 7<sup>th</sup> Floor West  
P.O. Box 112  
Trenton, NJ 08625  
[jordan.mitchell@law.njoag.gov](mailto:jordan.mitchell@law.njoag.gov)

Elizabeth VanWinkle  
Dept. of Law & Public Safety  
Division of Law  
RJ Hughes Justice Complex  
25 Market Street, 7<sup>th</sup> Floor West  
P.O. Box 112  
Trenton, NJ 08625  
[Elizabeth.VanWinkle@law.njoag.gov](mailto:Elizabeth.VanWinkle@law.njoag.gov)

**DIVISION OF RATE COUNSEL**

Maura Caroselli, Esq.  
Division of Rate Counsel  
140 East Front Street, 4<sup>th</sup> Floor  
P.O. Box 003  
Trenton, NJ 08625  
[mcaroselli@rpa.nj.gov](mailto:mcaroselli@rpa.nj.gov)

Joy Carter  
Division of Rate Counsel  
140 East Front Street, 4<sup>th</sup> Floor  
P.O. Box 003  
Trenton, NJ 08625  
[jcarter@rpa.nj.gov](mailto:jcarter@rpa.nj.gov)

Karen Forbes  
Division of Rate Counsel  
140 East Front Street, 4<sup>th</sup> Floor  
P.O. Box 003  
Trenton, NJ 08625  
[Kforbes@rpa.nj.gov](mailto:Kforbes@rpa.nj.gov)

Brian O. Lipman, Esq.  
Division of Rate Counsel  
140 East Front Street, 4<sup>th</sup> Floor  
P.O. Box 003  
Trenton, NJ 08625  
[blipman@rpa.nj.gov](mailto:blipman@rpa.nj.gov)

Mamie W. Purnell, Esq.  
Division of Rate Counsel  
140 East Front Street, 4<sup>th</sup> Floor  
P.O. Box 003  
Trenton, NJ 08625  
[mpurnell@rpa.nj.gov](mailto:mpurnell@rpa.nj.gov)

**SOUTH JERSEY GAS COMPANY**

Dominick DiRocco, Esq.  
SJI Utilities, Inc.  
One South Jersey Place  
Atlantic City, NJ 08401  
[ddirocco@sjindustries.com](mailto:ddirocco@sjindustries.com)

Cindy Capozzoli  
SJI Utilities, Inc.  
One South Jersey Place  
Atlantic City, NJ 08401  
[ccapozzoli@sjindustries.com](mailto:ccapozzoli@sjindustries.com)

Karen J. Crispin  
South Jersey Gas Company  
One South Jersey Place  
Atlantic City, NJ 08401  
[kcrispin@sjindustries.com](mailto:kcrispin@sjindustries.com)

Sara Hyatt  
South Jersey Gas Company  
One South Jersey Place  
Atlantic City, NJ 08401  
[shyatt@sjindustries.com](mailto:shyatt@sjindustries.com)

Carolyn A. Jacobs  
SJI Utilities, Inc.  
One South Jersey Place  
Atlantic City, NJ 08401  
[cjacobs@sjindustries.com](mailto:cjacobs@sjindustries.com)

Drew Kamdar  
South Jersey Gas  
One South Jersey Place  
Atlantic City, NJ 08401  
[dkamdar@sjindustries.com](mailto:dkamdar@sjindustries.com)

Sheree Kelly  
SJI Utilities, Inc.  
520 Green Lane  
Union, NJ 07083  
[skelly@sjindustries.com](mailto:skelly@sjindustries.com)

Andrew McNally  
SJI Utilities, Inc.  
520 Green Lane  
Union, NJ 07083  
[amcnally@sjindustries.com](mailto:amcnally@sjindustries.com)

Maria C. Mendoza  
South Jersey Gas Company  
215 Cates Road  
Egg Harbor Twp, NJ 08234  
[mmendoza@sjindustries.com](mailto:mmendoza@sjindustries.com)

Brent Schomber  
South Jersey Gas  
One South Jersey Place  
Atlantic City, NJ 08401  
[bschomber@sjindustries.com](mailto:bschomber@sjindustries.com)

Frank Vetri  
SJI Utilities, Inc.  
520 Green Lane  
Union, NJ 07083  
[fvetri@sjindustries.com](mailto:fvetri@sjindustries.com)

Jennifer Weitz  
SJI Utilities, Inc.  
520 Green Lane  
Union, NJ 07083  
[jweitz@sjindustries.com](mailto:jweitz@sjindustries.com)

Ray Wenzel  
SJI Utilities, Inc.  
215 Cates Road  
Egg Harbor Twp, NJ 08234  
[rwenzel@sjindustries.com](mailto:rwenzel@sjindustries.com)

Daniel P. Yardley, Principal  
Yardley & Associates  
2409 Providence Hills Drive  
Matthews, NC 28105  
[dan@yardleyassociates.com](mailto:dan@yardleyassociates.com)

**STATE OF NEW JERSEY  
BOARD OF PUBLIC UTILITIES**

**IN THE MATTER OF THE PETITION OF                   : BPU DOCKET NO. \_\_\_\_\_**  
**SOUTH JERSEY GAS COMPANY                         :**  
**TO REVISE THE LEVEL OF ITS                         :**  
**PERIODIC BASIC GAS SUPPLY                         :**  
**SERVICE RATE AND CONSERVATION                   :**  
**INCENTIVE RATES FOR THE YEAR                     :**  
**ENDING SEPTEMBER 30, 2027                         :**

---

**CASE SUMMARY, PETITION, TESTIMONY AND SCHEDULES**

---

June 1, 2026

**STATE OF NEW JERSEY  
BOARD OF PUBLIC UTILITIES**

----- X  
**In The Matter Of The Petition Of South Jersey Gas** : **Docket No.** \_\_\_\_\_  
**Company To Revise The Level Of Its Periodic Basic** :  
**Gas Supply Service Rate And Conservation Incentive** :  
**Program Rates For the Year Ending September 30, 2027** : **CASE SUMMARY**  
----- X

This Verified Petition presents the request of South Jersey Gas Company (“South Jersey,” “Petitioner,” or “Company”) that the New Jersey Board of Public Utilities (“Board”) approve Petitioner's Periodic Basic Gas Supply Service (“Periodic BGSS”) rate, Conservation Incentive Program (“CIP”) rates, including the proposal to combine Residential Non-Heat (“RSG-NH”) and Residential Heating (“RSG-H”) categories, Balancing Service Clause (“BSC”) rates associated with Rider J – General Service (“BSC-GS”) and BSC rate associated with Rider I – Large Volume, and grant such other and further relief as described in the Verified Petition. By this Verified Petition, Petitioner seeks authorization to increase annual gas cost recoveries by approximately \$26.0 million through its proposed BGSS and BSC rate changes and to reduce annual recoveries by approximately \$31.4 million through the CIP, an overall net decrease in annual recoveries of \$5.4 million when combined.

The Periodic BGSS rate permits South Jersey to pass through to its customers increases or decreases in the cost of purchased gas. The Periodic BGSS rate provides no profit to South Jersey. By this Verified Petition, South Jersey seeks to decrease the Periodic BGSS rate from \$0.587455 per therm to \$0.568586 per therm, a decrease of \$0.018869 per therm, inclusive of applicable taxes. This decrease in the Periodic BGSS rate is primarily due to:

- a. an overall lowered commodity cost of gas since the Company’s December 31, 2025 filing with the Board of a notice of intent to self-implement a Periodic BGSS rate increase effective February 1, 2026 (“December 2025 Notice”). Commodity costs are projected to stay at relatively

low levels throughout the period covered by this filing. Specifically, there has been a 5.3% decrease in the NYMEX Futures forward price curve settled on May 7, 2026 used in the forecasts in this filing as compared to the NYMEX Futures forward price curve settled on December 12, 2025 used in the forecasts included in the Company's December 2025 Notice;

b. partially offset by an increase of \$20.8 million in the forecasted under-recovery at September 30, 2026, from \$22.7 million forecasted in Exhibit A of the Company's December 2025 Notice to \$43.5 million in this filing. This increase was primarily due to higher actual gas costs incurred and lower actual recoveries experienced through April 2026 versus the forecasted amounts included in the referenced Exhibit A.

The Company has taken all reasonable steps to reduce its gas costs and manage volatility experienced in the natural gas commodities market. The Company's efforts to reduce costs and manage volatility have included (1) continuing to execute its Gas Procurement Strategy and Plan, which includes financial hedging strategies, on file with the Board, (2) maximizing credits to firm customers through asset optimization, such as capacity releases and off-system sales and (3) employing its gas storage resources to reduce the Company's exposure to some of the volatility associated with wintertime price swings. The Company will continue to monitor market conditions and look for opportunities to lower costs and benefit our customers.

The CIP program is an incentive-based conservation program. It requires South Jersey to limit its recovery from customers of non-weather-related margin revenue loss to the level of BGSS cost reductions South Jersey is able to achieve. By this Verified Petition, South Jersey seeks to implement the following per therm CIP rates, inclusive of applicable taxes, and also proposes a combined rate per therm applicable to all residential customers rather than separate rates for the residential heating and non-heating classes:

	RSG-Non Heat	RSG-Heat	GSG	GSG-LV
Current	\$0.195646	\$0.095569	\$0.049725	\$0.054462
Proposed	\$0.002833	\$0.002833	(\$0.003646)	(\$0.008072)
Increase/(Decrease)	(\$0.192813)	(\$0.092736)	(\$0.053371)	(\$0.062534)

The Verified Petition proposes the following per therm rates, inclusive of taxes, for Residential Heating customers to be effective on October 1, 2026:

	Current	Proposed	Increase/(Decrease)
Periodic BGSS	\$0.587455	\$0.568586	(\$0.018869)
BSC-GS	\$0.068583	\$0.133742	(\$0.065159)
CIP	\$0.095569	\$0.002833	(\$0.092736)
Total	\$0.751607	\$0.705161	(\$0.046446)

The proposed rate changes would impact the monthly bill of a Residential Heating customer using 100 therms as shown below:

	June 1, 2026	Proposed	Increase/(Decrease)	Percent Change
Periodic BGSS	\$203.74	\$201.85	(\$1.89)	(0.9%)
BSC-GS	\$203.74	\$210.26	\$6.52	3.2%
CIP	\$203.74	\$194.47	(\$9.27)	(4.5%)
Total	\$203.74	\$199.10	(\$4.64)	(2.3%)

**STATE OF NEW JERSEY  
BOARD OF PUBLIC UTILITIES**

**IN THE MATTER OF THE PETITION OF : BPU DOCKET NO. \_\_\_\_\_**  
**SOUTH JERSEY GAS COMPANY TO :**  
**REVISE THE LEVEL OF ITS PERIODIC : VERIFIED PETITION**  
**BASIC GAS SUPPLY SERVICE RATE :**  
**AND CONSERVATION INCENTIVE :**  
**PROGRAM RATES FOR THE YEAR :**  
**ENDING SEPTEMBER 30, 2027 :**

**To the Honorable Board of Public Utilities:**

Petitioner, South Jersey Gas Company ("South Jersey," "Petitioner" or "Company"), a public utility corporation duly organized under the laws of the State of New Jersey, with its principal office at One South Jersey Place, Atlantic City, New Jersey, hereby petitions the New Jersey Board of Public Utilities ("Board" or "BPU") to: 1) decrease the level of its Periodic Basic Gas Supply Service ("Periodic BGSS") rate; 2) increase the level of its Balancing Service Clause ("BSC") rate associated with its Rider J – General Service ("BSC-GS"); 3) increase the level of its BSC rate associated with its Rider I – Large Volume ("BSC-LV"); 4) decrease the level of its Conservation Incentive Program ("CIP") rates for Residential customers, including combining the Residential Non-Heat ("RSG-NH") and Residential Heating ("RSG-H") categories, General Service ("GSG") customers; and General Service – Large Volume ("GSG-LV") customers for the period from October 1, 2026 through September 30, 2027 ("2026-27 BGSS/CIP Year").

**I. BACKGROUND**

1. South Jersey is engaged in the transmission, distribution, transportation, and sale of natural and mixed gas to approximately 431,000 customers in its service territory located

principally in all or portions of the following Counties: Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, and Salem.

## II. BGSS BACKGROUND

2. By its 2003 BGSS Order<sup>1</sup>, the Board approved the Company's current BGSS pricing mechanism and directed each of New Jersey's four (4) gas distribution companies to submit to the Board, no later than June 1<sup>st</sup>, its annual BGSS gas cost filing proposing a Periodic BGSS Rate to be effective on or about the following October 1<sup>st</sup>.

3. Attachment A to the 2003 BGSS Order provided for the creation of a BGSS pricing mechanism, consisting of a Monthly BGSS pricing mechanism and a Periodic BGSS pricing mechanism. The applicability of Monthly and Periodic BGSS pricing was subsequently modified in South Jersey's base rate case and Global Settlement (Docket Nos. GR03080683, *et al*) approved by the Board on March 27, 2006. All Residential Sales (Rate Schedule RSG) customers and all General Service Sales (Rate Schedule GSG) customers using less than 5,000 therms annually are served under the Periodic BGSS pricing mechanism.

4. The 2003 BGSS Order also provided that South Jersey shall have the discretion to file notice for two self-implementing provisional rate increases to the Periodic BGSS Rate, to be effective December 1<sup>st</sup> and/or February 1<sup>st</sup>, following the October 1<sup>st</sup> effective date. Such written notices must be provided to Board Staff and the New Jersey Division of Rate Counsel ("Rate Counsel") no later than November 1<sup>st</sup> and January 1<sup>st</sup>, respectively. Each such self-implementing increase will be subject to a cap which will limit the increase so that the benchmark residential bill, using 100 therms, will not increase by more than five percent (5%).

---

<sup>1</sup> In re the Provision of Basic Gas Supply Service Pursuant to the Electric Discount and Energy Act N.J.S.A. 48:3-49 et seq. – BGSS Pricing, Docket No. GX01050304, Order dated January 6, 2003 ("2003 BGSS Order").

5. On May 7, 2003, in Docket No. GR02090645, the parties to the proceeding entered a Settlement regarding the Minimum Filing Requirements (“MFRs”) for the annual BGSS proceedings (“2003 Settlement”). The 2003 Settlement was approved by Board Order dated June 29, 2003. In its April 2023 Order<sup>2</sup>, the Board approved an update of the BGSS MFRs. Attached to this Verified Petition as Exhibit C is a listing of the MFRs and references to the schedules in this filing that satisfy those MFRs.

6. On May 30, 2025, South Jersey filed its 2025-26 BGSS/CIP Filing<sup>3</sup>, wherein it proposed to increase the Periodic BGSS rate from the then current rate of \$0.396655 per therm to \$0.503641 per therm<sup>4</sup>. It also proposed to change the BSC charges under Rider “I” and Rider “J”, the D-2 gas cost component for Rate Schedules FES, EGS-LV Firm, EGS-LV Limited Firm and LVS and the non-commodity cost component of Monthly BGSS rates.

7. On October 31, 2025, the Company filed with the Board and Rate Counsel a notice to self-implement a Periodic BGSS rate increase effective December 1, 2025. The increase represented a five (5%) increase on the monthly bill of a residential heating customer using 100 therms. On December 1, 2025, the Company self-implemented a Periodic BGSS rate of \$0.490255 per therm.

8. On December 31, 2025, the Company filed a second notice to self-implement a Periodic BGSS rate increase effective February 1, 2026. The increase represented a five (5%) increase on the monthly bill of a residential heating customer using 100 therms. On February 1, 2026, the Company self-implemented a Periodic BGSS rate of \$0.587455 per therm.

---

<sup>2</sup> In re the Matter of the Petition of South Jersey Gas Company to Revise the Level of Its Basic Gas Supply Service (“BGSS”) Charge and Conservation Incentive Program (“CIP”) Charge for the Year Ending September 30, 2023, BPU Docket No. GR22060364, Order dated April, 26, 2023 (“April 2023 Order”).

<sup>3</sup> In re the Matter of the Petition of South Jersey Gas Company to Revise the level of Its Periodic Basic Gas Supply Service (“BGSS”) Rate and Conservation Incentive Program (“CIP”) Charge for the Year Ending September 30, 2026, Docket No. GR25050316 (“2025-26 BGSS/CIP Filing”).

<sup>4</sup> All rates quoted herein are inclusive of applicable taxes.

9. By its April 2026 Order<sup>5</sup>, the Board approved a Stipulation stating that the self-implemented Periodic BGSS Rate of \$0.490255 per therm made effective December 1, 2025 and the self-implemented Periodic BGSS Rate of \$0.587455 per therm made effective February 1, 2026 shall remain in effect until further Board Order or action by the Company in accordance with the 2003 BGSS Order and will be reviewed in the Company's 2027 annual BGSS filing to be submitted by June 1, 2026.

10. The April 2026 Order also stated that as of the Effective Date, the Company will maintain the current Periodic BGSS rate of \$0.587455 per therm. Additionally, as of the Effective Date, the Company would maintain the current rates listed below. These rates represent the final rates that were approved by the Board's April 2025 Order<sup>6</sup>:

- i. The gas cost portion of the D-2 charge for Rate Schedule LVS of \$16.494513 per Mcf;
- ii. The gas cost portion of the Firm D-2 charge for Rate Schedule EGS-LV of \$16.575946 per Mcf;
- iii. The Limited Firm D-2 for Rate Schedule EGS-LV and the Firm D-2 charge for Rate Schedule FES, respectively, of \$8.247257 per Mcf;
- iv. The monthly BGSS non-commodity rate applicable to Rate Schedules GSG, GSG- LV, EGS, LVS, EGS-LV, and NGV of \$0.226356 per therm;
- v. The Rider "I" BSC-LV charges for Opt-Out of \$0.002427 per therm and Non-Opt- Out rate of \$0.068583 per therm; and
- vi. The Rider "J" BSC-GS charge of \$0.068583

---

<sup>5</sup> In re *the Matter of the Petition of South Jersey Gas Company to Revise the level of Its Periodic Basic Gas Supply Service ("BGSS") Rate and Conservation Incentive Program ("CIP") Charge for the Year Ending September 30, 2026*, Docket No. GR25050316, Order dated April 22, 2026 ("April 2026 Order").

<sup>6</sup> In re *The Matter of the Petition of South Jersey Gas Company to Revise the Level of Its Basic Gas Supply Service ("BGSS") Charge and Conservation Incentive Program ("CIP") Charge for the Year Ending September 30, 2025*, Docket No. GR24060370, Order dated April 23, 2025 ("April 2025 Order").

### **III. REQUESTED PERIODIC BGSS RATE**

11. The Company is proposing to decrease its current Periodic BGSS rate of \$0.587455 per therm to \$0.568586 per therm for the period beginning October 1, 2026 and ending September 30, 2027. This rate is based on seven (7) months of actual data through April 30, 2026 and seventeen (17) months of estimated data through September 30, 2027. Petitioner will update this information with actuals as this matter proceeds.

12. These proposed rate changes translate to a decrease in annual Periodic BGSS recoveries of \$5.4 million. This decrease is primarily due to:

a. an overall lowered commodity cost of gas since the Company's December 31, 2025 filing with the Board of a notice of intent to self-implement a Periodic BGSS rate increase effective February 1, 2026 ("December 2025 Notice"). Commodity costs are projected to stay at relatively low levels throughout the period covered by this filing. Specifically, there has been a 5.3% decrease in the NYMEX Futures forward price curve settled on May 7, 2026 used in the forecasts in this filing as compared to the NYMEX Futures forward price curve settled on December 12, 2025 used in the forecasts included in the Company's December 2025 Notice;

b. partially offset by an increase of \$20.8 million in the forecasted under-recovery at September 30, 2026, from \$22.7 million forecasted in Exhibit A of the Company's December 2025 Notice to \$43.5 million in this filing. December 2025 Notice. This increase was primarily due to higher actual gas costs incurred and lower actual recoveries experienced through April 2026 versus the forecasted amounts included in the referenced Exhibit A.

13. Petitioner projects that, at its current Periodic BGSS rate, it would have an under-recovery position of \$26.0 million at September 30, 2027.

14. Commodity charges forecasted to be incurred by South Jersey during the 2026-27

BGSS/CIP Year have been projected utilizing: (1) the NYMEX strip pricing as of May 7, 2026; and (2) estimated indices at the various locations where South Jersey expects to purchase gas during the forthcoming BGSS year. The liquefied natural gas (“LNG”) costs reflected in the Company’s proposed Periodic BGSS rate are based upon the delivered cost of LNG using the NYMEX strip pricing as of May 7, 2026, along with costs related to processing natural gas into LNG. As discussed in the Direct Testimony of Maria C. Mendoza, in response to the changes in the LNG marketplace in 2012, the Company decided to construct, own and operate its own liquefaction facility at South Jersey’s McKee City location to ensure that LNG is available at a reasonable cost. The LNG liquefaction facility has been in service since November of 2016.

15. The projected pipeline demand type costs reflected in this filing pertaining to the purchase, storage and transportation of gas on the Transcontinental Gas Pipeline Company, LLC (“Transco”), Columbia Gas Transmission, LLC (“Columbia”), and Eastern Gas Transmission and Storage (“EGTS”), previously known as Dominion Transmission, Inc., pipeline systems reflect the most recent Federal Energy Regulatory Commission (“FERC”) approved jurisdictional rates for each pipeline.

16. The Company has taken all reasonable steps to reduce its gas costs and manage volatility experienced in the natural gas commodities market. South Jersey’s efforts to reduce costs and manage volatility have included (1) continuing to execute its Gas Procurement Strategy and Plan, which include financial hedging strategies, on file with the Board, (2) maximizing credits to firm customers through the optimization of its gas supply and upstream capacity management, which has resulted in the inclusion of a credit to BGSS gas costs of \$28.8 million in the 2026-27 BGSS/CIP Year, which represents the margin sharing generated by off-system sales, interruptible sales and transportation and capacity releases, and (3) employing its gas storage resources to

reduce exposure to some of the volatility associated with wintertime price swings. Petitioner's purchases of gas supply have been effectuated at prices consistent with market conditions required by N.J.S.A. 48:3-58(t). The Company will continue to monitor market conditions and look for opportunities to lower costs and benefit our customers. Further details regarding the Company's efforts to manage its gas supply costs are discussed in further detail in the Direct Testimony of Maria C. Mendoza.

17. In summary, by this Verified Petition, the Company proposes a Periodic BGSS rate of \$0.568586 per therm for the 2026-27 BGSS/CIP Year, resulting in a decrease of \$0.018869 per therm from the current rate of \$0.587455 per therm. South Jersey also seeks authority to increase the Monthly BGSS non-commodity rate component to \$0.299091 per therm, resulting in an increase of \$0.072735 per therm from the current rate of \$0.226356 per therm.

#### **IV. BALANCING SERVICE CLAUSE ("BSC")**

18. The Company's BSC rates under its current Tariff Riders "I" and "J" have been updated as part of this filing. The proposed BSC rate changes, including the proposed calculations for both Riders, are discussed in the Direct Testimony and Schedules of Maria C. Mendoza.

#### **V. D-2 DEMAND CHARGE**

19. South Jersey proposes that the gas cost portion of the D-2 charge for Rate Schedule LVS be set at \$19.037673 per Mcf. South Jersey also proposes that the gas cost portion of the Firm D-2 charge for Rate Schedule EGS-LV be set at \$20.204254 per Mcf. In addition, South Jersey proposes that the gas cost portion of the Limited Firm D-2 charge for Rate Schedule EGS-LV be set at \$9.518837 per Mcf.

## **VI. BEST VALUE PURCHASING POLICY**

20. The Company's proposal in this Verified Petition reflects implementation of its best value purchasing policy. Pursuant to this policy, it is the Company's goal to purchase the minimum priced gas supplies feasible while maintaining security of supply and capacity and system integrity. By following this policy, South Jersey is able to provide secure service to its customers, at reasonable prices, for this BGSS year and into the future.

21. The BGSS provides no profit to the Company. It merely allows the Company to pass through to its customers increases and decreases in the costs of gas and associated taxes experienced by the Company.

## **VII. SUPPORTING TESTIMONY**

22. In support of the BGSS portion of this Petition, attached hereto and incorporated herein is the testimony of:

- a) Cindy L. Capozzoli, Senior Director, Rates; and
- b) Maria C. Mendoza, Director, Gas Supply

## **VIII. MINIMUM FILING REQUIREMENTS**

23. A summary of the MFRs and their location in this filing is attached hereto as Exhibit C.

## **IX. CIP BACKGROUND AND PROPOSAL**

24. On October 12, 2006, the Board, in combined Docket Nos. GR05121019 and GR05121020, adopted a stipulation ("CIP Stipulation") implementing the CIP for South Jersey on a three-year Pilot Program basis. The CIP was then extended until September 30, 2013, with an additional automatic one-year extension, by Board Order dated January 21, 2010 in combined

Docket Nos. GR05121019 and GR05121020.

25. By its May 2014 CIP Order<sup>7</sup>, the Board approved the continuation of the CIP, with certain modifications, as set forth in more detail in the Stipulation executed by the parties (“CIP Continuation Stipulation”). The changes approved by the Board became effective with the CIP year beginning October 1, 2014 and are reflected in the Company’s filing in this proceeding.

26. To promote conservation, the CIP was devised as an incentive-based program in which South Jersey is required to limit the recovery of non-weather-related margin revenue loss to the level of BGSS cost reductions South Jersey is able to achieve. Because of these BGSS savings, customer bills will not increase as a result of the Company’s recovery of such non-weather margin revenue losses through the CIP mechanism.

27. The CIP Continuation Stipulation established a Modified BGSS Savings Test with three categories of BGSS savings: (1) permanent savings achieved through permanent capacity releases or contract terminations; (2) gas cost savings from reductions of capacity on a long-term basis (*i.e.* for periods of at least one (1) year); and (3) savings associated with avoided capacity costs to meet residential customer growth.

28. The CIP Continuation Stipulation also provided that South Jersey would implement a package of incremental conservation programs designed to aid customers in reducing their costs of natural gas. Furthermore, South Jersey committed to assessing the need to develop and implement future programs, if appropriate.

29. In the CIP Continuation Stipulation, South Jersey agreed to provide five hundred thousand dollars (\$500,000) annually of shareholder money to fund CIP programs. The CIP

---

<sup>7</sup> *In re the Matter of the Petition of New Jersey Natural Gas Company and South Jersey Gas Company for authority to continue the Conservation Incentive Program*, Docket No. GR13030185, Order dated May 21, 2014 (“May 2014 Order”).

Continuation Stipulation further provided that in any year in which the \$500,000 was not expended, the difference between \$500,000 and the actual amount spent will be carried over and added to the amount to be spent in the following year.

30. As approved by the May 2014 CIP Order, the Company must provide \$500,000 annually, of shareholder money, to fund CIP programs that: 1) aid customers in reducing their natural gas costs, 2) reduce the Company's peak winter and design day system demand, and 3) do not replicate existing programs offered through the BPU Office of Clean Energy (“Three Objectives”). The Company agrees to annually review the CIP programs it funds, compare them to other available programs, and make changes to the programs it chooses to fund if it determines other programs are more effective in achieving the Three Objectives.

31. The attached Direct Testimony of Frank Vetri, Manager, Energy Efficiency for South Jersey, explains the Company’s incurred and projected CIP expenditures for the 2025-26 BGSS/CIP Year. South Jersey projects that it will invest \$500,000 in conservation programs by the end of the 2025-26 BGSS/CIP Year, or September 30, 2026.

32. It was agreed in the CIP Continuation Stipulation that South Jersey would make an annual CIP filing based upon seven (7) months of actual data and five (5) months of projected data, to be filed on or before June 1 of each year. The filing is to document actual results, perform the required CIP collection tests, and propose the new CIP rate. This Petition is in conformity with these provisions of the CIP Continuation Stipulation approved by the May 2014 CIP Order.

33. Rider “M” of the Company’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 (“ROE Test”). Under this provision, the CIP may not contribute toward earnings in excess of a 10.10% ROE, calculated at fifty (0.50) basis points

plus 9.60%, the ROE approved by the Board's December 2022 Order<sup>8</sup>. After recovery of the CIP margin revenues, South Jersey's ROE for the October 1, 2025 through September 30, 2026 period is projected to be 6.61%. As a result, the ROE Test will not act as a limitation on South Jersey's recovery through the CIP for the 2026-27 BGSS/CIP Year. The projected ROE calculation is provided in Exhibit A, attached to this Petition, and is referenced in the Direct Testimony of Daniel P. Yardley.

34. The Company's CIP also contains benchmarks for customer usage by customer class. The CIP is calculated on a class-by-class basis by comparing actual usage for the CIP year to the benchmark usage. The difference, either positive or negative, is then multiplied by revenue margins per customer class, and the result is divided by forecasted sales units. The result, either positive or negative, is then either a charge or credit to the CIP on a class-by-class basis.

35. The CIP rate was initially set at \$0.000 for the period October 1, 2006 through September 30, 2007 and, thereafter, annual petitions were filed to adjust the CIP rates. By the November 2025 Provisional Order, the Board approved CIP rates per therm, on a provisional basis, effective from December 1, 2025 through September 30, 2026, as shown below. These rates were made final by the April 2026 BGSS/CIP Order.

36. In this Verified Petition, South Jersey proposes to establish the CIP rates for the 2026-27 BGSS/CIP Year. The proposed CIP rates per therm are shown below and in Daniel Yardley's Testimony, Schedule DPY-7. The Company is proposing to combine Residential Heating and Residential (RSG-H") Non-heating ("RSG-NH") CIP amounts for recovery purposes into a single residential rate. Changing to a single residential rate mitigates the potential for

---

<sup>8</sup> *In re the Matter of the Petition of South Jersey Gas Company for Approval of Increased Base Tariff Rates and Charges for Gas Service, Changes to Depreciation Rates and Other Tariff Revisions*, Docket No. GR22040253, Order dated December 21, 2022 ("December 2022 Order").

significant swings in the residential non-heat CIP rate that can occur due to low volumes due in large part to the conversion of many non-heat customers to heating. Recovering residential CIP amounts through a single rate is consistent with the Company's Temperature Adjustment Clause, which was replaced by the CIP. Schedule DPY-7 reflects the derivation of the combined RSG-H and RSG-NH CIP rate of \$0.002833 per therm, inclusive of taxes.

	RSG-NH	RSG-H	GSG	GSG-LV
Current	\$0.195646	\$0.095569	\$0.049725	\$0.054462
Proposed	\$0.002833	\$0.002833	(\$0.003646)	(\$0.008072)
Increase/(Decrease)	(\$0.192813)	(\$0.092736)	(\$0.053371)	(\$0.062534)

37. The impact of the proposed CIP change, if approved, on the monthly bill of a Residential Heating customer utilizing 100 therms of natural gas would be a decrease of \$9.27, or 4.55%, as compared to the Company's rates in effect on June 1, 2026.

38. The proposed rate changes translate to a decrease in annual CIP recoveries of \$31.4 million.

39. Reflective in Daniel Yardley's Testimony and Schedule DPY-5, 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 weather-related component of the CIP is recovered through the CIP and is not subject to the Modified BGSS Savings Test. By this Verified Petition, South Jersey will return an approximately of \$9.0 million of weather-related margin revenues. The non-weather related CIP component is subject to a dual eligibility test comprised of the Modified BGSS Savings Test and a Margin Revenue Test established in the CIP Continuation Stipulation. 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.

40. South Jersey's non-weather related deficiency margin, related to the 2025-26

BGSS/CIP Year, is \$5.4 million. This amount was determined by subtracting the weather-related excess component of \$9.0 million, from the total CIP excess of \$3.6 million. Additionally, DPY-5 includes \$5.7 million of a carry-forward from the 2024-25 CIP year, which represents \$14.7 million carry-forward of non-weather CIP impacts that exceeded the BGSS savings test from the 2023-24 CIP year offset by \$9.0 million non-weather CIP impact passing the test in the 2024-25 CIP year.

41. South Jersey is providing BGSS savings information in the Direct Testimonies of Maria C. Mendoza and Daniel P. Yardley. As shown on Schedule DPY-5, page 1 of 2, 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 \$16.8 million. BGSS savings realized from avoided capacity costs to meet residential customer growth (Category Three of the Modified BGSS Savings Test) total \$0.7 million. Therefore, the total BGSS savings for the 2025-26 BGSS/CIP Year is \$19.7 million. Since the non-weather CIP amount is margin deficiency to the company, the BGSS Savings test and the variable margin revenue test shown on Schedule DPY-5 are applicable. As a result of the BGSS Savings test and the variable margin revenue test shown on Schedule DPY-5, the Company will seek to recover \$11.0 million of non-weather-related margin revenue through the CIP.

42. In this proceeding, South Jersey is comparing customer usage for the period October 1, 2025 through September 30, 2026 against the benchmark. The difference is to be recovered in the 2026-27 BGSS/CIP Year.

43. In support of the CIP portion of this Petition, attached hereto and incorporated

herein is the testimony of:

- A. Frank Vetri, Manager, Energy Efficiency, South Jersey (Exhibit F);
- B. Daniel P. Yardley, Principal, Yardley & Associates (Exhibit G).

**X. OVERALL IMPACT**

44. This Verified Petition proposes the following per therm Periodic BGSS, CIP and BSC-GS rates for Residential Heating customers to be made effective on October 1, 2026:

	Current	Proposed	Increase/(Decrease)
Periodic BGSS	\$0.587455	\$0.568586	(\$0.018869)
CIP	\$0.095569	\$0.002833	(\$0.092736)
BSC-GS	\$0.068583	\$0.133742	\$0.065159
Total	\$0.751607	\$0.705161	(\$0.046446)

45. The overall impact of Petitioner’s proposed Periodic BGSS, CIP and BSC-GS rate changes is a decrease in the monthly bill of a Residential Heating customer using 100 therms as shown below:

	June 1, 2026	Proposed	Increase/(Decrease)	Percent Change
Periodic BGSS			(\$1.89)	(0.9%)
CIP			(\$9.27)	(4.5%)
BSC-GS			\$6.52	3.2%
Total	\$203.74	\$199.10	(\$4.64)	(2.3%)

**XI. PUBLIC NOTICE**

46. South Jersey will provide notice of the filing of this Verified Petition for its Periodic BGSS, BSC and CIP rates and modification of its Tariff to all its customers through the publication of a Public Notice in newspapers of general circulation within the Company’s service territory. A copy of the proposed Public Notice is attached hereto as Exhibit B. As discussed in the notice, and in accordance with the 2003 BGSS Order, Petitioner’s form of notice provides notice to the

public that Petitioner may seek to implement provisional increases to the Periodic BGSS rate of up to 5% of a 100 therm residential customer's total bill to be effective on December 1, 2026 and February 1, 2027. Petitioner may submit such provisional increases if they are necessary to permit Petitioner to avoid a BGSS under recovery balance at September 30, 2027

## **XII. MISCELLANEOUS**

47. Petitioner is serving notice and a copy of this Petition, together with a copy of the exhibits and schedules annexed hereto on the Director, Division of Rate Counsel via electronic mail in lieu of providing hard copies. In accordance with the Board's March 19, 2020 and June 10, 2020 Orders issued in BPU Docket No. EO20030254, hard copies are not being submitted at this time, but can be provided at a later time, if needed.

48. Similarly, Petitioner is also serving this notice and a copy of this Verified Petition on the Department of Law and Public Safety ("Department of Law") via electronic mail in lieu of providing hard copies, but hard copies can be provided at a later time, as needed.

49. To the extent necessary, South Jersey respectfully requests a waiver of the need to provide hard copies in connection with this Petition to the Board, Rate Counsel and the Department of Law subject to copies being provided at a later time, as needed.

Respectfully submitted,

SOUTH JERSEY GAS COMPANY



---

By: Dominick DiRocco, Esq.  
Vice President, Rates & Regulatory  
Affairs  
SJI Utilities, Inc.

Dated: June 1, 2026

Communications addressed to the Petitioner in this case are to be sent to:

Sheree L. Kelly, Esq.  
Regulatory Affairs Counsel  
SJI Utilities, Inc.  
520 Green Lane  
Union, New Jersey 07083  
908-536-0877  
[skelly@sjindustries.com](mailto:skelly@sjindustries.com)

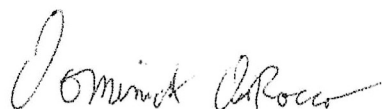
Dominick DiRocco, Esq.  
Vice President, Rates & Regulatory Affairs  
SJI Utilities, Inc.  
One South Jersey Place  
Atlantic City, New Jersey 08401  
609-561-9000 x4262  
[ddirocco@sjindustries.com](mailto:ddirocco@sjindustries.com)

Cindy Capozzoli  
Senior Director, Rates  
SJI Utilities, Inc.  
One South Jersey Place  
Atlantic City, New Jersey 08401  
856-625-6618  
[ccapozzoli@sjindustries.com](mailto:ccapozzoli@sjindustries.com)

VERIFICATION

I, Dominick DiRocco, Esq., of full age, being duly sworn according to law, upon my oath, depose and say:

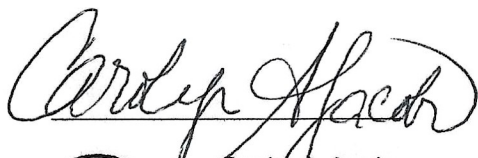
1. I am VP - Rates & Regulatory Affairs of SJI Utilities, Inc., the parent company to South Jersey Gas Company ("Company") and I am authorized to make this verification on behalf of the Company.
2. I have reviewed the within petition and the information contained therein is true according to the best of my knowledge, information and belief.



---

Dominick DiRocco, Esq.  
VP - Rates & Regulatory Affairs

Sworn to and subscribed  
before me this 1<sup>st</sup> day  
of June 2026





Carolyn A. Jacobs  
NOTARY PUBLIC  
State of New Jersey  
My Commission Expires  
October 28, 2028

**South Jersey Gas Company  
CIP Earnings Test**

Equity Balances, per rate case methodology:

Rate Base	September 2025	\$ 2,851,730,178
Rate Base	September 2026	<u>\$ 3,031,201,864</u>
Average		\$ 2,941,466,021
Approved Equity Ratio <sup>(1)</sup>		<u>54%</u>
Average Equity		\$ 1,588,391,651
Net Income Less Incentives		\$ 101,122,907
Adjust for non-recurring (income)/expense, net of tax		<u>\$ 3,876,479</u>
Regulated Jurisdictional Net Income, per tariff		104,999,385
Actual Return On Equity		6.61%
Rate Case Return On Equity <sup>(1)</sup>		9.60%
plus 50 Basis Points		<u>0.50%</u>
Allowed Return on Equity for Earnings Test		10.10%

<sup>(1)</sup> Equals the approval level in BPU Docket No. GR22040253

**NOTICE OF FILING AND PUBLIC HEARINGS**

**IN THE MATTER OF THE PETITION OF SOUTH JERSEY GAS COMPANY  
TO REVISE THE LEVEL OF ITS PERIODIC BASIC GAS SUPPLY SERVICE RATE  
AND CONSERVATION INCENTIVE PROGRAM RATES  
FOR THE YEAR ENDING SEPTEMBER 30, 2027**

**BPU DOCKET NO. GR\_\_\_\_\_**

**PLEASE TAKE NOTICE** that on June 1, 2026, South Jersey Gas Company (“South Jersey” or “Company”) filed a petition with the New Jersey Board of Public Utilities (“Board”) for approval of its combined 2026-27 Basic Gas Supply Service (“BGSS”) and Conservation Incentive Program (“CIP”) charges (“Petition”). The BGSS component of the Petition was filed pursuant to the “Order Approving BGSS Price Structure” issued by the Board on January 6, 2003 in Docket No. GX01050304 (“2003 BGSS Order”). BGSS rates are designed to recover the Company’s cost of gas applicable to customers who purchase gas from South Jersey. The Company earns no profit from the BGSS. As part of the Petition, the Company also proposed to change the Balancing Service Clause (“BSC”) charges under its current Tariff Riders “I” and “J”. The CIP component of the Petition seeks a price adjustment for all applicable service customers. The CIP is an incentive-based program that requires South Jersey to reduce gas supply related costs, and limits recovery of non-weather-related revenue loss to the level of gas supply costs savings achieved.

The Petition proposes to decrease the current Periodic BGSS rate from \$0.587455 per therm to \$0.568586 per therm, inclusive of applicable taxes. The Petition also proposes a single Residential Service (“RSG”) CIP rate by combining the RSG Heat rate and the RSG Non-Heat rate into a single RSG rate. The proposed CIP rates per therm, inclusive of applicable taxes, are as follows:

<b><u>Residential Service</u></b>	<b><u>General Service</u></b>	<b><u>Large Volume Service</u></b>
\$0.002833	(\$0.003646)	(\$0.008072)

Related to the Company’s Rider “I” BSC - Large Volume (“BSC-LV”), the Company proposes to increase its current Opt-Out BSC-LV rate of \$0.002427 per therm to \$0.002531 per therm, including taxes, and to increase its current Non Opt-Out BSC-LV rate of \$0.068583 per therm to \$0.133742 per therm, including taxes. The proposed Non Opt-Out BSC-LV rate is equal to the Company’s proposed Rider “J” BSC-GS rate. All BSC charge revenues from sales and transportation customers are credited to BGSS recoveries.

Based on rates in effect June 1, 2026, the impact of the Company's combined proposals on the monthly bill for a residential heating customer using 100 therms is a decrease of \$4.64, or 2.3%, resulting from South Jersey’s proposed: 1) Periodic BGSS decrease of \$1.89 or 0.9%; 2) Rider “J” BSC - General Service (“BSC-GS”) increase of \$6.52, or 3.2%; and 3) CIP decrease of \$9.27, or 4.5%.

The effects of the Company's Petition, if approved, on typical residential heating gas bills are illustrated below:

<u>Consumption in Therms</u>	<u>Present Monthly Bill June 1, 2026</u>	<u>Proposed Monthly Bill October 1, 2026</u>	<u>Proposed Change</u>	<u>Percent Change</u>
10	\$29.83	\$29.36	(\$0.47)	(1.6%)
50	\$107.12	\$104.81	(\$2.31)	(2.2%)
100	\$203.74	\$199.10	(\$4.64)	(2.3%)
250	\$493.60	\$481.99	(\$11.61)	(2.4%)

Pursuant to the 2003 BGSS Order, the proposed rate may be subject to self-implementing rate increases upon thirty (30) days' written notice to the BPU and the New Jersey Division of Rate Counsel ("Rate Counsel"). Any such self-implementing rate increases will be limited to a maximum of five percent (5%) of the total residential bill using 100 therms, effective December 1, 2026, and to a maximum of five percent (5%) of the total residential bill using 100 therms, effective February 1, 2027. Should it become necessary to apply one, or both, of the December 1, 2026 and February 1, 2027 self-implementing increases, the respective cumulative impacts of these increases on typical residential heating gas bills will occur as illustrated below:

<u>Consumption in Therms</u>	<u>Proposed Monthly Bill October 1, 2026</u>	<u>Potential Monthly Bill For Either a Dec. 1st or Feb. 1st Increase</u>	<u>Potential Change</u>	<u>Percent Change</u>
10	\$29.36	\$30.36	\$1.00	3.4%
50	\$104.81	\$109.78	\$4.97	4.7%
100	\$199.10	\$209.06	\$9.96	5.0%
250	\$481.99	\$506.90	\$24.91	5.2%

<u>Consumption in Therms</u>	<u>Proposed Monthly Bill October 1, 2026</u>	<u>Potential Monthly Bill Dec. 1st plus Feb. 1st Combined Increase</u>	<u>Potential Change</u>	<u>Percent Change</u>
10	\$29.36	\$31.40	\$2.04	6.9%
50	\$104.81	\$115.01	\$10.20	9.7%
100	\$199.10	\$219.51	\$20.41	10.3%
250	\$481.99	\$533.03	\$51.04	10.6%

Further, these self-implementing increases will be provisional and subject to review in connection with the Company's next annual BGSS filing. South Jersey is permitted to decrease its BGSS rate at any time upon five (5) days' notice and supporting documentation to the Board and Rate Counsel.

A copy of this Notice is being served upon the clerk, executive or administrator of each municipality and county within the Company's service territory. A copy of the Petition can be reviewed on the Company's website at [www.southjerseygas.com](http://www.southjerseygas.com) under Regulatory Information. The Petition is also available to review online through the Board's website, <https://publicaccess.bpu.state.nj.us/> where you can search by the above-captioned docket number. The Petition and Board file may also be reviewed at the Board's office located at 44 South Clinton Avenue, 1<sup>st</sup> Floor, Trenton, New Jersey, 08625 with an appointment. To make an appointment, please call (609) 913-6298.

**PLEASE TAKE FURTHER NOTICE** that virtual public hearings will be conducted on the following date and times so that members of the public may present their views on the Petition:

**VIRTUAL PUBLIC HEARINGS**

Date: TBD

Hearing Times: 4:30pm and 5:30pm

**Join Microsoft Teams Meeting**

Press Ctrl key + Click on this link:

{Insert Link}

Select 'Join Now' to enter the meeting. If prompted, enter the following Meeting ID, Meeting Passcode and your name.

Meeting ID:

Passcode:

-or-

Dial-In: 866-984-3163

When prompted enter Conference ID: TBD, followed by the # sign to access the meeting

Representatives of the Company, Board Staff, and Rate Counsel will participate in the virtual public hearings. Members of the public are invited to participate by utilizing the Microsoft Teams Meeting Link or the Dial-In Number and Conference ID to express their views on the Petition. All comments will become part of the final record to be considered by the Board. To encourage full participation in this opportunity for public comment, please submit any requests for accommodations, such as interpreters or listening assistance, 48 hours prior to the above hearing to the Board Secretary at [board.secretary@bpu.nj.gov](mailto:board.secretary@bpu.nj.gov).

The Board is also accepting written and electronic comments. Comments may be submitted directly to the specific docket number listed above using the "Post Comments" button on the Board's Public Document Search tool. Comments are considered public documents for purposes of the State's Open Public Records Act. Only documents that are intended to be public should be submitted using the "Post Comments" button on the Board's Public Document Search tool. Any confidential information should be submitted in accordance with the procedures set forth in N.J.A.C. 14:1-12.3. In addition to hard copy submissions, confidential information may also be filed electronically via the Board's e-filing system or by email to the Secretary of the Board. Please include "Confidential Information" in the subject line of any email. Instructions for confidential e-filing are found on the Board's webpage at <https://www.nj.gov/bpu/agenda/efiling/>.

Emailed and/or written comments may also be submitted to:

Secretary of the Board  
44 South Clinton Ave.  
Trenton, NJ 08625-0350  
Phone: 609-913-6241  
Email: [board.secretary@bpu.nj.gov](mailto:board.secretary@bpu.nj.gov)

**South Jersey Gas Company**

South Jersey Gas Company  
2026/27 BGSS Filing  
MINIMUM FILING REQUIREMENT (MFR)

Minimum Filing Requirement	Schedule(s)
<p>1. Motion, Supporting Testimony &amp; Tariff Modifications In support of its filing, a GDC should provide supporting testimony which addresses any material events or major factors affecting either the prior period's deferred gas balance or its forecasted BGSS rate. In addition to the associated motion, redlined tariff sheets should be provided for all proposed tariff changes.</p>	<p>Exhibit D - Testimony of Cindy L. Capozzoli Exhibit E - Testimony of Maria C. Mendoza Schedule CLC-17</p>
<p>2. Computation of Proposed BGSS Rates A summary schedule should show all of the forecasted BGSS cost components and applicable credits which comprise the basis for the proposed BGSS rates that are to become effective October 1st. The cost components and applicable credits should be provided with all material amounts broken out separately. A plain English explanation in narrative form regarding this summary schedule should be provided.</p>	<p>Schedule CLC-1, CLC-3, CLC-6 Exhibit D - Testimony of Cindy L. Capozzoli  Schedule MCM-12 Exhibit E - Testimony of Maria C. Mendoza</p>
<p>3. Public Notice with Proposed Impact on Bills A copy of the Company's Public Notice should be provided with details concerning the impact of the proposed BGSS rates on typical gas bills at various winter term utilization levels.</p>	<p>Attached as Exhibit B to the Petition</p>
<p>4. Actual and Forecasted Refund Amounts Schedules should be provided which show actual and estimated supplier refund amounts for the reconciliation period as well as the estimated supplier refunds for the projected period beginning October 1st. The schedule should identify the supplier refunds by month and should provide associated information on the applicable FERC docket involved. A plain English explanation in narrative form should be provided.</p>	<p>Schedule MCM-8 Exhibit E - Testimony of Maria C. Mendoza</p>
<p>5. Cost of Gas Sendout by Component Monthly data showing the derivation of all cost components shown on the BGSS Computation Schedule should be provided for the reconciliation and projected periods. The monthly data should also provide detail on applicable volumes by customer classification.</p>	<p>Schedule CLC-1, CLC-2, CLC-4, CLC-5, CLC-7, CLC-8, CLC-11, CLC-13, CLC-15  Schedule MCM-2, MCM-3</p>
<p>6. BGSS Contribution and Credit Offsets Monthly data showing the derivation of all BGSS cost offsets, including interruptible margins, capacity transactions, pipeline refunds and other credits should be provided for the reconciliation and projected periods. Any applicable FERC Orders will be included. All calculations showing how such offsets were determined should be included. A plain English explanation in narrative form should be provided regarding the BGSS contribution and Credit Offsets. In addition, the Company shall document through testimony for any non-bid releases and/or affiliate contracts, the decision-making process that the Company went through in each case to arrive at its determination to release capacity on a non-biddable basis or enter into any affiliate contract. Such testimony shall include documentation showing the impact that the non-biddable capacity release or affiliate contract was projected to have on total BGSS costs at the time the Company committed to the transaction. In addition, for each non-biddable capacity release, the Company shall determine whether the transaction could have been structured as an off-system sale, and, if so demonstrate that prior to releasing the capacity, the Company compared the benefit to Periodic BGSS customers of making the capacity release compared to the benefit that could have been achieved by structuring the transaction as an off-system sale and the Company shall provide documentation supporting this comparison in its filing.</p>	<p>Schedule CLC-9, CLC-12  Schedule MCM-8  Exhibit E - Testimony of Maria C. Mendoza</p>
<p>7. Over/Under Recovery Comparisons Schedules should be provided which show the derivation of the monthly over or under recoveries plus cumulative balances for the reconciliation and projected period. For the reconciliation period, a schedule should also show the calculation of the monthly actual or estimated accrued interest. These schedules should include prospective data shown for the projected period based on the prevailing BGSS rate and, alternatively, based on the requested BGSS rate.</p>	<p>Schedule CLC-3, CLC-10, CLC-10A, CLC-14</p>
<p>8. Wholesales Gas Pricing Assumptions The GDC should provide schedules which detail the monthly gas prices for the reconciliation and projected periods. The schedules should show the prices utilized in developing the existing BGSS rate and those utilized for projecting the proposed BGSS rate. To the degree third party price indexes or forecasts are the basis for such gas prices, associated documentation should also be provided. A plain English explanation in narrative form regarding these schedules should be provided.</p>	<p>Schedule MCM-2, MCM-5 (Confidential), MCM-14  Exhibit E - Testimony of Maria C. Mendoza</p>
<p>9. Gas Cost Under recovery Adjustment ("GCUA") Recoveries and Balances Schedules should be provided that show monthly data for the GCUA since its inception. The data should provide the unamortized balances, recoveries, and accrued interest by month with any associated workpapers.</p>	<p>N/A</p>
<p>10. Historical Service Interruptions A schedule should be provided which details any service interruptions during the past 12 months. The schedule should show the dates of the interruptions, the service categories affected, the number of customers affected and whether each interruption was operational or economic in nature.</p>	<p>Schedule CLC-16</p>

South Jersey Gas Company  
2026/27 BGSS Filing  
MINIMUM FILING REQUIREMENT (MFR)

Minimum Filing Requirement	Schedule(s)
<p>11. Gas Price Hedging Activities</p> <p>The GDC should provide copies of its last four quarterly hedging reports as filed with the Board. It should also provide a schedule covering both the reconciliation and projected period which shows monthly gas purchases volume requirements and price hedged volumes broken down into discretionary and non-discretionary components which allow evaluation of compliance with the GDC's established hedging objectives. A plain English explanation in narrative form regarding these hedging activities should be provided. The Company shall include in all future its next annual BGSS filings testimony that reflects these goals/targets and how the Company managed to such goals/targets.</p>	<p>Schedule MCM-5 (Confidential), MCM-9</p> <p>Exhibit E - Testimony of Maria C. Mendoza</p>
<p>12. Storage Gas Volumes, Prices and Utilization</p> <p>Schedules should be provided which show the GDC's monthly data for LNG, LPG, and pipeline storage volumes. The schedules should show volumes and dollars for balances, injections, and withdrawals with all data shown on a Dekatherm basis.</p>	<p>Schedule CLC-7, CLC-15</p> <p>Schedule MCM-3</p>
<p>13. Affiliate Gas Supply Transactions</p> <p>The GDC's filing should have disclosure of all gas supply and capacity transactions with any affiliates during the reconciliation or forecasted periods. The disclosure should provide the nature, terms, and conditions of any such transactions, the dates of the transactions, and evidence that the gas supply or capacity resources transactions were at market rates. It should also provide delivery points for all purchase and sale transactions and comparable daily or monthly price index information for purchase and sale transactions done at a fixed price.</p>	<p>Schedule MCM-10 (Confidential)</p>
<p>14. Projected Supply and Demand Data with Design Peak Day</p> <p>Schedules should be provided that show the GDC's firm requirements and gas supplies by component on an annual, heating season and non-heating season basis. The data should be provided for the reconciliation period and the two prior and two prospective annual periods.</p>	<p>Schedule MCM-1, MCM-4, MCM-6</p>
<p>15. Actual Peak Day Supply and Demand</p> <p>The GDC should provide data for the five highest demand days for each of the last three years, showing date, temperature or heating degree day, firm and interruptible volumes and the sources of supply used to meet the associated volume requirement.</p>	<p>Schedule MCM-7</p>
<p>16. Capacity Contract Changes</p> <p>The GDC filing should provide details concerning any changes to its interstate pipeline contracts (entitlements, storage capacities, daily deliverability, transportation, or associated costs) which have been made or occurred during the past 24 months or are planned for the next 12 months. To the degree any significant changes have been made or are planned, a narrative should discuss operational and cost consequences as well as the rationale for the changes.</p>	<p>Schedule MCM-13</p> <p>Exhibit E - Testimony of Maria C. Mendoza</p>
<p>17. FERC Pipeline Activities</p> <p>The GDC's filing should provide details on any pending FERC dockets which should affect the cost of services received from the GDC's supplying pipelines. The GDC should also provide details concerning its participation in such dockets and a listing of any filings or testimony made by the GDC or on its behalf.</p>	<p>Schedule MCM-11</p>
<p>18. Changes to Firm Transportation and Storage Contracts.</p>	<p>Schedule MCM-13</p>
<p>19. Monthly S-CHART-1 and S-CHART-2</p> <p>After the annual BGSS proceeding is filed each year, the monthly reports filed with the Board thereafter shall be updated to reflect the current BGSS year and upcoming BGSS year. Monthly reports will continue to be filed with the Parties using the current BGSS year and upcoming BGSS year until the next annual BGSS filing occurs</p>	<p>Filed Monthly With the BPU</p>
<p>20. AMA Management Fee Analysis</p> <p>To the extent the Company enters into baseload Asset Management Agreements ("AMAs") (defined as a transaction with a fixed gas purchase obligation for any day of the term of the AMA), the Company will prepare an analysis produced at the time the AMA is executed that will set forth how much, if any, of the AMA management fee will be excluded from the formula used to determine AMA management fee sharing between the Company and its Periodic BGSS customers because the excluded portion of the fee is the product of an agreement by the Company to provide the Asset Manager with a benefit under the AMA that is forecasted to increase the commodity costs to Periodic BGSS customers. The analysis will calculate a) the lowest estimated delivered price on the contract capacity path up to and including the Company city gate compared to b) the estimated commodity cost per month under the contract price of the AMA. The result of this comparison or c) delta, represents an excess in commodity cost that will be subtracted from d) the AMA management fee arriving at e) the net amount that will be subject to the sharing formula over the term of the AMA.</p>	<p>Schedule MCM-15</p>

**BEFORE THE  
NEW JERSEY BOARD OF PUBLIC UTILITIES**

**SOUTH JERSEY GAS COMPANY**

**Direct Testimony**

**of**

**Cindy L. Capozzoli**

**Senior Director, Rates  
SJI Utilities, Inc.**

**On Behalf of**

**South Jersey Gas Company**

1 **I. INTRODUCTION**

2 **Q. PLEASE STATE YOUR NAME, AFFILIATION AND BUSINESS ADDRESS.**

3 **A.** My name is Cindy L. Capozzoli, and I am Senior Director, Rates for SJI Utilities,  
4 Inc. (“SJIU”). My business address is One South Jersey Place, Atlantic City, NJ  
5 08401.

6 **Q. PLEASE DESCRIBE YOUR PROFESSIONAL RESPONSIBILITIES.**

7 **A.** I manage the Company’s Rates Department activities for South Jersey Gas Company  
8 (“South Jersey” or the “Company”) and its sister New Jersey public utility,  
9 Elizabethtown Gas Company, including the preparation and coordination of all rate  
10 case, revenue-related and other filings before the New Jersey Board of Public Utilities  
11 (“BPU” or the “Board”). I also oversee the design and development of rates and rate  
12 schedules for the Company’s tariff and provide financial and analytical support in all  
13 rates and regulatory affairs matters as well as for internal management purposes.

14 **Q. PLEASE SUMMARIZE YOUR EDUCATIONAL AND PROFESSIONAL**  
15 **BACKGROUND.**

16 **A.** I received a Bachelor of Science Degree in Accounting and Finance from Drexel  
17 University in 1991 and obtained a Master’s Degree in Business Administration with  
18 a concentration in Financial Management from Drexel University in 2000. In  
19 February 2021, I joined SJIU as Director, Rates and was promoted to my current  
20 position of Senior Director, Rates, in 2025. Prior to my employment at SJIU, I  
21 worked for Debt Compliance Services as a consultant on treasury-related matters to  
22 clients in various industries. I also have three decades of experience in corporate  
23 finance and have held treasury, financial planning, accounting, and other finance-

1 related positions at Innovairre, Campbell Soup Company and J.P. Morgan as well as  
2 roles in rates and financial reporting for South Jersey from 1994 to 1999. I am a  
3 Certified Public Accountant licensed in New Jersey since 1991 (status is currently  
4 “Inactive”) and am a Certified Treasury Professional certificated by the Association  
5 for Financial Professionals since July 2012 (status is currently “Inactive”). Also, I  
6 am a member of the New Jersey Utilities Association.

7 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

8 **A.** The purpose of my testimony in this proceeding is to: (1) review the actual and  
9 forecasted results of the Basic Gas Supply Service (“BGSS”) Clause for the 2025-26  
10 BGSS/CIP Year ending September 30, 2026; (2) present the projected gas costs and  
11 recoveries in the 2026-27 BGSS/CIP Year ending September 30, 2027; (3) support  
12 the BGSS rates proposed to become effective October 1, 2026; and (4) support  
13 proposed revisions to South Jersey’s tariff.

14 **Q. DO YOU SPONSOR ANY SCHEDULES AS PART OF YOUR**  
15 **TESTIMONY?**

16 **A.** Yes. My testimony includes the following schedules which were prepared and  
17 compiled under my supervision and direction:

18 (i) Schedule CLC-1 contains the derived calculations of the proposed  
19 Periodic BGSS Rate and the gas cost portion of the Company’s D-2 charge for Rate  
20 Schedule Firm Electric Service (“FES”), Electric Generation Service – Large Volume  
21 (“EGS-LV”) Firm, EGS-LV Limited Firm and Large Volume Service (“LVS”);

22 (ii) Schedule CLC-2 contains the statement of gas sendout for the  
23 twelve-month period ending September 30, 2027;

1 (iii) Schedule CLC-3 contains a statement of (over)/under recoveries of  
2 gas costs for the twelve-month period ending September 30, 2027 based on the  
3 proposed Periodic BGSS Rate to be effective October 1, 2026, and a statement of  
4 (over)/under recoveries of gas costs for the twelve-month period ending September  
5 30, 2027 assuming the current Periodic BGSS Rate;

6 (iv) Schedule CLC-4 contains projected normalized sales and  
7 transportation services throughput volumes for the twelve-month period ending  
8 September 30, 2027;

9 (v) Schedule CLC-5 contains the gas cost recoveries for the twelve-  
10 month period ending September 30, 2027;

11 (vi) Schedule CLC-6 contains details of the derivation of the monthly  
12 BGSS non-commodity charge used in setting the Monthly BGSS rates charged to  
13 the Company's large commercial and industrial sales customers for the twelve-  
14 month period ending September 30, 2027;

15 (vii) Schedule CLC-7 contains a summary of projected natural gas  
16 injections and withdrawals for the twelve-month period ending September 30,  
17 2027;

18 (viii) Schedule CLC-8 contains the calculations of non-firm gas cost  
19 recovery rates for the twelve-month period ending September 30, 2027;

20 (ix) Schedule CLC-9 contains details of the derivation of the credit to  
21 gas costs from interruptible sales, interruptible transportation, off-system sales, and

1 off-system and on-system capacity releases for the twelve-month period ending  
2 September 30, 2027;

3 (x) Schedule CLC-10 contains a reconciliation of actual and projected  
4 recoverable gas costs and gas costs recoveries for the twelve-month period ending  
5 September 30, 2026;

6 (xi) Schedule CLC-10A contains the calculation of net gas cost under-  
7 recoveries attributable to all other gas-cost related rates other than the Periodic  
8 BGSS rate, including D-2 Demand charges and the non-commodity costs  
9 applicable to Monthly BGSS customers (collectively, “Non-Periodic BGSS”) and  
10 Balancing Service Clause (“BSC”) charges for the period ending September 30,  
11 2026. Related to BSC Rider “J” charges specifically, Non-Periodic BGSS  
12 customers also include transportation customers under Rate Schedules GSG, GSG-  
13 LV, EGS and NGV. As explained further below in my testimony, a portion of the  
14 forecasted cumulative under-recovery for the period ended September 30, 2026 was  
15 allocated to the rates proposed in this filing for the gas cost portion of the  
16 Company’s D-2 Demand charge for Rate Schedule FES, BSC charges under Rider  
17 “I” and Rider “J” and the non-commodity costs applicable to Monthly BGSS  
18 customers.

19 (xii) Schedule CLC-11 contains the statement of gas sendout for the  
20 twelve-month period ending September 30, 2026;

21 (xiii) Schedule CLC-12 contains details used to calculate the credit to gas  
22 costs from interruptible sales, interruptible transportation, off-system sales, and off-

1 system and on-system capacity releases for the twelve-month period ending  
2 September 30, 2026;

3 (xiv) Schedule CLC-13 contains details of gas costs recovered through  
4 sales for the twelve-month period ending September 30, 2026;

5 (xv) Schedule CLC-14 contains the computation of interest on the  
6 cumulative over or under-recovered balance for the twelve-month period ending  
7 September 30, 2026;

8 (xvi) Schedule CLC-15 contains a summary of projected natural gas  
9 injections and withdrawals for the twelve-month period ending September 30,  
10 2026;

11 (xvii) Schedule CLC-16 contains statement of historical service  
12 interruptions for the twelve-month period ending September 30, 2026; and

13 (xviii) Schedule CLC-17 contains the proposed tariff pages reflecting  
14 South Jersey's proposed changes to its Periodic BGSS Rate, BSC charges under  
15 Rider "I" and Rider "J", including a proposed change to include a separate BSC  
16 charge for Non-Periodic BGSS customers explained further below, and the D-2 gas  
17 cost component for Rate Schedules FES, EGS-LV Firm, EGS-LV Limited Firm  
18 and LVS;

19 These schedules contain information responsive to the Minimum Filing  
20 Requirements ("MFRs") that were required by the Board's Order dated June 29,  
21 2003 in Docket No. GR02090645 and revised by the Board's April 2023 Order.

1 Attached to the Petition as Exhibit C is a listing of the MFRs and references to the  
2 schedules in this filing that satisfy those MFRs.

3 **II. BGSS RATES CALCULATION**

4 **Q. PLEASE DESCRIBE HOW THE PROPOSED PERIODIC BGSS RATE FOR**  
5 **THE 2026-27 BGSS/CIP YEAR IS CALCULATED.**

6 **A.** Schedule CLC-1 sets forth the derivation of the proposed Periodic BGSS Rate of  
7 \$0.568586 per therm, which consists of commodity and non-commodity gas costs  
8 and deferred balance. The rate derivation begins with a projected beginning  
9 inventory of \$20,783,823 as of October 1, 2026 (Line 1), plus projected purchases of  
10 \$285,670,326 for the twelve-month period ending September 30, 2027 (Line 2), plus  
11 the estimated under-recovery of \$43,486,024 as of September 30, 2026 (Line 3), less  
12 the estimated under-recovery as of September 30, 2026 attributable to Non-Periodic  
13 BGSS rates and BSC charges of \$3,703,827 (Line 4), less estimated interest on  
14 monthly over recoveries during the twelve-month period ending September 30, 2026  
15 of \$0 (Line 5), less the projected ending inventory of \$22,845,525 for the twelve-  
16 month period ending September 30, 2027 (Line 6), less projected credits, refunds,  
17 etc. of \$79,511,951 for the twelve-month period ending September 30, 2027 (Line  
18 7), less projected gas cost recoveries of \$79,709,738 from system sales not subject  
19 to the recoverable unit gas cost of the Periodic BGSS for the twelve-month period  
20 ending September 30, 2027 (Line 8), and, to equal total net recoverable gas costs of  
21 \$164,169,132, (Line 9).

22 Dividing total net recoverable gas costs of \$164,169,132 (Line 9) by  
23 projected applicable sales volumes of 307,860,355 therms (Line 10) derives a pre-

1 tax Periodic BGSS Rate of \$0.533258 per therm (Line 11). Applying the New Jersey  
2 sales and use tax at a rate of 6.625% derives the sales tax component of \$0.035328  
3 per therm (Line 12). The result is the total levelized after-tax Periodic BGSS Rate of  
4 \$0.568586 per therm (Line 13).

5 **Q. PLEASE PROVIDE A SUMMARY OF PROJECTED PROOF OF**  
6 **RECOVERY FOR THE 2026-27 BGSS/CIP YEAR.**

7 **A.** Schedule CLC-3, Page 1, provides a proof of recovery of the 2026-27 BGSS/CIP  
8 Year based on South Jersey's proposed Periodic BGSS rate of \$0.568586 per therm.  
9 Schedule CLC-3, Page 1, also provides a summary by month of the 2026-27  
10 BGSS/CIP Year based on the calculated gas cost levels, credits thereto and gas cost  
11 recoveries. In summary, Schedule CLC-3, Page 1, Column 8, shows the 2026-27  
12 BGSS/CIP Year will end with a near zero balance as of September 30, 2027.  
13 Schedule CLC-3, Page 2, Column 9, reflects the projected (over)/under recovered  
14 balance as of September 30, 2027 based on the Company's current Periodic BGSS  
15 Rate of \$0.587455 per therm.

16 **Q. PLEASE EXPLAIN SOUTH JERSEY'S PROPOSED CHANGE IN ITS**  
17 **PERIODIC BGSS RATE FOR THE 2026-27 BGSS/CIP YEAR.**

18 **A.** As reflected in Schedule CLC-1, South Jersey has calculated the Periodic BGSS Rate  
19 at \$0.533258 per therm, excluding taxes, or \$0.568586 per therm, including taxes,  
20 for Rate Schedule RSG sales and for those Rate Schedule GSG sales customers where  
21 annual customer usage is less than 5,000 therms. Including taxes, this is an overall  
22 decrease of \$0.018869 per therm from the current Periodic BGSS Rate of \$0.587455  
23 per therm.

1 **Q. IS THE COMPANY PROPOSING TO ALLOCATE A PORTION OF THE**  
2 **FORECASTED UNDER RECOVERED BALANCE AT SEPTEMBER 30,**  
3 **2026 TO NON-PERIODIC BGSS RATES AND BSC CHARGES?**

4 **A.** Yes, given the current Non-Periodic BGSS rates and BSC charges represent rates set  
5 pursuant to the Board’s April 2025 Order<sup>1</sup>, rather than those rates proposed by the  
6 Company in its 2025-26 BGSS Filing, \$3,703,827 of the forecasted under-recovered  
7 balance at September 30, 2026, as calculated on Schedule CLC-10A, is attributable  
8 to such Non-Periodic BGSS rates and BSC charges. Therefore, to ensure that Periodic  
9 BGSS customers do not cross-subsidize other customers paying these Non-Periodic  
10 BGSS rates and BSC charges, \$3,703,827 is being removed from the calculation of  
11 the proposed Periodic BGSS Rate on Schedule CLC-1, Line 4.

12 **Q. PLEASE EXPLAIN SOUTH JERSEY’S PROPOSED CHANGE IN ITS FIRM**  
13 **AND LIMITED FIRM D-2 CHARGES FOR THE 2026-27 BGSS/CIP YEAR.**

14 **A.** Pursuant to Rate Schedule LVS, Special Provision (n), of the Company’s currently  
15 approved Tariff, the gas cost portion of the Firm D-2 charge is composed of the  
16 system weighted average interstate pipeline demand charge, plus the system weighted  
17 average gas reservation charge as of October 1 of each year, plus applicable taxes.  
18 Pursuant to Rate Schedule EGS-LV, Special Provision (f), of the Company’s  
19 currently approved tariff, the gas cost portion of the Firm D-2 charge is composed of  
20 the highest pipeline demand cost imposed on the Company by any interstate pipeline  
21 as of October 1 of each year, plus applicable taxes. In addition, pursuant to Rate

---

<sup>1</sup> In re *The Matter Of The Petition Of South Jersey Gas Company To Revise The Level Of Its Periodic Basic Gas Supply Service Rate And Conservation Incentive Program Charge For The Year Ending September 30, 2025*, Docket No. GR25060370, Order dated April 23, 2025 (“April 2025 Order”).

1 Schedule FES, the gas cost portion of the Firm D-2 rate is one-half the weighted  
2 average of all interstate pipeline demand charges applicable to the Company at  
3 October 1 of each year, plus applicable taxes. Finally, pursuant to Rate Schedule  
4 EGS-LV, the Limited Firm D-2 charge is also one-half the weighted average of all  
5 interstate pipeline demand charges applicable to the Company at October 1 of each  
6 year, plus applicable taxes.

7 Therefore, in accordance with its tariff and as shown on Schedule CLC-1, line  
8 23, South Jersey proposes that the gas cost portion of the D-2 charge for Rate  
9 Schedule LVS be set at \$19.037673 per Mcf. South Jersey also proposes that the gas  
10 cost portion of the Firm D-2 charge for Rate Schedule EGS-LV be set at \$20.204254  
11 per Mcf. In addition, South Jersey proposes that the gas cost portion of the Limited  
12 Firm D-2 charge for Rate Schedule EGS-LV be set at \$9.518837 per Mcf. Lastly,  
13 after considering a forecasted under-recovery balance at September 30, 2026 of  
14 \$29,379, as calculated on Schedule CLC-10A, the Company is proposing a Firm D-  
15 2 charge of \$12.240893 per Mcf for Rate Schedule FES. It is contemplated that the  
16 allocated under-recovery balance at September 30, 2026 will be fully recovered  
17 during 2026-27 BGSS Year and such adjustment to derive the Rate Schedule FES  
18 Firm D-2 charge will not be required in subsequent BGSS periods.

19 There are no forecasted under-recovery balances at September 30, 2026  
20 attributable to the D-2 Demand charges being proposed for Rate Schedules EGS-LV  
21 and LVS because these customers are forecasted to be transportation customers  
22 during the entire 2025-26 BGSS Year and therefore, are not expected to contribute  
23 to the forecasted under-recovery at September 30, 2026.

1 **Q. PLEASE EXPLAIN SOUTH JERSEY’S PROPOSED CHANGE IN ITS**  
2 **MONTHLY BGSS NON-COMMODITY RATE?**

3 **A.** Customers served under Rate Schedules GSG-LV, EGS, LVS, EGS-LV, NGV, and  
4 customers served under Rate Schedule GSG, whose annual consumption is 5,000  
5 therms or greater, recover some or all of their fixed gas costs through the Monthly  
6 BGSS Rate, as prescribed in Rider “A” of South Jersey’s tariff. These costs are  
7 recovered through the Monthly BGSS non-commodity rate component as shown in  
8 Schedule CLC-6. The total non-commodity costs of \$9,892,257 for the twelve-month  
9 period ending September 30, 2027, shown on Schedule CLC-6 (Line 6), have been  
10 adjusted to include the forecasted under-recovery at September 30, 2026 of \$688,141,  
11 as calculated on Schedule CLC-10A and described earlier in my testimony. Total  
12 non-commodity costs are divided by the applicable forecasted sales volumes of  
13 Monthly BGSS customers of 35,265,664 therms on Schedule CLC-6 (Line 8), after  
14 such volumes are adjusted to remove volumes related to FES customers. The  
15 calculated monthly non-commodity cost pre-tax rate is \$0.280507 per therm  
16 (Schedule CLC-6, Line 9) and the after-tax rate is \$0.299091 per therm (Schedule  
17 CLC-6, Line 10). The proposed non-commodity rate of \$0.299091 per therm is an  
18 increase of \$0.072735 per therm from the current rate of \$0.226356 per therm. It is  
19 contemplated that the allocated under-recovery balance at September 30, 2026 will  
20 be fully recovered during 2026-27 BGSS Year and such adjustment to derive the  
21 Monthly BGSS non-commodity rate will not be required in subsequent BGSS  
22 periods.

1 **Q. IS THE COMPANY PROPOSING A CHANGE TO ITS CURRENT**  
2 **BALANCING SERVICE CLAUSE (“BSC”) RATES?**

3 **A.** Yes. The Company proposes to increase its Rider “J” BSC rate for Periodic BGSS  
4 customers from \$0.068583 per therm to \$0.133742 per therm, an increase of  
5 \$0.065159 per therm. Additionally, the Company proposes a different Rider “J” BSC  
6 rate for all applicable Non-Periodic BGSS customers of \$0.163531 per therm, an  
7 increase of \$0.094948 per therm from the current rate of \$0.068583 per therm. This  
8 separate Rider “J” BSC rate for Non-Periodic BGSS customers includes the same  
9 costs used to derive the Rider “J” BSC rate for Periodic BGSS customers and also  
10 includes \$2,994,341 of the forecasted under recovery at September 30, 2026 as shown  
11 on Schedule CLC-10A. Given it is expected that this entire under-recovery will be  
12 collected during the 2026-27 BGSS Year, it is contemplated that a separate Rider “J”  
13 BSC rate for Non-Periodic BGSS customers will only be effective during the period  
14 October 1, 2026 through September 30, 2027. This proposed change is also reflected  
15 in Schedule CLC-17 on Sheet No. 92 and in the calculation of Delivery Charges or  
16 separately noted on the applicable rate schedules of Non-Periodic BGSS customers.

17 The Company also proposes to increase its current Rider “I” Opt-Out BSC rate  
18 of \$0.002427 per therm to \$0.002531 per therm, an increase of \$0.000104 per therm.  
19 Additionally, the Company proposes to increase its current Rider “I” Non-Opt-Out  
20 BSC rate of \$0.068583 per therm to \$0.133742 per therm, an increase of \$0.065159  
21 per therm. The Rider “I” Non-Opt-Out BSC rate is equal to the Company’s proposed  
22 Rider “J” BSC rate for Periodic BGSS customers of \$0.133742 per therm. Both  
23 changes are proposed to be effective October 1, 2026.

1           The Company's calculations of its balancing costs and proposed BSC rate  
2 changes are presented in the Direct Testimony and Schedules of Maria C. Mendoza.

3 **III. REVIEW OF 2025-26 BGSS/CIP YEAR**

4 **Q. PLEASE PROVIDE A SUMMARY OF ACTUAL AND PROJECTED**  
5 **RESULTS RELATED TO THE 2025-26 BGSS/CIP YEAR.**

6 **A.** A summary of actual and projected results for the twelve-month period ending  
7 September 30, 2026 is attached hereto as Schedule CLC-10. The projected under-  
8 recovery as of September 30, 2026 is \$43,486,024, based on actual data as of April  
9 2026 and projected data through September 2026, which is comprised of gas costs,  
10 credits thereto, and gas cost recoveries.

11           Schedule CLC-10 is presented in three sections: 1) recoverable costs, 2) gas  
12 cost recoveries, and 3) the difference between these amounts, which represents the over  
13 or under recovery of gas costs.

14           Recoverable costs are the costs of gas delivered less supplier refunds, credits,  
15 and other adjustments.

16           Gas cost recoveries represent the cost of gas that the Company recovers  
17 through firm and non-firm sales. Firm recoveries are broken down among recoveries  
18 from monthly and periodic firm sales. If gas cost recoveries are greater than the  
19 recoverable costs the Company has incurred, the Company is over-recovered.  
20 Conversely, if gas cost recoveries are less than the recoverable costs, the Company is  
21 under-recovered. The elements of Schedule CLC-10 are explained in more detail below.

1 Recoverable Costs

2 This section presents the components of the actual and forecasted net  
3 recoverable costs that the Company has incurred or is expected to incur. Column 1 of  
4 Schedule CLC-10 presents the gas sendout, in dollars, for each month. These amounts  
5 represent the dollar value of gas that flowed into the Company's distribution system  
6 during the months indicated and are also detailed on Schedule CLC-11.

7 Column 2 of Schedule CLC-10 presents refunds received from suppliers,  
8 shared margin credits, and other credits and charges. Refunds from suppliers are  
9 generally made as a result of actions taken by the Federal Energy Regulatory  
10 Commission ("FERC"). The detail of these amounts, including related FERC docket  
11 numbers, are listed in Maria C. Mendoza's Testimony, Schedule MCM-8.

12 Column 3 of Schedule CLC-10 presents the monthly totals of net recoverable  
13 costs, which are equal to gas sendout (Column 1) less supplier refunds, credits, and  
14 other adjustments of recoverable costs (Column 2). Monthly Interruptible, Off-  
15 System Sales, and Capacity release credits to the Periodic BGSS are detailed on  
16 Schedule CLC-12.

17 Per the April 2023 Order<sup>2</sup>, the Company began crediting BGSS customers,  
18 effective September 1, 2022 with all capacity release credits or off-system sales  
19 margins (including the Company's 15% share) derived from the use of pipeline  
20 capacity under the contract between the Company and Adelphia Gateway, LLC for  
21 75,000 Dt of firm transportation capacity that became effective September 1, 2022,

---

<sup>2</sup> In re the Matter of the Petition of South Jersey Gas Company to Revise the Level of Its Basic Gas Supply Service ("BGSS") Charge and Conservation Incentive Program ("CIP") Charge for the Year Ending September 30, 2023, BPU Docket No. GR22060364, Order dated April, 26, 2023 ("April 2023 Order").

1 and under a contract between the Company and Columbia for 75,000 Dt of firm  
2 transportation capacity placed into service during calendar year 2023. The  
3 Company continued crediting all such capacity release credits or off-system sales  
4 margins (including the Company's 15% share) during the 2025-26 BGSS Year. As  
5 a result, the additional 15% margin sharing credit of \$341,166 is included in this  
6 filing for the period October 1, 2025 through September 30, 2026 and is reflected  
7 on Schedule CLC-12. Likewise, the additional 15% margin sharing credit related  
8 to Adelphia for the 2026-27 BGSS Year is reflected in CLC-9, totaling \$307,311.

9 Gas Cost Recoveries

10 Columns 4 through 8 on Schedule CLC-10 present the actual and forecasted  
11 recoveries from customers of the Company's recoverable gas costs during the 2025-  
12 26 BGSS/CIP Year and are shown in more detail on Schedule CLC-13.

13 Column 4 presents recoveries of gas costs from sales to residential and small  
14 commercial customers that are subject to the Periodic BGSS Rate. Column 5 presents  
15 recoveries of gas costs from sales to the Company's larger commercial customers who  
16 are subject to the Monthly BGSS Rate. Column 6 presents the monthly totals of the  
17 gas cost recoveries from firm sales. Column 7 presents recoveries of gas costs from  
18 sales to non-firm customers. Column 8 presents the monthly totals of the gas cost  
19 recoveries from firm and non-firm sales.

20 (Over)/Under Recovery

21 Schedule CLC-10 (Column 9) presents the monthly (over) or under-recovery  
22 of gas costs, which is the difference between Net Recoverable costs (Column 3) and

1 Total Gas Cost Recoveries (Column 8). Column 10 is the accumulation of the  
2 monthly amounts from Column 9 added to the preceding month's cumulative balance.

3 The October 1, 2025 beginning balance of \$33,680,862 is the carry-forward  
4 balance of the actual under-recovery of gas costs during the 2024-25 BGSS/CIP Year.  
5 During the 2025-26 BGSS/CIP Year, the Company is projecting that no interest will  
6 be due to customers as shown on Schedule CLC-14, which is fully discussed below.

7 **Q. PLEASE EXPLAIN SCHEDULE CLC-11?**

8 **A.** Schedule CLC-11 is a statement of combined gas sendout for the 2025-26 BGSS/CIP  
9 Year. This schedule supports the amounts shown in Column 1 of Schedule CLC-10.

10 Columns 1 and 2 of Schedule CLC-11, Page 1, reflect the monthly quantity  
11 and cost of natural gas and liquefied natural gas (“LNG”) purchased in the periods  
12 indicated. Column 3 shows the average monthly purchase rate.

13 Columns 4 and 5 of Schedule CLC-11, Page 1, show the total gas inventory  
14 at the beginning and end of each month, respectively. Column 8 reflects the quantities  
15 of gas sendout in dekatherms and is calculated by adding the purchases for the month  
16 (Column 1) to beginning inventory balance (Column 4) and subtracting the ending  
17 inventory balance (Column 5). The result represents the gas sendout quantity for the  
18 month.

19 **Q. HOW IS THE DOLLAR AMOUNT OF SENDOUT CALCULATED?**

20 **A.** For each type of inventory (natural gas and LNG), an average monthly rate is applied  
21 to the total of the withdrawal volumes to arrive at the sendout dollars. The balances  
22 and activity in each of these types of storage are shown in Schedule CLC-15. The  
23 dollar amount presented in Column 9 of Schedule CLC-11, Page 1, includes the cost

1 of sendout for all inventory withdrawals, demand costs and the cost of gas and fuel  
2 delivered directly to the city gate.

3 Column 10 of Schedule CLC-11, Page 1, presents the average monthly rate.  
4 It is computed by dividing the total dollars of sendout in Column 9 by the total  
5 volumes of gas sendout in Column 8.

6 **Q. WHAT IS THE PROJECTED CARRYING COST ASSOCIATED WITH**  
7 **THE 2025-26 BGSS/CIP YEAR?**

8 **A.** Schedule CLC-14 provides the calculation of interest on the cumulative over or  
9 under-recovery for the 2025-26 BGSS/CIP Year. Interest on the cumulative over  
10 or under-recovery was computed on the average of the beginning and ending  
11 balances for each month, using a rate equivalent to one-twelfth of the Company's  
12 authorized annual rate of return of 6.93% effective January 1, 2023, as established  
13 in the Company's most recent base rate case in Docket No. GR22040253. The  
14 cumulative over or under-recovery amounts used in these calculations are from  
15 Column 10 of Schedule CLC-10. Schedule CLC-14 shows a forecasted interest  
16 amount of \$0 due to the Periodic BGSS customers. This amount is applied as a  
17 credit against the forecasted 2025-26 BGSS costs in calculating the Company's  
18 proposed Periodic BGSS rate as shown in Schedule CLC-1. South Jersey calculated  
19 BGSS interest in accordance with Board policy, as determined in Docket Nos.  
20 GR87091101 and GR89080731.

1 **Q. HAS THE COMPANY IMPLEMENTED ANY SERVICE**  
2 **INTERRUPTIONS OVER THE LAST 12 MONTHS?**

3 **A.** Yes, see Schedule CLC-16 for the statement of historical service interruptions for  
4 the 2025-26 BGSS/CIP Year.

5 **IV. TARIFF CHANGES**

6 **Q. PLEASE PROVIDE THE COMPANY'S PROPOSED TARIFF PAGES.**

7 **A.** Schedule CLC-17 consists of the proposed tariff pages reflecting South Jersey's  
8 proposed changes to its Periodic BGSS Rate, BSC charges under Rider "I" and  
9 Rider "J", and the D-2 gas cost component for Rate Schedules FES, EGS-LV Firm,  
10 EGS-LV Limited Firm and LVS. All tariff pages in Schedule CLC-17 have been  
11 black lined for review purposes.

12 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

13 **A.** Yes, it does.

**South Jersey Gas Company**  
**Calculation of Charge for Periodic BGSS**  
**For the Projected Period October 1, 2026 through September 30, 2027**

1. Beginning Inventory, October 1, 2026	(Schedule CLC-2)	\$20,783,823	
2. Plus Projected Purchases October 1, 2026 through September 30, 2027	(Schedule CLC-2)	\$285,670,326	
3. Plus: Estimated Under/(Over) Recovery at September 30, 2026	(Schedule CLC-10)	\$43,486,024	
4. Less: Estimated Net Under-Recovery @ 9/30/26- Non-Periodic BGSS Customers	(Schedule CLC-10A)	\$3,703,827	
5. Less: Estimated Interest on monthly over recoveries during the period ending September 30, 2026	(Schedule CLC-3)	\$0	
6. Less: Projected Ending Inventory for September 30, 2027	(Schedule CLC-2)	\$22,845,525	
7. Less: Projected Credits, Refunds, etc. October 1, 2026 through September 30, 2027	(Schedule CLC-3)	\$79,511,951	
8. Less: Projected Gas Cost Recoveries from System Sales not subject to the recoverable unit Gas Cost of the Periodic BGSS	(Schedule CLC-5)	\$79,709,738	
9. Net Recoverable Gas Costs		\$164,169,132	
10. Applicable Therm Sales, October 1, 2026 - September 30, 2027	(Schedule CLC-4, p2)	307,860,355	Therms
11. <b>Recoverable Unit Gas Cost Through Periodic BGSS excluding taxes</b>		<b>\$0.533258</b>	per thm
12. Plus New Jersey Sales and Use Tax		\$0.035328	
13. Total Levelized Periodic BGSS including taxes		\$0.568586	per thm

<u>D-2 FES/EGS-LV/LVS RATE DERIVATION</u>	<u>Capacity</u>	<u>FES</u>	<u>EGS-LV-FIRM</u>	<u>EGS-LV-LF</u>	<u>LVS</u>
14. Transco Demand (MCFs)	126,488	\$18.948890	\$18.948890		
15. Columbia Demand (MCFs)	67,633	\$13.864860	\$13.864860		
16. D-2 Rate (Greater of Transco or Columbia or FTF)			\$18.948890		
17. Weighted Average Demand Rate (Transco, Columbia, FTF)		\$17.854793		\$17.854793	\$17.854793
18. D-2 Gas Cost Component per MCF (Excluding Taxes)		\$8.927397			
19. Estimated Under-Recovery at 9/30/26 (CLC-10A)		\$29,379			
20. 2026-27 Forecasted Contract Demand (Mcf)		11,508			
21. Rate per MCF of Contract Demand		\$2.552925			
22. D-2 Gas Cost Component per MCF (Excluding Taxes)		\$11.480322	\$18.948890	\$8.927397	\$17.854793
23. D-2 Gas Cost Component per MCF (Including Taxes)		<b>\$12.240893</b>	<b>\$20.204254</b>	<b>\$9.518837</b>	<b>\$19.037673</b>

**South Jersey Gas Company**  
**Statement of Gas Sendout**  
**For the Projected Period October 1, 2026 through September 30, 2027**

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	<b>PURCHASES</b>			<b>INVENTORY VOLUMES</b>		<b>SENDOUT</b>		
<b>PERIOD</b>	<b>Amount</b>	<b>Dth</b>	<b>Average Rate (col 1/2)</b>	<b>Beginning Dth</b>	<b>Ending Dth</b>	<b>Dth (col 2+4-5)</b>	<b>\$</b>	<b>Average Rate (col 7/6)</b>
<b>Oct 2026</b>	\$20,578,316	3,707,630	\$5.55026	8,162,888	9,375,714	2,494,804	\$17,152,365	\$6.87524
<b>Nov 2026</b>	\$25,460,030	4,970,807	\$5.12191	9,375,714	9,044,743	5,301,777	\$26,184,513	\$4.93882
<b>Dec 2026</b>	\$32,683,896	5,914,342	\$5.52621	9,044,743	7,688,495	7,270,590	\$35,828,807	\$4.92791
<b>Jan 2027</b>	\$38,694,520	6,623,204	\$5.84227	7,688,495	5,614,870	8,696,830	\$43,857,938	\$5.04298
<b>Feb 2027</b>	\$31,259,597	5,697,881	\$5.48618	5,614,870	3,652,370	7,660,380	\$36,095,603	\$4.71199
<b>Mar 2027</b>	\$25,743,354	5,421,226	\$4.74862	3,652,370	2,661,275	6,412,321	\$28,320,690	\$4.41661
<b>Apr 2027</b>	\$22,015,320	4,672,433	\$4.71175	2,661,275	3,847,863	3,485,845	\$18,762,529	\$5.38249
<b>May 2027</b>	\$19,493,057	3,571,248	\$5.45833	3,847,863	5,201,448	2,217,663	\$15,971,593	\$7.20199
<b>Jun 2027</b>	\$17,723,269	2,890,727	\$6.13108	5,201,448	6,303,200	1,788,975	\$14,803,421	\$8.27481
<b>Jul 2027</b>	\$18,285,418	2,808,373	\$6.51104	6,303,200	7,197,002	1,914,571	\$15,785,813	\$8.24509
<b>Aug 2027</b>	\$17,648,626	2,595,737	\$6.79908	7,197,002	7,892,783	1,899,957	\$15,671,068	\$8.24812
<b>Sep 2027</b>	\$16,084,922	2,158,515	\$7.45185	7,892,783	8,222,728	1,828,570	\$15,174,286	\$8.29844
<b>TOTAL</b>	<u>\$285,670,326</u>	<u>51,032,123</u>	<u>\$5.59785</u>			<u>50,972,282</u>	<u>\$283,608,624</u>	<u>\$5.56398</u>
<b>BEGINNING INVENTORY</b>	<u>\$20,783,823</u>	<u>8,162,888</u>	<u>\$2.54614</u>					
	<u>\$306,454,149</u>	<u>59,195,010</u>	<u>\$5.17703</u>					
<b>ENDING INVENTORY</b>	<u>\$22,845,525</u>	<u>8,222,728</u>	<u>\$2.77834</u>					

**South Jersey Gas Company**  
**Statement of Gas Sendout**  
**For the Projected Period October 1, 2026 through September 30, 2027**

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	<b>PURCHASES</b>				<b>SENDOUT</b>			
<b>PERIOD</b>	<b>Dth</b>	<b>Demand and Storage</b>	<b>Commodity</b>	<b>Average Commodity Rate (col 3/1)</b>	<b>Dth</b>	<b>Demand and Storage</b>	<b>Commodity</b>	<b>Average Commodity Rate (col 7/5)</b>
<b>Oct 2026</b>	3,707,630	\$10,084,481	\$10,493,835	\$2.83034	2,494,804	\$10,084,481	\$7,067,884	\$2.83304
<b>Nov 2026</b>	4,970,807	\$10,094,827	\$15,365,203	\$3.09109	5,301,777	\$10,094,827	\$16,089,685	\$3.03477
<b>Dec 2026</b>	5,914,342	\$10,298,294	\$22,385,601	\$3.78497	7,270,590	\$10,298,294	\$25,530,513	\$3.51148
<b>Jan 2027</b>	6,623,204	\$10,321,790	\$28,372,730	\$4.28384	8,696,830	\$10,321,790	\$33,536,148	\$3.85613
<b>Feb 2027</b>	5,697,881	\$9,799,728	\$21,459,869	\$3.76629	7,660,380	\$9,799,728	\$26,295,875	\$3.43271
<b>Mar 2027</b>	5,421,226	\$10,233,475	\$15,509,879	\$2.86095	6,412,321	\$10,233,475	\$18,087,214	\$2.82070
<b>Apr 2027</b>	4,672,433	\$9,626,472	\$12,388,848	\$2.65148	3,485,845	\$9,626,472	\$9,136,057	\$2.62090
<b>May 2027</b>	3,571,248	\$9,785,376	\$9,707,681	\$2.71829	2,217,663	\$9,785,376	\$6,186,216	\$2.78952
<b>Jun 2027</b>	2,890,727	\$9,605,915	\$8,117,354	\$2.80807	1,788,975	\$9,605,915	\$5,197,506	\$2.90530
<b>Jul 2027</b>	2,808,373	\$9,889,328	\$8,396,090	\$2.98966	1,914,571	\$9,889,328	\$5,896,484	\$3.07979
<b>Aug 2027</b>	2,595,737	\$9,758,027	\$7,890,598	\$3.03983	1,899,957	\$9,758,027	\$5,913,040	\$3.11220
<b>Sep 2027</b>	2,158,515	\$9,574,377	\$6,510,544	\$3.01621	1,828,570	\$9,574,377	\$5,599,908	\$3.06245
<b>TOTAL</b>	<b>51,032,123</b>	<b>\$119,072,093</b>	<b>\$166,598,233</b>	<b>\$3.26458</b>	<b>50,972,282</b>	<b>\$119,072,093</b>	<b>\$164,536,531</b>	<b>\$3.22796</b>

**South Jersey Gas Company**  
**Statement of (Over) Under Recoveries of Gas Costs**  
**For the Projected Period October 1, 2026 through September 30, 2027**  
**Based on Periodic BGSS Rate Effective October 1, 2026**

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
PERIOD	RECOVERABLE COSTS			GAS COST RECOVERIES			(OVER) UNDER RECOVERY	
	GAS SENDOUT	LESS SUPPLIER REFUNDS CREDITS & Other (a)	NET RECOVERABLE COSTS (COL 1-2)	BGSS-P FIRM SALES	MONTHLY BGSS FIRM SALES and OTHER COST RECOVERIES	TOTAL RECOVERIES (COL 4+5)	MONTHLY (OVER) UNDER RECOVERY (COL 3 &6)	CUMULATIVE (OVER) UNDER RECOVERY
BALANCE BEGINNING OCTOBER 1, 2026								\$43,486,024 <sup>1</sup>
Interest on (Over) Recovery from September 30, 2026								
<b>Oct 2026</b>	\$17,152,365	\$4,739,615	\$12,412,750	\$2,917,195	\$2,437,561	\$5,354,756	\$7,057,994	\$50,544,018
<b>Nov 2026</b>	\$26,184,513	\$8,536,304	\$17,648,209	\$4,381,621	\$3,513,177	\$7,894,798	\$9,753,411	\$60,297,430
<b>Dec 2026</b>	\$35,828,807	\$10,087,148	\$25,741,659	\$23,387,084	\$11,061,064	\$34,448,148	(\$8,706,489)	\$51,590,941
<b>Jan 2027</b>	\$43,857,938	\$10,724,382	\$33,133,556	\$32,779,720	\$15,164,739	\$47,944,459	(\$14,810,903)	\$36,780,038
<b>Feb 2027</b>	\$36,095,603	\$9,039,372	\$27,056,232	\$33,670,457	\$15,269,450	\$48,939,907	(\$21,883,676)	\$14,896,362
<b>Mar 2027</b>	\$28,320,690	\$8,281,048	\$20,039,642	\$27,474,405	\$12,353,497	\$39,827,902	(\$19,788,261)	(\$4,891,898)
<b>Apr 2027</b>	\$18,762,529	\$4,468,571	\$14,293,958	\$17,969,670	\$8,412,715	\$26,382,386	(\$12,088,428)	(\$16,980,326)
<b>May 2027</b>	\$15,971,593	\$4,480,142	\$11,491,451	\$7,517,983	\$4,018,703	\$11,536,686	(\$45,235)	(\$17,025,561)
<b>Jun 2027</b>	\$14,803,421	\$4,626,486	\$10,176,935	\$4,240,832	\$2,753,831	\$6,994,664	\$3,182,271	(\$13,843,290)
<b>Jul 2027</b>	\$15,785,813	\$4,815,990	\$10,969,823	\$3,196,529	\$2,934,761	\$6,131,290	\$4,838,533	(\$9,004,757)
<b>Aug 2027</b>	\$15,671,068	\$4,873,516	\$10,797,552	\$3,024,576	\$2,672,013	\$5,696,589	\$5,100,962	(\$3,903,795)
<b>Sep 2027</b>	\$15,174,286	\$4,839,378	\$10,334,908	\$3,608,926	\$2,822,052	\$6,430,978	\$3,903,930	\$135
<b>TOTALS</b>	\$283,608,624	\$79,511,951	\$204,096,673	\$164,168,997	\$83,413,565	\$247,582,562	(\$43,485,890)	\$135

<sup>1</sup> Represents projected (over)/under-recovery position as of Sept. 30, 2026 as shown on Schedule CLC-10

(a) Includes supplier refunds, shared margins, storage incentive mechanism, company gas use admin costs, and cost of gas for interruptible and off-system sales

**South Jersey Gas Company**  
**Statement of (Over) Under Recoveries of Gas Costs**  
**For the Projected Period October 1, 2026 through September 30, 2027**  
**Assuming Current Periodic BGSS Rate**

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
PERIOD	RECOVERABLE COSTS			GAS COST RECOVERIES				(OVER) UNDER RECOVERY	
	GAS SENDOUT	LESS SUPPLIER REFUNDS CREDITS & OTHER (a)	NET RECOVERABLE COSTS (COL 1-2)	PERIODIC BGSS FIRM SALES	MONTHLY BGSS FIRM SALES	OTHER COST RECOVERIES	TOTAL RECOVERIES (COL 4+5+6)	MONTHLY (OVER) UNDER RECOVERY (COL 3-7)	CUMULATIVE (OVER) UNDER RECOVERY
BALANCE BEGINNING OCTOBER 1, 2026									\$43,486,024 <sup>1</sup>
Interest on (Over) Recovery from September 30, 2026									\$0
<b>Oct 2026</b>	\$17,152,365	\$4,739,615	\$12,412,750	\$3,014,001	\$623,796	\$998,647	\$4,636,444	\$7,776,307	\$51,262,331
<b>Nov 2026</b>	\$26,184,513	\$8,536,304	\$17,648,209	\$4,527,024	\$1,029,246	\$1,329,174	\$6,885,444	\$10,762,765	\$62,025,096
<b>Dec 2026</b>	\$35,828,807	\$10,087,148	\$25,741,659	\$24,163,177	\$2,084,608	\$4,730,979	\$30,978,763	(\$5,237,104)	\$56,787,992
<b>Jan 2027</b>	\$43,857,938	\$10,724,382	\$33,133,556	\$33,867,504	\$2,979,501	\$6,382,428	\$43,229,433	(\$10,095,877)	\$46,692,115
<b>Feb 2027</b>	\$36,095,603	\$9,039,372	\$27,056,232	\$34,787,800	\$2,714,373	\$6,591,955	\$44,094,128	(\$17,037,896)	\$29,654,219
<b>Mar 2027</b>	\$28,320,690	\$8,281,048	\$20,039,642	\$28,386,135	\$1,909,891	\$5,493,198	\$35,789,225	(\$15,749,583)	\$13,904,636
<b>Apr 2027</b>	\$18,762,529	\$4,468,571	\$14,293,958	\$18,565,988	\$1,273,564	\$3,775,360	\$23,614,912	(\$9,320,954)	\$4,583,682
<b>May 2027</b>	\$15,971,593	\$4,480,142	\$11,491,451	\$7,767,465	\$646,121	\$1,798,504	\$10,212,090	\$1,279,361	\$5,863,042
<b>Jun 2027</b>	\$14,803,421	\$4,626,486	\$10,176,935	\$4,381,563	\$559,077	\$1,201,183	\$6,141,823	\$4,035,111	\$9,898,154
<b>Jul 2027</b>	\$15,785,813	\$4,815,990	\$10,969,823	\$3,302,605	\$1,017,607	\$1,040,950	\$5,361,161	\$5,608,661	\$15,506,815
<b>Aug 2027</b>	\$15,671,068	\$4,873,516	\$10,797,552	\$3,124,946	\$951,646	\$941,678	\$5,018,269	\$5,779,282	\$21,286,097
<b>Sep 2027</b>	\$15,174,286	\$4,839,378	\$10,334,908	\$3,728,687	\$720,625	\$1,142,975	\$5,592,287	\$4,742,621	\$26,028,718
<b>TOTALS</b>	\$283,608,624	\$79,511,951	\$204,096,673	\$169,616,894	\$16,510,053	\$35,427,031	\$221,553,979	(\$17,457,306)	

<sup>1</sup> Represents projected (over)/under-recovery position as of Sept. 30, 2026 as shown on Schedule CLC-10

(a) Includes supplier refunds, shared margins, storage incentive mechanism, company gas use admin costs, and cost of gas for interruptible and off-system sales

**South Jersey Gas Company**  
**Projected Normalized Sales & Services**  
**For the Projected Period October 1, 2026 through September 30, 2027**

**Summary (in Therms)**

	(1)	(2)	(3)
	<b>TOTAL SALES</b>	<b>TOTAL TRANSPORTATION</b>	<b>TOTAL THROUGHPUT</b>
<b>Oct 2026</b>	7,188,012	14,548,369	21,736,381
<b>Nov 2026</b>	10,848,371	16,708,011	27,556,382
<b>Dec 2026</b>	48,331,343	23,520,229	71,851,573
<b>Jan 2027</b>	67,302,523	28,240,388	95,542,912
<b>Feb 2027</b>	69,016,291	28,664,666	97,680,957
<b>Mar 2027</b>	56,742,923	28,139,012	84,881,935
<b>Apr 2027</b>	37,654,287	22,136,584	59,790,871
<b>May 2027</b>	16,118,601	16,233,224	32,351,825
<b>Jun 2027</b>	9,622,567	15,725,409	25,347,977
<b>Jul 2027</b>	8,846,375	17,282,682	26,129,057
<b>Aug 2027</b>	8,299,286	17,586,820	25,886,105
<b>Sep 2027</b>	8,770,540	15,510,200	24,280,740
<b>TOTAL</b>	348,741,119	244,295,595	593,036,714

**South Jersey Gas Company**  
**Projected Normalized Sales**  
**For the Projected Period October 1, 2026 through September 30, 2027**

Sales (in Therms)

	(1)	(2)	(3)	(4)
	<u>PERIODIC BGSS</u>	<u>MONTHLY BGSS</u>		<u>TOTAL SALES</u>
	RSG and GSG	GSG, GSG-LV, EGS, EGS-LV, FES, LVS, NGV	(IGS)	
<b>Oct 2026</b>	5,470,513	1,717,499	0	7,188,012
<b>Nov 2026</b>	8,216,700	2,631,671	0	10,848,371
<b>Dec 2026</b>	43,856,977	4,474,367	0	48,331,343
<b>Jan 2027</b>	61,470,657	5,831,867	0	67,302,523
<b>Feb 2027</b>	63,141,025	5,875,266	0	69,016,291
<b>Mar 2027</b>	51,521,787	5,221,136	0	56,742,923
<b>Apr 2027</b>	33,697,892	3,956,395	0	37,654,287
<b>May 2027</b>	14,098,209	2,020,392	0	16,118,601
<b>Jun 2027</b>	7,952,684	1,669,883	0	9,622,567
<b>Jul 2027</b>	5,994,339	2,852,036	0	8,846,375
<b>Aug 2027</b>	5,671,881	2,627,404	0	8,299,286
<b>Sep 2027</b>	6,767,693	2,002,848	0	8,770,540
<b>TOTAL</b>	307,860,355	40,880,764	0	348,741,119

**South Jersey Gas Company**  
**Projected Normalized Services**  
For the Projected Period October 1, 2026 through September 30, 2027

Services (in Therms)

(1)                      (2)                      (3)                      (4)

	Firm Transportation Services			Interruptible Transportation Service (ITS)	
	FTS & CTS	Customer Owned Gas	TOTAL SERVICES	ITS	TOTAL TRANSPORTATION
Oct 2026	9,793,374	3,921,908	13,715,281	833,088	14,548,369
Nov 2026	11,861,200	4,027,338	15,888,537	819,474	16,708,011
Dec 2026	18,187,375	4,147,409	22,334,784	1,185,446	23,520,229
Jan 2027	22,526,477	4,768,029	27,294,506	945,882	28,240,388
Feb 2027	21,813,796	5,734,217	27,548,013	1,116,653	28,664,666
Mar 2027	20,160,355	6,745,004	26,905,360	1,233,653	28,139,012
Apr 2027	16,403,553	4,642,081	21,045,634	1,090,950	22,136,584
May 2027	12,268,416	3,283,157	15,551,573	681,651	16,233,224
Jun 2027	9,990,005	5,082,200	15,072,205	653,204	15,725,409
Jul 2027	10,563,624	6,119,747	16,683,371	599,311	17,282,682
Aug 2027	9,913,227	6,872,298	16,785,525	801,294	17,586,820
Sep 2027	10,213,554	4,542,713	14,756,267	753,933	15,510,200
<b>TOTAL</b>	<b>173,694,956</b>	<b>59,886,102</b>	<b>233,581,058</b>	<b>10,714,537</b>	<b>244,295,595</b>

**South Jersey Gas Company**  
**Gas Cost Recoveries Summary**  
For the Projected Period October 1, 2026 through September 30, 2027

	<b>GAS COST RECOVERIES</b>	<b>OTHER GAS COST RECOVERIES</b>	<b>TOTAL GAS COST RECOVERIES</b>
<b>Oct 2026</b>	\$3,549,701	\$1,805,055	\$5,354,756
<b>Nov 2026</b>	\$5,418,707	\$2,476,091	\$7,894,798
<b>Dec 2026</b>	\$25,481,853	\$8,966,295	\$34,448,148
<b>Jan 2027</b>	\$35,767,931	\$12,176,528	\$47,944,459
<b>Feb 2027</b>	\$36,392,960	\$12,546,948	\$48,939,907
<b>Mar 2027</b>	\$29,393,588	\$10,434,314	\$39,827,902
<b>Apr 2027</b>	\$19,252,525	\$7,129,861	\$26,382,386
<b>May 2027</b>	\$8,172,814	\$3,363,872	\$11,536,686
<b>Jun 2027</b>	\$4,808,329	\$2,186,334	\$6,994,664
<b>Jul 2027</b>	\$4,223,717	\$1,907,573	\$6,131,290
<b>Aug 2027</b>	\$3,984,642	\$1,711,947	\$5,696,589
<b>Sep 2027</b>	\$4,338,842	\$2,092,136	\$6,430,978
<b>Total</b>	<u>\$180,785,609</u>	<u>\$66,796,954</u>	<u>\$247,582,562</u>

**South Jersey Gas Company**  
**Gas Cost Recoveries**  
 For the Projected Period October 1, 2026 through September 30, 2027

	Periodic BGSS			Monthly BGSS			Yard and Street Lighting			Other	Total Sales	
	RSG and GSG			LVS, EGS-LV Firm, EGS,FES, GSG-LV, NGV								
	Sales (in Therms)	Applicable Recoverable Unit Gas Cost (1)	Gas Cost Recovery	Sales (in Therms)	Gas Cost Recovery Rate (2)	Gas Cost Recovery	Sales (in Therms)	Gas Cost Recovery Rate (2)	Gas Cost Recovery	Other Cost Recoveries	Sales (in Therms)	Gas Cost Recovery
<b>Oct 2026</b>	5,470,513	\$0.533258	\$2,917,195	1,717,499	\$0.363200	\$623,796	27,220	\$0.320000	\$8,710	\$1,805,055	7,215,232	\$5,354,756
<b>Nov 2026</b>	8,216,700	\$0.533258	\$4,381,621	2,631,671	\$0.391100	\$1,029,246	24,499	\$0.320000	\$7,840	\$2,476,091	10,872,869	\$7,894,798
<b>Dec 2026</b>	43,856,977	\$0.533258	\$23,387,084	4,474,367	\$0.465900	\$2,084,608	31,756	\$0.320000	\$10,162	\$8,966,295	48,363,100	\$34,448,148
<b>Jan 2027</b>	61,470,657	\$0.533258	\$32,779,720	5,831,867	\$0.510900	\$2,979,501	27,220	\$0.320000	\$8,710	\$12,176,528	67,329,744	\$47,944,459
<b>Feb 2027</b>	63,141,025	\$0.533258	\$33,670,457	5,875,266	\$0.462000	\$2,714,373	25,406	\$0.320000	\$8,130	\$12,546,948	69,041,697	\$48,939,907
<b>Mar 2027</b>	51,521,787	\$0.533258	\$27,474,405	5,221,136	\$0.365800	\$1,909,891	29,035	\$0.320000	\$9,291	\$10,434,314	56,771,958	\$39,827,902
<b>Apr 2027</b>	33,697,892	\$0.533258	\$17,969,670	3,956,395	\$0.321900	\$1,273,564	29,035	\$0.320000	\$9,291	\$7,129,861	37,683,321	\$26,382,386
<b>May 2027</b>	14,098,209	\$0.533258	\$7,517,983	2,020,392	\$0.319800	\$646,121	27,220	\$0.320000	\$8,710	\$3,363,872	16,145,821	\$11,536,686
<b>Jun 2027</b>	7,952,684	\$0.533258	\$4,240,832	1,669,883	\$0.334800	\$559,077	26,313	\$0.320000	\$8,420	\$2,186,334	9,648,880	\$6,994,664
<b>Jul 2027</b>	5,994,339	\$0.533258	\$3,196,529	2,852,036	\$0.356800	\$1,017,607	29,942	\$0.320000	\$9,581	\$1,907,573	8,876,317	\$6,131,290
<b>Aug 2027</b>	5,671,881	\$0.533258	\$3,024,576	2,627,404	\$0.362200	\$951,646	26,313	\$0.320000	\$8,420	\$1,711,947	8,325,599	\$5,696,589
<b>Sep 2027</b>	6,767,693	\$0.533258	\$3,608,926	2,002,848	\$0.359800	\$720,625	29,035	\$0.320000	\$9,291	\$2,092,136	8,799,575	\$6,430,978
<b>Total</b>	307,860,355		\$164,168,997	40,880,764		\$16,510,053	332,993		\$106,558	\$66,796,954	349,074,112	\$247,582,562

Notes:

- (1) Recoverable Unit Gas Cost that underlies the Periodic BGSS rate in effect at the time of the sale.
- (2) Gas Cost Recovery rate is calculated in accordance with the methodology described in the respective service classifications as approved by the BPU in Docket No. GX01050304.

**South Jersey Gas Company**  
**Other Gas Cost Recoveries**  
 For the Projected Period October 1, 2026 through September 30, 2027

	Rider "I" Opt In			Rider "I" Opt Out			Rider "J"			Non-Commodity			D-2			Total Other Gas Cost Recoveries *
	BSC - Balancing Service Charges			BSC - Balancing Service Charges			BSC - Balancing Service Charges			Non-Commodity			D-2			
	Applicable Recoverable			Applicable Recoverable			Applicable Recoverable			Applicable Recoverable			Applicable Recoverable			
	Sales	Unit Gas	Gas Cost	Sales	Unit Gas	Gas Cost	Sales	Unit Gas	Gas Cost	Sales	Unit Gas	Gas Cost	Sales	Unit Gas	Gas Cost	Gas Cost
	(Therms)	Cost	Recovery	(Therms)	Cost	Recovery	(Therms)	Cost	Recovery	(Therms)	Cost	Recovery	(MCF)	Cost	Recovery	Recovery
Oct 2026	833,088	\$0.125432	\$104,496	11,320,453	\$0.002374	\$26,875	9,098,190	see CLC-5p4	\$1,242,554	1,497,719	\$0.280507	\$420,121	959	11.480322	\$11,010	\$1,805,055
Nov 2026	819,474	\$0.125432	\$102,788	11,966,294	\$0.002374	\$28,408	13,643,894	see CLC-5p4	\$1,863,006	1,678,671	\$0.280507	\$470,879	959	11.480322	\$11,010	\$2,476,091
Dec 2026	1,185,446	\$0.125432	\$148,693	13,269,592	\$0.002374	\$31,502	57,225,885	see CLC-5p4	\$7,551,458	4,362,217	\$0.280507	\$1,223,632	959	11.480322	\$11,010	\$8,966,295
Jan 2027	945,882	\$0.125432	\$118,644	14,595,488	\$0.002374	\$34,650	79,583,872	see CLC-5p4	\$10,488,411	5,432,357	\$0.280507	\$1,523,814	959	11.480322	\$11,010	\$12,176,528
Feb 2027	1,116,653	\$0.125432	\$140,064	14,891,945	\$0.002374	\$35,353	81,525,199	see CLC-5p4	\$10,739,486	5,778,946	\$0.280507	\$1,621,035	959	11.480322	\$11,010	\$12,546,948
Mar 2027	1,233,653	\$0.125432	\$154,740	16,039,439	\$0.002374	\$38,078	67,077,824	see CLC-5p4	\$8,848,310	4,927,426	\$0.280507	\$1,382,177	959	11.480322	\$11,010	\$10,434,314
Apr 2027	1,090,950	\$0.125432	\$136,840	12,913,685	\$0.002374	\$30,657	44,720,277	see CLC-5p4	\$5,917,297	3,686,385	\$0.280507	\$1,034,057	959	11.480322	\$11,010	\$7,129,861
May 2027	681,651	\$0.125432	\$85,501	11,515,883	\$0.002374	\$27,339	20,055,141	see CLC-5p4	\$2,681,981	1,989,402	\$0.280507	\$558,041	959	11.480322	\$11,010	\$3,363,872
Jun 2027	653,204	\$0.125432	\$81,933	12,384,803	\$0.002374	\$29,402	11,885,199	see CLC-5p4	\$1,600,651	1,651,793	\$0.280507	\$463,340	959	11.480322	\$11,010	\$2,186,334
Jul 2027	599,311	\$0.125432	\$75,173	13,365,294	\$0.002374	\$31,729	10,168,052	see CLC-5p4	\$1,392,004	1,417,636	\$0.280507	\$397,657	959	11.480322	\$11,010	\$1,907,573
Aug 2027	801,294	\$0.125432	\$100,508	13,739,703	\$0.002374	\$32,618	8,955,268	see CLC-5p4	\$1,215,008	1,257,734	\$0.280507	\$352,803	959	11.480322	\$11,010	\$1,711,947
Sep 2027	753,933	\$0.125432	\$94,567	11,929,517	\$0.002374	\$28,321	11,101,291	see CLC-5p4	\$1,513,529	1,585,378	\$0.280507	\$444,710	959	11.480322	\$11,010	\$2,092,136
<b>Total</b>	<b>10,714,537</b>		<b>\$1,343,946</b>	<b>157,932,096</b>		<b>\$374,931</b>	<b>415,040,091</b>		<b>\$55,053,696</b>	<b>35,265,664</b>		<b>\$9,892,266</b>	<b>11,508</b>		<b>\$132,116</b>	<b>\$66,796,954</b>

\* All other recoveries besides Periodic and Monthly recoveries

**South Jersey Gas Company**  
**Other Gas Cost Recoveries**  
For the Projected Period October 1, 2026 through September 30, 2027

<b>Periodic BSC - Rider "J"</b>			
<b>BSC - Balancing Service Charges</b>			
	<b>Sales</b>	<b>Applicable Recoverable Unit Gas Cost</b>	<b>Gas Cost Recovery</b>
	<u>(Therms)</u>	<u>Cost</u>	<u>Recovery</u>
<b>Oct 2026</b>	5,470,513	\$0.125432	\$686,177
<b>Nov 2026</b>	8,216,700	\$0.125432	\$1,030,637
<b>Dec 2026</b>	43,856,977	\$0.125432	\$5,501,068
<b>Jan 2027</b>	61,470,657	\$0.125432	\$7,710,387
<b>Feb 2027</b>	63,141,025	\$0.125432	\$7,919,905
<b>Mar 2027</b>	51,521,787	\$0.125432	\$6,462,481
<b>Apr 2027</b>	33,697,892	\$0.125432	\$4,226,794
<b>May 2027</b>	14,098,209	\$0.125432	\$1,768,367
<b>Jun 2027</b>	7,952,684	\$0.125432	\$997,521
<b>Jul 2027</b>	5,994,339	\$0.125432	\$751,882
<b>Aug 2027</b>	5,671,881	\$0.125432	\$711,435
<b>Sep 2027</b>	6,767,693	\$0.125432	\$848,885
<b>Total</b>	307,860,355		\$38,615,540

<b>Non-Periodic BSC - Rider "J"</b>			
<b>BSC - Balancing Service Charges</b>			
	<b>Sales</b>	<b>Applicable Recoverable Unit Gas Cost</b>	<b>Gas Cost Recovery</b>
	<u>(Therms)</u>	<u>Cost</u>	<u>Recovery</u>
	3,627,678	\$0.153370	\$556,377
	5,427,194	\$0.153370	\$832,369
	13,368,909	\$0.153370	\$2,050,390
	18,113,215	\$0.153370	\$2,778,024
	18,384,174	\$0.153370	\$2,819,581
	15,556,037	\$0.153370	\$2,385,829
	11,022,385	\$0.153370	\$1,690,503
	5,956,932	\$0.153370	\$913,615
	3,932,515	\$0.153370	\$603,130
	4,173,714	\$0.153370	\$640,122
	3,283,386	\$0.153370	\$503,573
	4,333,598	\$0.153370	\$664,644
<b>Total</b>	107,179,736		\$16,438,156

<b>Rider "J" BSC - Balancing Service Charges</b>	
<b>Sales</b>	<b>Gas Cost Recovery</b>
<u>(Therms)</u>	<u>Recovery</u>
9,098,190	\$1,242,554
13,643,894	\$1,863,006
57,225,885	\$7,551,458
79,583,872	\$10,488,411
81,525,199	\$10,739,486
67,077,824	\$8,848,310
44,720,277	\$5,917,297
20,055,141	\$2,681,981
11,885,199	\$1,600,651
10,168,052	\$1,392,004
8,955,268	\$1,215,008
11,101,291	\$1,513,529
415,040,091	\$55,053,696

**South Jersey Gas Company**  
**Monthly BGSS Non-Commodity Rate <sup>(1)</sup>**  
**For the Projected Period October 1, 2026 through September 30, 2027**

1. Projected Annual Demand Costs	\$12,173,172	
2. Less: Interruptible, OSS and Capacity Release Credit	(\$2,969,056)	
3. Total Costs	<u>\$9,204,116</u>	
4. Monthly BGSS Non-Commodity Rate excluding Sales Tax	<u>\$0.260994</u>	
5. Estimated Under-Recovery @ 9/30/26 (CLC-10A)	\$688,141	
6. Adjusted Total Costs	\$9,892,257	
7. Adjusted Monthly BGSS Non-Commodity Rate excluding Sales Tax	<u>\$0.280507</u>	
8. Projected Annual Firm Sales Quantities subject to Monthly BGSS (LVS, EGS-LV Firm, EGS-LV, EGS, GSG-LV, NGV)	<u>35,265,664</u>	Therms
9. Adjusted Monthly BGSS Non-Commodity Rate excluding Sales Tax	<b>\$0.280507</b>	/Therm
10. Adjusted Monthly BGSS Non-Commodity Rate including Sales Tax	<b>\$0.299091</b>	/Therm

(1)- Non-Commodity rate applies to Monthly BGSS customers.

**South Jersey Gas Company**  
**Statement of Injections and Withdrawals - Natural Gas Inventory**  
For the Projected Period October 1, 2026 through September 30, 2027

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
	<b>Injections</b>		<b>Withdrawals</b>			<b>Ending Inventory</b>	
Period	Amount	Dth	Sendout (Dth)	Average Relief Rate	Cost of Sendout from Storage	Ending Inventory (Dth)	Ending Inventory (\$)
<b>Beginning Inventory</b>						7,922,913	\$19,017,068
Oct 2026	\$2,870,068	1,116,454	48,359	\$2.4727	\$119,577	8,991,008	\$21,767,559
Nov 2026	\$714,478	262,434	579,722	\$2.4452	\$1,417,522	8,673,720	\$21,064,515
Dec 2026	\$775,957	218,579	1,538,863	\$2.4416	\$3,757,339	7,353,436	\$18,083,132
Jan 2027	\$901,292	218,172	2,185,816	\$2.5020	\$5,468,985	5,385,793	\$13,515,439
Feb 2027	\$803,958	227,402	2,153,654	\$2.5410	\$5,472,417	3,459,541	\$8,846,981
Mar 2027	\$620,968	245,587	1,209,816	\$2.5547	\$3,090,681	2,495,312	\$6,377,267
Apr 2027	\$3,556,513	1,402,853	329,925	\$2.6348	\$869,284	3,568,240	\$9,064,496
May 2027	\$3,612,827	1,416,184	28,900	\$2.6449	\$76,437	4,955,524	\$12,600,887
Jun 2027	\$2,991,438	1,150,288	20,250	\$2.6463	\$53,588	6,085,562	\$15,538,736
Jul 2027	\$2,579,321	940,363	23,000	\$2.6685	\$61,376	7,002,924	\$18,056,681
Aug 2027	\$2,065,923	742,497	26,000	\$2.6801	\$69,682	7,719,421	\$20,052,921
Sep 2027	\$956,555	352,595	10,006	\$2.6869	\$26,886	8,062,010	\$20,982,591

**South Jersey Gas Company**  
**Calculation of Non-Firm Gas Cost Recovery Rates**  
**For the Projected Period October 1, 2026 through September 30, 2027**

	(1)	(2)	(3)	(4)	(5) (2) + (3) + (4)
	<b>Tariff</b>	<b>Monthly BGSS</b>	<b>Net Income</b>		<b>Total</b>
	<b><u>ITS</u></b>	<b>w/line loss</b>	<b>before Taxes</b>		<b><u>IGS</u></b>
	<b><u>\$/Thm</u></b>	<b><u>\$/Thm</u></b>	<b><u>\$/Thm</u></b>	<b><u>Taxes</u></b>	<b><u>\$/Thm</u></b>
<b>Oct 2026</b>	\$0.083600	\$0.286945	\$1.193700	\$0.098093	\$1.578738
<b>Nov 2026</b>	\$0.083600	\$0.334922	\$1.193700	\$0.101271	\$1.629893
<b>Dec 2026</b>	\$0.083600	\$0.410386	\$1.193700	\$0.106271	\$1.710356
<b>Jan 2027</b>	\$0.083600	\$0.455826	\$1.193700	\$0.109281	\$1.758808
<b>Feb 2027</b>	\$0.083600	\$0.406531	\$1.193700	\$0.106015	\$1.706247
<b>Mar 2027</b>	\$0.083600	\$0.309463	\$1.193700	\$0.099585	\$1.602747
<b>Apr 2027</b>	\$0.083600	\$0.270108	\$1.193700	\$0.096977	\$1.560785
<b>May 2027</b>	\$0.083600	\$0.267978	\$1.193700	\$0.096836	\$1.558514
<b>Jun 2027</b>	\$0.083600	\$0.283091	\$1.193700	\$0.097837	\$1.574629
<b>Jul 2027</b>	\$0.083600	\$0.305304	\$1.193700	\$0.099309	\$1.598313
<b>Aug 2027</b>	\$0.083600	\$0.310680	\$1.193700	\$0.099665	\$1.604045
<b>Sep 2027</b>	\$0.083600	\$0.308347	\$1.193700	\$0.099511	\$1.601558

**South Jersey Gas Company**  
**Monthly Interruptible/Off-System/Capacity Release Credits**  
**For the Projected Period October 1, 2026 through September 30, 2027**

Schedule CLC-9

	(1)	(2)	(3)	(4)	(5)	(5)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	Interruptible				Capacity Release					Off-System Sales				
	Volumes (Dth)	Rate (\$/Dth)	Total Margins (\$)	85% Credit to BGSS (\$)	Volumes (Dth)	Rate (\$/Dth)	Total Margins (\$)	85% Credit to BGSS (\$)	Additional 15% Credit * To BGSS	Volumes (Dth)	Rate (\$/Dth)	Total Margins (\$)	85% Credit to BGSS (\$)	Total Credit To BGSS
<b>Oct 2025</b>	83,309	\$0.78400	\$65,314	\$55,517	8,325,980	\$0.14522	\$1,209,093	\$1,027,729	\$31,048	960,000	\$1.09236	\$1,048,667	\$891,367	\$2,005,661
<b>Nov 2025</b>	81,947	\$0.78400	\$64,247	\$54,610	2,927,400	\$0.29231	\$855,720	\$727,362	\$27,626	1,650,000	\$1.61162	\$2,659,167	2,260,292	\$3,069,890
<b>Dec 2025</b>	118,545	\$0.78400	\$92,939	\$78,998	3,024,980	\$0.29231	\$884,244	\$751,607	\$27,626	1,705,000	\$1.59291	\$2,715,917	2,308,529	\$3,166,760
<b>Jan 2026</b>	94,588	\$0.78400	\$74,157	\$63,034	2,489,920	\$0.29066	\$723,726	\$615,167	\$27,626	1,705,000	\$1.59291	\$2,715,917	2,308,529	\$3,014,356
<b>Feb 2026</b>	111,665	\$0.78400	\$87,546	\$74,414	2,248,960	\$0.29066	\$653,688	\$555,635	\$27,626	1,540,000	\$1.65303	\$2,545,667	2,163,817	\$2,821,492
<b>Mar 2026</b>	123,365	\$0.78400	\$96,718	\$82,211	2,489,920	\$0.29066	\$723,726	\$615,167	\$27,626	1,705,000	\$1.59291	\$2,715,917	2,308,529	\$3,033,533
<b>Apr 2026</b>	109,095	\$0.78400	\$85,530	\$72,701	7,809,600	\$0.13872	\$1,083,360	\$920,856	\$27,626	950,000	\$1.10228	\$1,047,167	890,092	\$1,911,275
<b>May 2026</b>	68,165	\$0.78400	\$53,441	\$45,425	8,325,980	\$0.14522	\$1,209,093	\$1,027,729	\$27,626	935,000	\$1.11970	\$1,046,917	889,879	\$1,990,659
<b>Jun 2026</b>	65,320	\$0.78400	\$51,211	\$43,530	8,057,400	\$0.14522	\$1,170,090	\$994,577	\$27,626	950,000	\$1.10228	\$1,047,167	890,092	\$1,955,825
<b>Jul 2026</b>	59,931	\$0.78400	\$46,986	\$39,938	8,325,980	\$0.14522	\$1,209,093	\$1,027,729	\$27,626	935,000	\$1.11970	\$1,046,917	889,879	\$1,985,172
<b>Aug 2026</b>	80,129	\$0.78400	\$62,821	\$53,398	8,325,980	\$0.14522	\$1,209,093	\$1,027,729	\$27,626	935,000	\$1.11970	\$1,046,917	889,879	\$1,998,632
<b>Sep 2026</b>	75,393	\$0.78400	\$59,108	\$50,242	8,057,400	\$0.14522	\$1,170,090	\$994,577	\$0	950,000	\$1.10228	\$1,047,167	890,092	\$1,934,911
<b>Total</b>	1,071,454	\$0.78400	\$840,020	\$714,018	70,409,500	\$0.17187	\$12,101,016	\$10,285,864	\$307,311	14,920,000	\$1.38629	\$20,683,500	\$17,580,976	\$28,888,169

\*- Adelpia Agreement, additional 15% credit through August 31, 2027 BPU Docket No. GR23060334, Order dated September 18, 2023.

**South Jersey Gas Company**  
**Statement of Annual Reconciliation of Gas Costs and Recoveries**  
**For the Period October 1, 2025 through September 30, 2026**

Period	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
	Recoverable Costs			Gas Cost Recoveries					(Over) Under Recovery	
	Gas Sendout	Less Supplier Refunds, Credits & Other (a)	Net Recoverable Costs (1-2)	From Firm and Limited Firm Sales			Interruptible Sales	Total Recoveries (6+7)	Monthly (Over)Under Recovery (3-8)	Cumulative (Over) Under Recovery
			Periodic	Monthly	Total					
<b>Under-recovery at October 1, 2025</b>										\$33,680,862 (b)
Oct-25	\$17,887,789	\$4,725,048	\$13,162,741	\$2,858,536	\$1,833,327	\$4,691,863	\$76,538	\$4,768,400	\$8,394,340	\$42,075,203
Nov-25	\$23,309,921	\$7,797,193	\$15,512,729	\$6,859,133	\$3,120,104	\$9,979,237	\$91,157	\$10,070,394	\$5,442,335	\$47,517,538
Dec-25	\$41,046,023	\$13,405,134	\$27,640,889	\$18,502,120	\$5,978,072	\$24,480,192	\$111,320	\$24,591,512	\$3,049,377	\$50,566,915
Jan-26	\$71,765,083	\$18,033,338	\$53,731,745	\$29,978,467	\$9,015,248	\$38,993,716	\$68,359	\$39,062,075	\$14,669,670	\$65,236,585
Feb-26	\$51,581,013	\$11,968,763	\$39,612,250	\$36,720,516	\$11,067,862	\$47,788,378	\$103,570	\$47,891,948	(\$8,279,698)	\$56,956,887
Mar-26	\$23,060,516	\$7,128,731	\$15,931,785	\$27,442,911	\$8,014,509	\$35,457,420	\$106,985	\$35,564,405	(\$19,632,620)	\$37,324,267
Apr-26	\$17,220,878	\$15,448,870	\$1,772,008	\$14,999,356	\$4,058,911	\$19,058,267	\$92,736	\$19,151,003	(\$17,378,995)	\$19,945,272
May-26 *	\$15,781,390	\$4,105,105	\$11,676,285	\$7,484,428	\$2,310,814	\$9,795,242	\$56,986	\$9,852,228	\$1,824,057	\$21,769,329
Jun-26 *	\$15,144,832	\$4,308,008	\$10,836,824	\$4,546,389	\$1,701,707	\$6,248,095	\$54,608	\$6,302,703	\$4,534,121	\$26,303,450
Jul-26 *	\$15,898,740	\$4,540,633	\$11,358,107	\$3,260,844	\$1,982,623	\$5,243,467	\$50,102	\$5,293,569	\$6,064,538	\$32,367,988
Aug-26 *	\$15,732,546	\$4,616,814	\$11,115,732	\$3,086,511	\$1,803,892	\$4,890,403	\$66,988	\$4,957,391	\$6,158,341	\$38,526,328
Sep-26 *	\$15,090,777	\$4,605,955	\$10,484,822	\$3,682,240	\$1,779,857	\$5,462,098	\$63,029	\$5,525,126	\$4,959,696	\$43,486,024
	\$323,519,508	\$100,683,591	\$222,835,917	\$159,421,451	\$52,666,925	\$212,088,376	\$942,378	\$213,030,755	\$9,805,162	

Interest Expense (Sch CLC-14) \$0  
Opening Balance, Sch CLC-3 \$43,486,024

\* Forecast

(a) Includes supplier refunds, shared margins credits, storage incentive mechanism, interruptible and off-system sales costs of gas, and company gas use costs credited to the customers

(b) Represents opening balance as of September 30th.

**South Jersey Gas Company**  
**Estimated Under-recovery Balance @ 9/30/26 - Non-Periodic Customers**

Non-Periodic BSC - Rider "J" BSC - Balancing Service Charges					Monthly BGSS Non-Commodity Rate				D-2 Demand Charge				Rider "I" Opt Out BSC - Balancing Service Charges				Non-Periodic Customers
2025-26 Sales (Therms)	Recoveries at Current Rate	Recoveries at Proposed Rate(a)	Gas Cost Under-Recovery		2025-26 Sales (Therms)	Recoveries at Current Rate	Recoveries at Proposed Rate(a)	Gas Cost Under-Recovery	2025-26 Sales (MCF)	Recoveries at Current Rate	Recoveries at Proposed Rate(a)	Gas Cost Under-Recovery	2025-26 Sales (Therms)	Recoveries at Current Rate	Recoveries at Proposed Rate(a)	Gas Cost Over-Recovery	Net Gas Cost Under-Recovery
Oct 2025 Actual	4,565,361	\$293,653	\$429,080	\$135,427	3,446,625	\$731,691	\$791,866	\$60,175	959	\$7,418	\$9,866	\$2,448	8,478,260	\$19,297	\$18,771	(\$526)	\$197,524
Nov 2025 Actual	7,446,287	\$478,960	\$699,847	\$220,887	3,454,723	\$733,410	\$793,726	\$60,316	959	\$7,418	\$9,866	\$2,448	7,793,585	\$17,738	\$17,255	(\$483)	\$283,168
Dec 2025 Actual	12,201,399	\$784,818	\$1,146,761	\$361,942	4,067,712	\$863,543	\$934,561	\$71,018	959	\$7,418	\$9,866	\$2,448	12,209,262	\$27,788	\$27,031	(\$757)	\$434,652
Jan 2026 Actual	17,203,895	\$1,106,589	\$1,616,925	\$510,336	5,558,364	\$1,179,996	\$1,277,040	\$97,043	959	\$7,418	\$9,866	\$2,448	9,836,116	\$22,387	\$21,777	(\$610)	\$609,218
Feb 2026 Actual	19,556,316	\$1,257,901	\$1,838,020	\$580,119	6,267,734	\$1,330,590	\$1,440,018	\$109,428	959	\$7,418	\$9,866	\$2,448	9,666,459	\$22,001	\$21,402	(\$599)	\$691,396
Mar 2026 Actual	14,443,208	\$929,016	\$1,357,459	\$428,443	5,070,051	\$1,076,331	\$1,164,849	\$88,518	959	\$7,418	\$9,866	\$2,448	9,979,622	\$22,714	\$22,095	(\$619)	\$518,791
Apr 2026 Actual	9,941,287	\$639,443	\$934,342	\$294,898	3,703,056	\$786,129	\$850,781	\$64,652	959	\$7,418	\$9,866	\$2,448	8,681,591	\$19,759	\$19,221	(\$538)	\$361,460
May 2026 Forecast	3,791,796	\$243,896	\$356,376	\$112,480	1,974,060	\$419,077	\$453,542	\$34,465	959	\$7,418	\$9,866	\$2,448	11,515,883	\$26,210	\$25,496	(\$714)	\$148,679
Jun 2026 Forecast	2,971,598	\$191,139	\$279,289	\$88,149	1,640,740	\$348,316	\$376,962	\$28,646	959	\$7,418	\$9,866	\$2,448	12,384,803	\$28,188	\$27,420	(\$768)	\$118,476
Jul 2026 Forecast	2,940,463	\$189,136	\$276,362	\$87,226	1,410,460	\$299,429	\$324,055	\$24,625	959	\$7,418	\$9,866	\$2,448	13,365,294	\$30,419	\$29,591	(\$829)	\$113,471
Aug 2026 Forecast	2,692,143	\$173,164	\$253,024	\$79,860	1,246,992	\$264,726	\$286,498	\$21,771	959	\$7,418	\$9,866	\$2,448	13,739,703	\$31,272	\$30,420	(\$852)	\$103,227
Sep 2026 Forecast	3,188,146	\$205,068	\$299,641	\$94,573	1,574,193	\$334,189	\$361,672	\$27,484	959	\$7,418	\$9,866	\$2,448	11,929,517	\$27,152	\$26,412	(\$740)	\$123,766
<b>Total</b>	<b>100,941,900</b>	<b>\$6,492,785</b>	<b>\$9,487,125</b>	<b>\$2,994,341</b>	<b>39,414,710</b>	<b>\$8,367,428</b>	<b>\$9,055,569</b>	<b>\$688,141</b>	<b>11,508</b>	<b>\$89,012</b>	<b>\$118,391</b>	<b>\$29,379</b>	<b>129,580,095</b>	<b>\$294,924</b>	<b>\$286,890</b>	<b>(\$8,034)</b>	<b>\$3,703,827</b>

(a) - Calculated at rates proposed in the Company's 2025-26 BGSS/CIP filing in BPU Docket No. GR25050316 (current and 2025-26 proposed rates provided below).

Rates

	<u>Current</u>	<u>2025-26 Proposed</u>
Non-Periodic BSC - Rider "J"	\$0.064322	\$0.093986
Monthly BGSS Non-Commodity	\$0.212292	\$0.229751
D-2 Demand Charge	\$7.734825	\$10.287750
Rider "I" Opt-Out	\$0.002276	\$0.002214

**South Jersey Gas Company**  
**Statement of Combined Gas Sendout**  
**For the Period October 1, 2025 through September 30, 2026**

	(1)	(2)	(3=2/1)	(4)	(5)	(6)	(7=6/5)	(8)	(9)	(10=9/8)
	<u>Purchases</u>			<u>Inventory</u>				<u>Sendout</u>		
<u>Period</u>	<u>Dth's</u>	<u>Amount</u>	<u>Average Rate</u>	<u>Beginning</u>	<u>Ending</u>	<u>Ending Amount</u>	<u>Average Rate</u>	<u>Dth's</u>	<u>Amount</u>	<u>Average Rate</u>
<b>Beginning Inventory</b>					7,541,718	\$19,650,535	\$2.6056			
Oct-25	4,358,233	\$20,490,846	\$4.7016	7,541,718	8,672,076	\$22,253,593	\$2.5661	3,227,875	\$17,887,789	\$5.54166
Nov-25	4,192,764	\$22,301,286	\$5.3190	8,672,076	8,254,923	\$21,244,957	\$2.5736	4,609,917	\$23,309,921	\$5.05647
Dec-25	6,924,434	\$38,615,014	\$5.5766	8,254,923	6,985,511	\$18,813,948	\$2.6933	8,193,846	\$41,046,023	\$5.00937
Jan-26	6,965,867	\$66,081,731	\$9.4865	6,985,511	4,657,896	\$13,130,596	\$2.8190	9,293,482	\$71,765,083	\$7.72209
Feb-26	6,054,031	\$46,491,842	\$7.6795	4,657,896	2,565,988	\$8,041,424	\$3.1339	8,145,939	\$51,581,013	\$6.33211
Mar-26	3,988,122	\$20,158,927	\$5.0547	2,565,988	1,575,100	\$5,139,836	\$3.2632	4,979,010	\$23,060,516	\$4.63155
Apr-26	3,557,115	\$19,671,876	\$5.5303	1,575,100	2,602,909	\$7,590,834	\$2.9163	2,529,306	\$17,220,878	\$6.80854
May-26 *	3,936,701	\$19,503,295	\$4.9542	2,602,909	4,300,581	\$11,312,739	\$2.6305	2,239,029	\$15,781,390	\$7.04832
Jun-26 *	3,384,505	\$18,605,026	\$5.4971	4,300,581	5,793,461	\$14,772,932	\$2.5499	1,891,625	\$15,144,832	\$8.00625
Jul-26 *	3,240,184	\$19,122,663	\$5.9017	5,793,461	7,059,457	\$17,996,855	\$2.5493	1,974,188	\$15,898,740	\$8.05330
Aug-26 *	2,501,869	\$17,096,665	\$6.8336	7,059,457	7,593,291	\$19,360,974	\$2.5497	1,968,035	\$15,732,546	\$7.99404
Sep-26 *	2,464,994	\$16,513,626	\$6.6993	7,593,291	8,162,888	\$20,783,823	\$2.5461	1,895,397	\$15,090,777	\$7.96180
	<u>51,568,819</u>	<u>\$324,652,796</u>						<u>50,947,650</u>	<u>\$323,519,508</u>	

\*Forecast

**South Jersey Gas Company**  
**Statement of Combined Gas Sendout**  
**For the Period October 1, 2025 through September 30, 2026**

	(1)	(2)	(3)	(4=3/1)	(5)	(6)	(7)	(8)	(9=7+8/5)
	<b>Purchases</b>				<b>Sendout</b>				
				<b>Average Commodity Rate</b>					<b>Average Commodity Rate</b>
<b>Period</b>	<b>Dth's</b>	<b>Demand &amp; Storage</b>	<b>Commodity</b>	<b>\$/dth</b>	<b>Dth's</b>	<b>Demand &amp; Storage</b>	<b>Commodity</b>	<b>Other Commodity Costs</b>	<b>\$/dth</b>
Oct-25	4,358,233	\$10,436,373	\$10,054,474	\$2.3070	3,227,875	\$10,436,373	\$7,343,275	\$108,141	\$2.3085
Nov-25	4,192,764	\$10,038,228	\$12,263,057	\$2.9248	4,609,917	\$10,038,228	\$13,230,813	\$40,880	\$2.8789
Dec-25	6,924,434	\$10,381,851	\$28,233,163	\$4.0773	8,193,846	\$10,381,851	\$31,165,256	(\$501,085)	\$3.7423
Jan-26	6,965,867	\$10,411,278	\$55,670,453	\$7.9919	9,293,482	\$10,411,278	\$61,233,223	\$120,583	\$6.6018
Feb-26	6,054,031	\$9,946,847	\$36,544,994	\$6.0365	8,145,939	\$9,946,847	\$42,878,478	(\$1,244,313)	\$5.1110
Mar-26	3,988,122	\$9,370,590	\$10,788,338	\$2.7051	4,979,010	\$9,370,590	\$13,352,856	\$337,070	\$2.7495
Apr-26	3,557,115	\$8,926,976	\$10,744,900	\$3.0207	2,529,306	\$8,926,976	\$6,999,464	\$1,294,438	\$3.2791
May-26 *	3,936,701	\$9,754,775	\$9,748,519	\$2.4763	2,239,029	\$9,754,775	\$6,026,614	\$0	\$2.6916
Jun-26 *	3,384,505	\$9,579,873	\$9,025,152	\$2.6666	1,891,625	\$9,579,873	\$5,564,959	\$0	\$2.9419
Jul-26 *	3,240,184	\$9,862,353	\$9,260,310	\$2.8580	1,974,188	\$9,862,353	\$6,036,387	\$0	\$3.0577
Aug-26 *	2,501,869	\$9,709,638	\$7,387,027	\$2.9526	1,968,035	\$9,709,638	\$6,022,908	\$0	\$3.0604
Sep-26 *	2,464,994	\$9,539,602	\$6,974,024	\$2.8292	1,895,397	\$9,539,602	\$5,551,175	\$0	\$2.9288
	51,568,819	\$117,958,385	\$206,694,411	\$4.0081	50,947,650	\$117,958,385	\$205,405,409	\$155,714	\$4.0348

\* Forecast

**South Jersey Gas Company  
Monthly Interruptible/Off-System/Capacity Release Credits  
For the Period October 1, 2025 through September 30, 2026**

Period	Interruptible				Capacity Releases				**Additional 15% Credit To BGSS (1)	Off System Sales				Total Credit To BGSS
	Volumes Dths	Average Rate	Total Amount	85% Credit To BGSS	Volumes Dths	Average Rate	Total Amount	Credit 85% To BGSS		Volumes Dths	Average Rate	Total Amount	Credit 85% To BGSS	
Oct-25	77,964	\$0.9817	\$76,538	\$65,057	11,733,598	\$0.0567	\$665,596	\$565,756	\$4,312	1,033,600	\$1.4235	\$1,471,301	\$1,250,606	\$1,885,731
Nov-25	95,510	\$0.9544	\$91,157	\$77,483	9,442,790	\$0.3340	\$3,153,784	\$2,680,716	\$27,626	972,170	\$1.6977	\$1,650,460	\$1,402,891	\$4,188,716
Dec-25	124,959	\$0.8909	\$111,320	\$94,622	9,196,499	\$0.4168	\$3,832,795	\$3,257,876	\$27,626	980,491	\$1.9609	\$1,922,631	\$1,634,237	\$5,014,361
Jan-26	74,058	\$0.9230	\$68,359	\$58,105	7,046,160	\$0.4636	\$3,266,664	\$2,776,664	\$36,805	1,241,204	\$2.0774	\$2,578,467	\$2,191,697	\$5,063,271
Feb-26	117,989	\$0.8778	\$103,570	\$88,035	7,551,028	\$0.3531	\$2,666,347	\$2,266,395	\$30,881	954,130	\$2.7569	\$2,630,442	\$2,235,876	\$4,621,187
Mar-26	109,853	\$0.9739	\$106,985	\$90,937	9,703,660	\$0.2173	\$2,108,869	\$1,792,538	\$27,626	1,224,940	\$1.4562	\$1,783,734	\$1,516,174	\$3,427,276
Apr-26	96,902	\$0.9570	\$92,736	\$78,826	12,631,140	\$0.1040	\$1,313,156	\$1,116,183	\$31,048	96,902	\$14.5636	\$1,411,239	\$1,199,553	\$2,425,610
May-26 *	68,165	\$0.8360	\$56,986	\$48,438	8,325,980	\$0.1452	\$1,209,093	\$1,027,729	\$31,048	935,000	\$1.1197	\$1,046,917	\$889,879	\$1,997,094
Jun-26 *	65,320	\$0.8360	\$54,608	\$46,417	8,057,400	\$0.1452	\$1,170,090	\$994,577	\$31,048	950,000	\$1.1023	\$1,047,167	\$890,092	\$1,962,133
Jul-26 *	59,931	\$0.8360	\$50,102	\$42,587	8,325,980	\$0.1452	\$1,209,093	\$1,027,729	\$31,048	935,000	\$1.1197	\$1,046,917	\$889,879	\$1,991,243
Aug-26 *	80,129	\$0.8360	\$66,988	\$56,940	8,325,980	\$0.1452	\$1,209,093	\$1,027,729	\$31,048	935,000	\$1.1197	\$1,046,917	\$889,879	\$2,005,596
Sep-26 *	75,393	\$0.8360	\$63,029	\$53,574	8,057,400	\$0.1452	\$1,170,090	\$994,577	\$31,048	950,000	\$1.1023	\$1,047,167	\$890,092	\$1,969,291
	1,046,175	\$0.9008	\$942,378	\$801,022	108,397,615	\$0.2119	\$22,974,670	\$19,528,469	\$341,166	11,208,437	\$1.6669	\$18,683,359	\$15,880,855	\$36,551,511

\* Forecast

1)- Adelphia Contract.

**South Jersey Gas Company  
Gas Costs Recovered Through Sales  
For the Period October 1, 2025 through September 30, 2026**

**Firm and Limited Firm**

<u>Period</u>	<u>Periodic</u>		<u>Monthly</u>		<u>Total</u>	<u>Total</u>
	<u>Dth</u>	<u>\$</u>	<u>Dth</u>	<u>\$</u>	<u>Dth</u>	<u>\$</u>
Oct-25	769,185	\$2,858,536	344,663	\$1,833,327	1,113,848	\$4,691,863
Nov-25	1,845,391	\$6,859,133	345,472	\$3,120,104	2,190,863	\$9,979,237
Dec-25	4,461,078	\$18,502,120	406,771	\$5,978,072	4,867,849	\$24,480,192
Jan-26	6,519,866	\$29,978,467	555,836	\$9,015,248	7,075,702	\$38,993,716
Feb-26	7,316,057	\$36,720,516	626,773	\$11,067,862	7,942,831	\$47,788,378
Mar-26	4,987,963	\$27,442,911	507,005	\$8,014,509	5,494,968	\$35,457,420
Apr-26	2,720,388	\$14,999,356	370,306	\$4,058,911	3,090,694	\$19,058,267
May-26	* 1,358,449	\$7,484,428	197,406	\$2,310,814	1,555,855	\$9,795,242
Jun-26	* 825,185	\$4,546,389	164,074	\$1,701,707	989,259	\$6,248,095
Jul-26	* 591,854	\$3,260,844	141,046	\$1,982,623	732,900	\$5,243,467
Aug-26	* 560,212	\$3,086,511	124,699	\$1,803,892	684,911	\$4,890,403
Sep-26	* 668,339	\$3,682,240	157,419	\$1,779,857	825,758	\$5,462,098
<b>TOTAL</b>	<b>32,623,967</b>	<b>\$159,421,451</b>	<b>3,941,471</b>	<b>\$52,666,925</b>	<b>36,565,438</b>	<b>\$212,088,376</b>

\* Forecast

**South Jersey Gas Company**  
**Gas Costs Recovered Through Sales**  
**For the Period October 1, 2025 through September 30, 2026**

Period	Interruptible						Total Amount Credited To BGSS (CLC-13p1+p2)
	IGS		ITS		Total		
	Dth	\$	Dth	\$	Dth	\$	
Oct-25	-	\$0	77,964	\$76,538	77,964	\$76,538	\$4,768,400
Nov-25	-	\$0	95,510	\$91,157	95,510	\$91,157	\$10,070,394
Dec-25	-	\$0	124,959	\$111,320	124,959	\$111,320	\$24,591,512
Jan-26	-	\$0	74,058	\$68,359	74,058	\$68,359	\$39,062,075
Feb-26	-	\$0	117,989	\$103,570	117,989	\$103,570	\$47,891,948
Mar-26	-	\$0	109,853	\$106,985	109,853	\$106,985	\$35,564,405
Apr-26	-	\$0	96,902	\$92,736	96,902	\$92,736	\$19,151,003
May-26	*	\$0	68,165	\$56,986	68,165	\$56,986	\$9,852,228
Jun-26	*	\$0	65,320	\$54,608	65,320	\$54,608	\$6,302,703
Jul-26	*	\$0	59,931	\$50,102	59,931	\$50,102	\$5,293,569
Aug-26	*	\$0	80,129	\$66,988	80,129	\$66,988	\$4,957,391
Sep-26	*	\$0	75,393	\$63,029	75,393	\$63,029	\$5,525,126
<b>TOTAL</b>	-	<b>\$0</b>	<b>1,046,175</b>	<b>\$942,378</b>	<b>1,046,175</b>	<b>\$942,378</b>	<b>\$213,030,755</b>

\* Forecast

**South Jersey Gas Company**  
**Computation of Interest on Cumulative (Over) Under Recovery**  
**For the Period October 1, 2025 through September 30, 2026**

<b>Period</b>	<b>Under/(Over) Beginning</b>	<b>Under/(Over) Ending</b>	<b>Under/(Over) Average Balance</b>	<b>Monthly Interest Rate (a)</b>	<b>Monthly Computed Interest (Expense)</b>	<b>Cumulative Computed Interest (Expense)</b>
Oct-25	\$33,680,862	\$42,075,203	\$37,878,032	0.5775%	\$218,746	\$218,746
Nov-25	\$42,075,203	\$47,517,538	\$44,796,370	0.5775%	\$258,699	\$477,445
Dec-25	\$47,517,538	\$50,566,915	\$49,042,226	0.5775%	\$283,219	\$760,664
Jan-26	\$50,566,915	\$65,236,585	\$57,901,750	0.5775%	\$334,383	\$1,095,046
Feb-26	\$65,236,585	\$56,956,887	\$61,096,736	0.5775%	\$352,834	\$1,447,880
Mar-26	\$56,956,887	\$37,324,267	\$47,140,577	0.5775%	\$272,237	\$1,720,117
Apr-26	\$37,324,267	\$19,945,272	\$28,634,769	0.5775%	\$165,366	\$1,885,482
May-26	* \$19,945,272	\$21,769,329	\$20,857,300	0.5775%	\$120,451	\$2,005,933
Jun-26	* \$21,769,329	\$26,303,450	\$24,036,389	0.5775%	\$138,810	\$2,144,743
Jul-26	* \$26,303,450	\$32,367,988	\$29,335,719	0.5775%	\$169,414	\$2,314,157
Aug-26	* \$32,367,988	\$38,526,328	\$35,447,158	0.5775%	\$204,707	\$2,518,865
Sep-26	* \$38,526,328	\$43,486,024	\$41,006,176	0.5775%	\$236,811	\$2,755,675

\* Forecast

(a) Board Order issued 12/21/22 in Docket No. GR22040253 authorized a cost of capital of 6.93%.

Pursuant to Docket Nos. GR87091101 and GR89080731, the Company is utilizing the monthly offset methodology. No interest is credited to ratepayers since interest on underrecoveries exceeds interest on overrecoveries.

**South Jersey Gas Company**  
**Statement of Injections and Withdrawals - Natural Gas Inventory**  
**For the Period October 1, 2025 through September 30, 2026**

Period	Injections		Inventory (Dth's)		Withdrawals			Ending Inventory		
	Dth's	Amount	Beginning	Ending	Sendout	Average Rate	Cost of Sendout from Storage	Ending Inventory (Dth's)	Ending Inventory (\$)	
<b>Beginning Inventory</b>								7,233,376	\$17,391,550	
Oct-25	1,095,685	\$2,352,227	7,233,376	8,273,949	55,112	\$2.42182	\$133,471	8,273,949	\$19,610,305	
Nov-25	379,619	\$1,093,897	8,273,949	7,863,330	790,238	\$2.36169	\$1,866,299	7,863,330	\$18,837,903	
Dec-25	254,693	\$1,071,156	7,863,330	6,632,461	1,485,562	\$2.37850	\$3,533,408	6,632,461	\$16,375,651	
Jan-26	175,972	\$1,361,263	6,632,461	4,494,290	2,314,143	\$2.47838	\$5,735,333	4,494,290	\$12,001,581	
Feb-26	82,436	\$572,683	4,494,290	2,415,529	2,161,197	\$2.69901	\$5,833,087	2,415,529	\$6,741,177	
Mar-26	432,160	\$1,053,513	2,415,529	1,431,245	1,416,444	\$2.73805	\$3,878,293	1,431,245	\$3,916,397	
Apr-26	1,273,916	\$2,788,147	1,431,245	2,408,934	296,227	\$2.53634	\$751,333	2,408,934	\$5,953,211	
May-26	*	1,689,509	\$3,545,435	2,408,934	4,034,606	28,900	\$2.39723	\$69,280	4,034,606	\$9,429,365
Jun-26	*	1,549,648	\$3,536,917	4,034,606	5,533,986	20,250	\$2.38303	\$48,256	5,533,986	\$12,918,025
Jul-26	*	1,320,722	\$3,308,673	5,533,986	6,806,482	23,000	\$2.42749	\$55,832	6,806,482	\$16,170,866
Aug-26	*	577,188	\$1,457,341	6,806,482	7,346,816	26,000	\$2.45545	\$63,842	7,346,816	\$17,564,365
Sep-26	*	594,411	\$1,477,052	7,346,816	7,922,913	10,006	\$2.43339	\$24,349	7,922,913	\$19,017,068

\* Forecast

**South Jersey Gas Company**  
**Statement of Injections and Withdrawals - LNG Inventory**  
**For the Period October 1, 2025 through September 30, 2026**

Period	Injections		Liquefier Costs	Inventory (Dth's)		Withdrawals			Ending Inventory	
	Dth's	Amount	Amount	Beginning	Ending	Dth's	Average Relief Rate	Amount	Ending Inventory (Dth's)	Ending Inventory (\$)
<b>Beginning Inventory</b>									308,342	\$2,258,985
Oct-25	92,951	\$158,619	\$246,703	308,342	398,127	3,166	\$6.63931	\$21,020	398,127	\$2,643,288
Nov-25	-	\$0	(\$196,071)	398,127	391,593	6,534	\$6.14683	\$40,163	391,593	\$2,407,054
Dec-25	-	\$0	\$297,436	391,593	353,050	38,543	\$6.90638	\$266,193	353,050	\$2,438,297
Jan-26	-	\$0	(\$1,965)	353,050	163,606	189,444	\$6.90081	\$1,307,317	163,606	\$1,129,014
Feb-26	74,913	\$732,630	\$199,607	163,606	150,459	88,060	\$8.64187	\$761,003	150,459	\$1,300,247
Mar-26	139	\$456	(\$19,917)	150,459	143,855	6,743	\$8.50467	\$57,347	143,855	\$1,223,439
Apr-26	53,619	\$128,128	\$315,596	143,855	193,975	3,499	\$8.44244	\$29,540	193,975	\$1,637,623
May-26	*	78,000	\$188,236	193,975	265,975	6,000	\$7.08102	\$42,486	265,975	\$1,883,373
Jun-26	*	-	\$0	265,975	259,475	6,500	\$7.14869	\$46,467	259,475	\$1,854,907
Jul-26	*	-	\$0	259,475	252,975	6,500	\$7.21806	\$46,917	252,975	\$1,825,990
Aug-26	*	-	\$0	252,975	246,475	6,500	\$7.28922	\$47,380	246,475	\$1,796,610
Sep-26	*	-	\$0	246,475	239,975	6,500	\$7.36225	\$47,855	239,975	\$1,766,755

\* Forecast

South Jersey Gas Company  
Statement of Historical Service Interruptions (1)  
For the Period October 1, 2025 through September 30, 2026

NUMBER OF DAYS INTERRUPTED

LINE NO.		FES	IGS	ITS	GS RETAIL						GS INDUST.			
					6	4	2	EGS	LVS	LVCS	CTS	LVS-FT	6	2
1	November-25	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2	December-25	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
3	January-26	11.0	0.0	10.0	0.0	0.0	0.0	10.0	10.0	0.0	10.0	0.0	0.0	0.0
4	February-26	4.0	0.0	2.0	0.0	0.0	0.0	2.0	0.0	0.0	0.0	0.0	0.0	0.0
5	March-26	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

(1) - Service Interruptions to Interupptible Customers only occur during the Winter period - November through March.

Source: F40 BGSS Monthly BPU Report.

**SOUTH JERSEY GAS COMPANY**

**B.P.U.N.J. No. 14 - GAS**

**Thirteenth Revised Sheet No. 6  
Superseding Twelfth 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:** <sup>(1)</sup>

**Customer Charge:** \$10.502563 per month

**Delivery Charge:**

(a) Residential Non-Heating Customers  
Firm Sales Service and Firm Transportation Service \$1.~~445010~~510169 per therm

(b) Residential Heating Customers  
Firm Sales Service-and Firm Transportation Service \$1.~~344933~~410092 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.

Infrastructure Investment Program The rates set forth above have been adjusted, as is appropriate, pursuant to Rider “B” 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.

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

**Issued** \_\_\_\_\_ **Effective with service rendered**  
**by South Jersey Gas Company,** **on and after** \_\_\_\_\_  
**B. Schomber, President**  
**Filed pursuant to Order in Docket No. \_\_\_\_\_ of the Board of**  
**Public Utilities, State of New Jersey, dated \_\_\_\_\_**

**SOUTH JERSEY GAS COMPANY**

**Thirteenth Revised Sheet No. 10  
Superseding Twelfth Revised Sheet No. 10**

**B.P.U.N.J. No. 14 - GAS**

**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: <sup>(1)</sup>**

**Customer Charge:**

\$40.496175 per month

**Delivery Charges:**

Firm Sales Service - <del>Periodic BGSS and Firm Transportation Service</del>	<del>\$1.406610-171769</del> per therm
Firm Sales Service - Monthly BGSS	\$1.201558 per therm
Firm Transportation Service	\$1.201558 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.
Infrastructure Investment Program	The rates set forth above have been adjusted, as is appropriate, pursuant to Rider "B" 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.

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

Issued \_\_\_\_\_  
by South Jersey Gas Company,  
B. Schomber, President

Effective with service rendered  
on and after \_\_\_\_\_

Filed pursuant to Order in Docket No. \_\_\_\_\_ of the Board of  
Public Utilities, State of New Jersey, dated \_\_\_\_\_

**SOUTH JERSEY GAS COMPANY**

**B.P.U.N.J. No. 14 - GAS**

**Thirteenth Revised Sheet No. 14  
Superseding Twelfth 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: <sup>(1)</sup>**

**Customer Charge:**

\$264.003500 per month

**Delivery Charges:**

Firm Sales Service and Firm Transportation Service<sup>(2)</sup>

Demand Charge:

D-1FT: \$14.199998 per Mcf of Contract Demand

Volumetric Charge:

~~\$.711210~~ 806158 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).

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

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

Issued \_\_\_\_\_  
by South Jersey Gas Company,  
B. Schomber, President

Effective with service rendered  
on and after \_\_\_\_\_

Filed pursuant to Order in Docket No. \_\_\_\_\_ of the Board of  
Public Utilities, State of New Jersey, dated \_\_\_\_\_

**SOUTH JERSEY GAS COMPANY**

**B.P.U.N.J. No. 14 - GAS**

**Sixth Revised Sheet No. 24  
Superseding Fifth Revised Sheet No. 24**

**COMPREHENSIVE TRANSPORTATION SERVICE (CTS)**  
(Continued)

Provisions of this Rate Schedule CTS for gas delivered, including gas deliveries resulting in imbalances, prior to the implementation of the Rate Schedule GSG-LV Monthly BGSS rate.

In order to be reinstated as an eligible Aggregator/Marketer, following termination of aggregator/ Marketer status for Deficiency Imbalances or Excess Imbalances as set forth above, the Aggregator/Marketer in addition to meeting all other applicable requirements must post and maintain for one (1) year security in a credit facility satisfactory to the Company in an amount equal to two (2) times that which would otherwise be required by the Company. At the conclusion of that year and assuming no additional occurrence of Deficiency Imbalances or Excess Imbalances as described above, the Aggregator/Marketer will be released from its obligation to provide security in excess of that otherwise required by the Company. If an additional Deficiency Imbalance or Excess Imbalance as described above occurs during that one-year period, the Aggregator/Marketer will be disqualified as an Aggregator/Marketer upon the Company's system for an additional one (1) year period. As used in this Paragraph (m), ACD shall mean the aggregate of all Contract Demands, expressed in dekatherms, of all customers served by an Aggregator/Marketer under this Rate Schedule CTS.

- (p) The receipt of gas by the Company for transportation under this Rate Schedule CTS shall equal the delivery of said gas to the customer on a daily basis, less a percentage for line loss. The line loss factor to be utilized will by the Company-wide line loss percentage.
- (q) Customers subscribing to this Rate Schedule CTS may elect the “opt-out” provision provided for in the Standard Gas Service Agreement (LV). Such an “opt-out” customer will have no right or entitlement to have base load gas provided by the Company. Provided, however, that a customer electing the “opt-out” provision shall be eligible to receive balancing services from the Company pursuant to appropriate rate schedules and riders. In the case that an “opt-out” customer cannot provide for its capacity, gas supply, or both, the customer must either discontinue the use of base load gas or have it provided by South Jersey at the incremental price. The incremental price charged to an “opt-out” customer shall be the sum of: (1) the highest commodity cost of gas paid by the Company during the month in which the “opt-out” customer uses “Company” gas; and (2) the higher of the cost of incremental capacity needed to serve the returning “opt-out” customer or the system weighted average cost of capacity, plus other charges which must be paid by customers eligible for South Jersey’s Monthly BGSS charge. The incremental price will be charged to the customer until the effective date of a new Standard Gas Service Agreement.
- (r) An “opt-out” customer will become eligible to purchase base load gas from the Company or transport gas without “opt-out” status, upon six months’ notice to the Company of intention to no longer be an “opt-out” customer, provided that prior to the expiration of the six month notice period, the customer shall have entered into a new Standard Gas Service Agreement which includes the customer’s agreement to purchase base load gas or transport without an “opt-out” status for a term of not less than one year. Upon the effective date of the new Standard Gas Service Agreement, which shall be no sooner than the end of the six month period in said notice, the customer shall no longer be obligated to pay the incremental prices set forth above. However, said customer will then be obligated to pay the higher balancing charge of ~~\$0.6858301~~ 1.33742 per Dt, including taxes. The Company will not have the right to waive this six month notice requirement.

Issued \_\_\_\_\_  
by South Jersey Gas Company,  
B. Schomber, President

Effective with service rendered  
on and after \_\_\_\_\_

Filed pursuant to Orders in Docket No. \_\_\_\_\_ of the Board of  
Public Utilities, State of New Jersey, dated \_\_\_\_\_

**SOUTH JERSEY GAS COMPANY**

**B.P.U.N.J. No. 14 - GAS**

**Twelfth Revised Sheet No. 25  
Superseding Eleventh 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: <sup>(1)</sup>**

**Firm:**

**Customer Charge:**

\$1,225.003963 per month

**Delivery Charge:**

**Firm Sales Service and Firm Transportation Service**

Demand Charge:

D-1FT: \$22.000043 per Mcf of Contract Demand

Volumetric Charge:

\$.259085 per therm

**Basic Gas Supply Service ("BGSS") Charge:**

Demand Charge:

D-2: ~~\$16.494513~~ 19.037673 per Mcf of Contract Demand.

Volumetric Charge:

See Rider "A" of this Tariff.

<sup>(1)</sup> Please refer to Appendix A for components of Monthly Rates.

Issued \_\_\_\_\_  
by South Jersey Gas Company,  
B. Schomber, President

Effective with service rendered  
on and after \_\_\_\_\_

Filed pursuant to Order in Docket No. \_\_\_\_\_ of the Board of  
Public Utilities, State of New Jersey, dated \_\_\_\_\_

**SOUTH JERSEY GAS COMPANY**

**B.P.U.N.J. No. 14 - GAS**

**Sixth Revised Sheet No. 30  
Superseding Fifth Revised Sheet No. 30**

**LARGE VOLUME SERVICE (LVS)**

(Continued)

- (l) A Firm Transportation Service customer scheduling gas for delivery may not schedule less than one dekatherm of gas for delivery under this Rate Schedule LVS on any day. All scheduling must be done in whole number dekatherms and not in fractions thereof.
- (m) The BGSS D-2 Demand Charge will equal the Company's system weighted average interstate pipeline demand charge plus the system weighted average gas reservation charge both as of October 1 of each year. The BGSS D-2 Demand Charge is subject to annual adjustment, to be made in the same proceeding in which the Company's annual Periodic BGSS Rate is established for the BGSS Year pursuant to Rider "A" of this Tariff. The BGSS D-2 Demand Charge shall not be less than the sum of the following: (1) the demand charge invoiced by Transcontinental Gas Pipe Line Corporation for its FT service; (2) the Pipeline Capacity Factor; and (3) one dollar (\$1.00) per Dt.
- (n) The Pipeline Capacity Factor will recover the difference between the Company's system weighted average pipeline demand cost and the demand cost of Transcontinental Gas Pipe Line Corporation's FT charge.
- (o) Customers subscribing to this Rate Schedule LVS may elect the "opt-out" provision provided for in the Standard Gas Service Agreement (LV). Such an "opt-out" customer will have no right or entitlement to have base load gas provided by the Company. Provided, however, that a customer electing the "opt-out" provision shall be eligible to receive balancing services from the Company pursuant to appropriate rate schedules and riders. In the case that an "opt-out" customer cannot provide for its capacity, gas supply, or both, the customer must either discontinue the use of base load gas or have it provided by South Jersey at the incremental price. The incremental price charged to an "opt-out" customer shall be the sum of: (1) the highest commodity cost of gas paid by the Company during the month in which the "opt-out" customer uses "Company" gas; and (2) the higher of the cost of incremental capacity needed to serve the returning "opt-out" customer or the system weighted average cost of capacity, plus other charges which must be paid by customers eligible for South Jersey's Monthly BGSS charge. The incremental price will be charged to the customer until the effective date of a new Standard Gas Service Agreement.
- (p) An "opt-out" customer will become eligible to purchase base load gas from the Company, or transport gas without "opt-out" status, upon six months' notice to the Company of intention to no longer be an "opt-out" customer, provided that prior to the expiration of the six month notice period, the customer shall have entered into a new Standard Gas Service Agreement which includes the customer's agreement to purchase base load gas or transport without an "opt-out" status for a term of not less than one year. Upon the effective date of the six month period in said notice, the customer shall no longer be obligated to pay the incremental prices set forth above. However, said customer will then be obligated to pay the higher balancing charge of ~~\$0.6858301~~ 1.337420 per Dt, including taxes. The Company will not have the right to waive this six month notice requirement.

Issued \_\_\_\_\_  
by South Jersey Gas Company,  
B. Schomber, President

Effective with service rendered  
on and after \_\_\_\_\_

Filed pursuant to Order in Docket No. \_\_\_\_\_ of the Board of  
Public Utilities, State of New Jersey, dated \_\_\_\_\_

**SOUTH JERSEY GAS COMPANY**

**B.P.U.N.J. No. 14 - GAS**

**Twelfth Revised Sheet No. 31  
Superseding Eleventh 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 <sup>(1) (2)</sup>**

**WINTER (November – March):**

**Demand Charge:**

- D-1 \$3.089100 per Mcf of Winter Daily Contract Demand
- D-2 ~~\$8.247257~~12.240893 per Mcf of Daily Billing Determinant or \$0 for Firm Transportation

customers

**Volumetric Charge:**

- C-1: \$.188858 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 ~~\$8.247257~~12.240893 per Mcf of Daily Billing Determinant or \$0 for Firm Transportation

customers

**Volumetric Charge:**

- C-1: \$.188858 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.

<sup>(1)</sup> Please refer to Appendix A for components of Monthly Rates.

<sup>(2)</sup> Please refer to Special Provision (p)

Issued \_\_\_\_\_  
by South Jersey Gas Company,  
B. Schomber, President

Effective with service rendered  
on and after \_\_\_\_\_

Filed pursuant to Order in Docket No. \_\_\_\_\_ of the Board of  
Public Utilities, State of New Jersey, dated \_\_\_\_\_

**SOUTH JERSEY GAS COMPANY**

**B.P.U.N.J. No. 14 - GAS**

**Thirteenth Revised Sheet No. 38  
Superseding Twelfth 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:** <sup>(1)(2)</sup>

**Residential Customer Charge:**

\$10.502563 per month

**Residential Delivery Charge**

**Residential Volumetric Charge:** ~~\$.456517-521676~~ per therm

**Commercial and Industrial Customer Charge:**

\$91.996050 per month

**Commercial and Industrial Delivery Charge:**

**Commercial and Industrial Demand Charge:**

D-1 Charge: \$9.750003 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

~~\$.443385~~ ~~per 538333~~ per therm

<sup>(1)</sup> Please refer to Appendix A for components of Monthly Rates.

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

Issued \_\_\_\_\_  
by South Jersey Gas Company,  
B. Schomber, President

Effective with service rendered  
on and after \_\_\_\_\_

Filed pursuant to Order in Docket No. \_\_\_\_\_ of the Board of  
Public Utilities, State of New Jersey, dated \_\_\_\_\_

**SOUTH JERSEY GAS COMPANY**

**B.P.U.N.J. No. 14 - GAS**

**Thirteenth Revised Sheet No. 39  
Superseding Twelfth 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

\$~~411397~~506345 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.
Infrastructure Investment Program	The rates set forth above have been adjusted, as is appropriate, pursuant to Rider “B” 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.

Issued \_\_\_\_\_  
by South Jersey Gas Company,  
B. Schomber, President

Effective with service rendered  
on and after \_\_\_\_\_

Filed pursuant to Order in Docket No. \_\_\_\_\_ of the Board of  
Public Utilities, State of New Jersey, dated \_\_\_\_\_

**SOUTH JERSEY GAS COMPANY**

**B.P.U.N.J. No. 14 - GAS**

**Thirteenth Revised Sheet No. 43  
Superseding Twelfth 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: <sup>(1)</sup>**

**Customer Charge:**

\$874.996738 per month

**FIRM:**

**Demand Charges: <sup>(2)</sup>**

- D-1 \$29.441185 per Mcf of Firm Daily Contract Demand.
- D-2 ~~\$16.57594620.204254~~ per Mcf of Firm Daily Contract Demand or \$0 for Firm Transportation customers.

**Volumetric Charge:**

- C-1: \$.189707 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 ~~\$8.2472579.518837~~ per Mcf of Limited Firm Daily Contract Demand or \$0 for Limited Firm Transportation customers

**Volumetric Charge: <sup>(2)</sup>**

- C-1: \$.188858 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 \$.173700 per therm for all consumption within Limited Firm Contract Demand level.<sup>1</sup>

**Minimum Bill:** Monthly D-2 charge, irrespective of use.

<sup>(1)</sup> Please refer to Appendix A for components of Monthly Rates.

<sup>(2)</sup> Please refer to Special Provision (j).

Issued \_\_\_\_\_  
by South Jersey Gas Company,  
B. Schomber, President

Effective with service rendered  
on and after \_\_\_\_\_

Filed pursuant to Order in Docket No. \_\_\_\_\_ of the Board of  
Public Utilities, State of New Jersey, dated \_\_\_\_\_

**SOUTH JERSEY GAS COMPANY**

**B.P.U.N.J. No. 14 - GAS**

**Sixth Revised Sheet No. 48  
Superseding Fifth Revised Sheet No. 48**

**ELECTRIC GENERATION SERVICE – LARGE VOLUME (EGS-LV)**  
(Continued)

base load gas or have it provided by South Jersey at the incremental price. The incremental price charged to an “opt-out” customer shall be the sum of: (1) the highest commodity cost of gas paid by the Company during the month in which the “opt-out” customer uses “Company” gas; and (2) the higher of the cost of incremental capacity needed to serve the returning “opt-out” customer or the system weighted average cost of capacity, plus other charges which must be paid by customers eligible for South Jersey’s Monthly BGSS charge.

- (o) An “opt-out” customer will become eligible to purchase base load gas from the Company, or transport gas without “opt-out” status upon six months’ notice to the Company of intention to no longer be an “opt-out” customer. It will not be necessary for an EGS-LV “opt-out” customer to execute a new Standard Gas Service Agreement in order to purchase base load gas from the Company or transport gas without “opt-out” status. However, the customer must commit to purchase base load gas or transport gas without “opt-out” status for a minimum of one year. At the end of the six month period specified in said notice, the customer shall no longer be obligated to pay the incremental prices set forth above. However, said customer will then be obligated to pay the higher balancing charge of ~~\$0.685830~~1.337420 per Dt, including taxes. The Company will not have the right to waive this six month notice requirement.
- (p) Customer shall contract for service under the Company’s Standard Gas Service Agreement (EGS).

---

Issued \_\_\_\_\_  
by South Jersey Gas Company,  
B. Schomber, President

Effective with service rendered  
on and after \_\_\_\_\_

Filed pursuant to Orders in Docket No. \_\_\_\_\_ of the  
Board of Public Utilities, State of New Jersey, dated \_\_\_\_\_

**SOUTH JERSEY GAS COMPANY**

**B.P.U.N.J. No. 14 - GAS**

**Fifty-Second Revised Sheet No. 65  
Superseding Fifty-First 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
Twentieth		

**APPLICABLE RATES:**

**Periodic BGSS Subrider (Effective April 29, 2026):**

<u>Rate Schedule</u>	<u>BGSS Rate Before Taxes (per therm)</u>	<u>BGSS Rate With Taxes (per therm)</u>
RSG	\$0. <del>550954533258</del>	\$0. <del>587455568586</del>
GSG (under 5,000 therms)	\$0. <del>550954533258</del>	\$0. <del>587455568586</del>

**Monthly BGSS Subrider (Effective June 1, 2026):**

<u>Rate Schedule</u>	<u>BGSS Rate Before Taxes (per therm)</u>	<u>BGSS Rate With Taxes (per therm)</u>
LVS C-2	\$0.453691	\$0.483748
FES	\$0.290565	\$0.309815
EGS	\$0.502857	\$0.536171
EGS-LV Firm C-2	\$0.453448	\$0.483489
EGS-LV Limited Firm C-2	\$0.478274	\$0.509960
GSG-LV	\$0.502857	\$0.536171
GSG (5,000 therms or greater)	\$0.502857	\$0.536171
NGV	\$0.502857	\$0.536171

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.

Issued \_\_\_\_\_  
by South Jersey Gas Company,  
B. Schomber, President

Effective with service rendered  
on and after \_\_\_\_\_

Filed pursuant to Order in Docket No. \_\_\_\_\_ of the  
Board of Public Utilities, State of New Jersey, dated \_\_\_\_\_

**SOUTH JERSEY GAS COMPANY**

**B.P.U.N.J. No. 14 - GAS**

**Seventh Revised Sheet No. 68  
Superseding Sixth 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		\$.052423060506
EGS-LV Firm		\$.052682064214
EGS-LV Limited Firm		\$.026212030253

Issued \_\_\_\_\_  
by South Jersey Gas Company,  
B. Schomber, President

Effective with service rendered  
on and after \_\_\_\_\_

Filed pursuant to Order in Docket No. \_\_\_\_\_ of the  
Board of Public Utilities, State of New Jersey, dated \_\_\_\_\_

**SOUTH JERSEY GAS COMPANY**

**B.P.U.N.J. No. 14 - GAS**

**Seventh Revised Sheet No. 86  
Superseding Sixth Revised Sheet No. 86**

**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.~~002427~~-002531 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.~~068583~~-133742 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.

Issued \_\_\_\_\_  
by South Jersey Gas Company,  
B. Schomber, President

Effective with service rendered  
on and after \_\_\_\_\_

Filed pursuant to Order in Docket No. \_\_\_\_\_ of the  
Board of Public Utilities, State of New Jersey, dated \_\_\_\_\_

**SOUTH JERSEY GAS COMPANY**

**B.P.U.N.J. No. 14 - GAS**

**Seventh Revised Sheet No. 92  
Superseding Sixth 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: \$.133742 per therm for all gas delivered under the applicable rate schedules subject to the Periodic BGSS Subrider of Rider A and RSG Firm Transportation customers;

BS-1: \$.~~068583~~-163531 per therm for all gas delivered under the applicable rate schedules subject to the Monthly BGSS Subrider of Rider A and all transportation customers under the Rate Schedules subject to this Rider "J", 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

Issued \_\_\_\_\_  
by South Jersey Gas Company,  
B. Schomber, President

Effective with service rendered  
on and after \_\_\_\_\_

Filed pursuant to Order in Docket No. \_\_\_\_\_ of the  
Board of Public Utilities, State of New Jersey, dated \_\_\_\_\_

SOUTH JERSEY GAS COMPANY  
Schedule of Rate Components  
Appendix A - Effective \_\_\_\_\_

<b>RESIDENTIAL GAS SERVICE (RSG) - NONHEAT CUSTOMER</b>					
	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<b>CUSTOMER CHARGE</b>		9.850000		0.652563	<b>10.502563</b>
<b>DELIVERY CHARGE (per therm):</b>					
Base Rate		0.897170		0.059438	0.956608
IIP	B	0.032202	0.000000	0.002133	0.034335
TIC	C	0.000919	0.000000	0.000061	0.000980
SBC:					
RAC	E, G	0.057425	0.000000	0.003804	0.061229
CLEP	E, K	0.036824	0.000000	0.002440	0.039264
USF	E	<u>0.024500</u>	<u>0.000000</u>	<u>0.001700</u>	<u>0.026200</u>
Total SBC		0.118749	0.000000	0.007944	0.126693
CIP	M	0.183490	0.000000	0.012156	0.195646
EET	N	0.058302	0.000000	0.003863	0.062165
Balancing Service Charge BS-1 - Periodic BGSS	J	0.125432	0.000000	0.008310	0.133742
Balancing Service Charge BUY-OUT PRICE (Applicable to Transportation Customers Only)	J				Rate Set Monthly
<b>TOTAL DELIVERY CHARGE</b>		1.416264	0.000000	0.093905	<b>1.510169</b>
<b>BGSS: (Applicable To Sales Customers Only)</b>	A	0.533258	0.000000	0.035328	<b>0.568586</b>

SOUTH JERSEY GAS COMPANY  
Schedule of Rate Components  
Appendix A - Effective \_\_\_\_\_

<b>RESIDENTIAL GAS SERVICE (RSG) - HEAT CUSTOMER</b>					
	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<b>CUSTOMER CHARGE</b>		9.850000		0.652563	<b>10.502563</b>
<b>DELIVERY CHARGE (per therm):</b>					
Base Rate		0.897170		0.059438	0.956608
IIP	B	0.032202	0.000000	0.002133	0.034335
TIC	C	0.000919	0.000000	0.000061	0.000980
SBC:					
RAC	E, G	0.057425	0.000000	0.003804	0.061229
CLEP	E, K	0.036824	0.000000	0.002440	0.039264
USF	E	<u>0.024500</u>	<u>0.000000</u>	<u>0.001700</u>	<u>0.026200</u>
Total SBC		0.118749	0.000000	0.007944	0.126693
CIP	M	0.089631	0.000000	0.005938	0.095569
EET	N	0.058302	0.000000	0.003863	0.062165
Balancing Service Charge BS-1 - Periodic BGSS	J	0.125432	0.000000	0.008310	0.133742
Balancing Service Charge BUY-OUT PRICE (Applicable to Transportation Customers Only)	J				Rate Set Monthly
<b>TOTAL DELIVERY CHARGE</b>		<b>1.322405</b>	<b>0.000000</b>	<b>0.087687</b>	<b>1.410092</b>
<b>BGSS: (Applicable To Sales Customers Only)</b>	A	0.533258	0.000000	0.035328	<b>0.568586</b>

SOUTH JERSEY GAS COMPANY  
Schedule of Rate Components  
Appendix A - Effective \_\_\_\_\_

<b>GENERAL SERVICE (GSG)</b>		<b>RIDER</b>	<b>RATE</b>	<b>PUA</b>	<b>NJ SALES TAX</b>	<b>TARIFF RATE</b>
<b>CUSTOMER CHARGE</b>			37.980000		2.516175	<b>40.496175</b>
<b>DELIVERY CHARGE (per therm):</b>						
Base Rate			0.723187		0.047911	0.771098
IIP		B	0.025666	0.000000	0.001700	0.027366
TIC		C	0.000919	0.000000	0.000061	0.000980
SBC:						
RAC		E, G	0.057425	0.000000	0.003804	0.061229
CLEP		E, K	0.036824	0.000000	0.002440	0.039264
USF		E	<u>0.024500</u>	<u>0.000000</u>	<u>0.001700</u>	<u>0.026200</u>
Total SBC			0.118749	0.000000	0.007944	0.126693
CIP		M	0.046635	0.000000	0.003090	0.049725
EET		N	0.058302	0.000000	0.003863	0.062165
Balancing Service Charge BS-1 - Periodic BGSS		J	0.125432	0.000000	0.008310	0.133742
Balancing Service Charge BS-1 - Non-Periodic BGSS*		J	0.153370	0.000000	0.010161	0.163531
Balancing Service Charge BUY-OUT PRICE (Applicable to Transportation Customers Only)		J				Rate Set Monthly
<b>TOTAL SALES DELIVERY CHARGE - Periodic BGSS</b>			1.098890	0.000000	0.072879	<b>1.171769</b>
<b>TOTAL SALES DELIVERY CHARGE - Monthly BGSS</b>			1.126828	0.000000	0.074730	<b>1.201558</b>
<b>TOTAL TRANSPORTATION DELIVERY CHARGE</b>			1.126828	0.000000	0.074730	<b>1.201558</b>
<b>BGSS: (Applicable To Sales Customers Only using less than 5,000 therms annually)</b>		A	0.533258	0.000000	0.035328	<b>0.568586</b>
<b>BGSS: (Applicable To Sales Customers Only using 5,000 therms annually or greater)</b>		A				<b>RATE SET MONTHLY</b>

\* Non-Periodic BGSS customers are defined as those customers for which all gas delivered under the applicable rate schedules is subject to the Monthly BGSS Subriders of Rider "A" and all transportation customers under Rate Schedules GSG, GSG-LV, EGS and NGV to which Rider "J" applies.

SOUTH JERSEY GAS COMPANY  
Schedule of Rate Components  
Appendix A - Effective \_\_\_\_\_

<b>GENERAL SERVICE-LV (GSG-LV)</b>					
	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<b>CUSTOMER CHARGE</b>		247.600000		16.403500	<b>264.003500</b>
<b>D-1 Demand Charge (Mcf)</b>		13.317700		0.882298	<b>14.199998</b>
<b>DELIVERY CHARGE (per therm):</b>					
Base Rate		0.359109		0.023791	0.382900
IIP	B	0.014468	0.000000	0.000959	0.015427
TIC	C	0.000919	0.000000	0.000061	0.000980
SBC:					
RAC	E, G	0.057425	0.000000	0.003804	0.061229
CLEP	E, K	0.036824	0.000000	0.002440	0.039264
USF	E	<u>0.024500</u>	<u>0.000000</u>	<u>0.001700</u>	<u>0.026200</u>
Total SBC		0.118749	0.000000	0.007944	0.126693
CIP	M	0.051078	0.000000	0.003384	0.054462
EET	N	0.058302	0.000000	0.003863	0.062165
Balancing Service Charge BS-1 - Non-Periodic BGSS*	J	0.153370	0.000000	0.010161	0.163531
Balancing Service Charge BUY-OUT PRICE (Applicable to Transportation Customers Only)	J				Rate Set Monthly
<b>TOTAL DELIVERY CHARGE</b>		0.755995	0.000000	0.050163	<b>0.806158</b>
<b>BGSS: (Applicable Sales Customers Only)</b>	A				<b>RATE SET MONTHLY</b>

\* Non-Periodic BGSS customers are defined as those customers for which all gas delivered under the applicable rate schedules is subject to the Monthly BGSS Subrider of Rider "A" and all transportation customers under Rate Schedules GSG, GSG-LV, EGS and NGV to which Rider "J" applies.

SOUTH JERSEY GAS COMPANY  
Schedule of Rate Components  
Appendix A - Effective \_\_\_\_\_

**COMPREHENSIVE TRANSPORTATION SERVICE (CTS)**

	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<b>FIRM</b>					
<b>CUSTOMER CHARGE</b>		820.630000		54.366738	<b>874.996738</b>
<b>D-1 Demand Charge (Mcf)</b>		34.701100		2.298948	<b>37.000048</b>
<b>DELIVERY CHARGE (per therm):</b>					
Base Rate		0.091136		0.006038	0.097174
IIP	B	0.008950	0.000000	0.000593	0.009543
SBC:					
RAC	E, G	0.057425	0.000000	0.003804	0.061229
CLEP	E, K	0.036824	0.000000	0.002440	0.039264
USF	E	<u>0.024500</u>	<u>0.000000</u>	<u>0.001700</u>	<u>0.026200</u>
Total SBC		0.118749	0.000000	0.007944	0.126693
EET	N	0.058302	0.000000	0.003863	0.062165
<b>Total Delivery Charge</b>		<b>0.277137</b>	<b>0.000000</b>	<b>0.018438</b>	<b>0.295575</b>
Balancing Service Charge BS-1	I	0.125432	0.000000	0.008310	0.133742
Balancing Service Charge BS-1 (Opt Out Provision)	I	0.002374	0.000000	0.000157	0.002531
BUY-OUT PRICE					RATE SET MONTHLY
<b>LIMITED FIRM</b>					
<b>CUSTOMER CHARGE</b>		500.000000		33.125000	<b>533.125000</b>
<b>DELIVERY CHARGE (per therm):</b>					
Base Rate		0.058400		0.003900	0.062300
SBC:					
RAC	E, G	0.057425	0.000000	0.003804	0.061229
CLEP	E, K	0.036824	0.000000	0.002440	0.039264
USF	E	<u>0.024500</u>	<u>0.000000</u>	<u>0.001700</u>	<u>0.026200</u>
Total SBC		0.118749	0.000000	0.007944	0.126693
EET	N	0.058302	0.000000	0.003863	0.062165
<b>Total Delivery Charge</b>		<b>0.235451</b>	<b>0.000000</b>	<b>0.015707</b>	<b>0.251158</b>
Balancing Service Charge BS-1	I	0.125432	0.000000	0.008310	0.133742
Balancing Service Charge BS-1 (Opt Out Provision)	I	0.002374	0.000000	0.000157	0.002531
BUY-OUT PRICE					RATE SET MONTHLY

SOUTH JERSEY GAS COMPANY  
Schedule of Rate Components  
Appendix A - Effective \_\_\_\_\_

**LARGE VOLUME SERVICE (LVS)**

	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<b>FIRM</b>					
<b>CUSTOMER CHARGE</b>		1,148.890000		76.113963	<b>1,225.003963</b>
<b>D-1 Demand Charge (Mcf)</b>		20.633100		1.366943	<b>22.000043</b>
<b>D-2 DEMAND BGSS(Applicable to Sales Customers Only)</b>	A	17.854793	0.000000	1.182880	<b>19.037673</b>
<b>DELIVERY CHARGE (per therm):</b>					
Base Rate		0.061199		0.004054	0.065253
IIP	B	0.004665	0.000000	0.000309	0.004974
SBC:					
RAC	E, G	0.057425	0.000000	0.003804	0.061229
CLEP	E, K	0.036824	0.000000	0.002440	0.039264
USF	E	<u>0.024500</u>	<u>0.000000</u>	<u>0.001700</u>	<u>0.026200</u>
Total SBC		0.118749	0.000000	0.007944	0.126693
EET	N	0.058302	0.000000	0.003863	0.062165
<b>Total Delivery Charge</b>		0.242915	0.000000	0.016170	<b>0.259085</b>
Balancing Service Charge BS-1	I	0.125432	0.000000	0.008310	0.133742
Balancing Service Charge BS-1 (Opt Out Provision) (Applicable to Transportation Customers Only)	I	0.002374	0.000000	0.000157	0.002531
Balancing Service Charge CASH OUT CHARGE (CREDIT) (Applicable Transportation Customers Only)	I				RATE SET MONTHLY
<b>BGSS: (Applicable Sales Customers Only)</b>	A				<b>RATE SET MONTHLY</b>
<b>LIMITED FIRM</b>					
<b>CUSTOMER CHARGE</b>		500.000000		33.125000	<b>533.125000</b>
<b>DELIVERY CHARGE (per therm):</b>					
Base Rate		0.148587		0.009844	0.158431
IIP	B	0.004665	0.000000	0.000309	0.004974
SBC:					
RAC	E, G	0.057425	0.000000	0.003804	0.061229
CLEP	E, K	0.036824	0.000000	0.002440	0.039264
USF	E	<u>0.024500</u>	<u>0.000000</u>	<u>0.001700</u>	<u>0.026200</u>
Total SBC		0.118749	0.000000	0.007944	0.126693
EET	N	0.058302	0.000000	0.003863	0.062165
<b>Total Delivery Charge</b>		0.330303	0.000000	0.021960	<b>0.352263</b>
Balancing Service Charge BS-1	I	0.125432	0.000000	0.008310	0.133742
Balancing Service Charge BS-1 (Opt Out Provision) (Applicable to Transportation Customers Only)	I	0.002374	0.000000	0.000157	0.002531
BUY-OUT PRICE	I				RATE SET MONTHLY

SOUTH JERSEY GAS COMPANY  
Schedule of Rate Components  
Appendix A - Effective \_\_\_\_\_

<b>FIRM ELECTRIC SALES (FES)</b>					
	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<b>WINTER</b>					
<b>D-1 DEMAND (MCF) (Rate is negotiated. Shown here is the benchmark rate.)</b>		2.897200		0.191900	<b>3.089100</b>
<b>D-2 DEMAND BGSS(MCF) (Applicable to Sales Customers Only)</b>	A	11.480322	0.000000	0.760571	<b>12.240893</b>
<b>DELIVERY CHARGE (per therm):</b>					
SBC:					
RAC	E, G	0.057425	0.000000	0.003804	0.061229
CLEP	E, K	0.036824	0.000000	0.002440	0.039264
USF	E	<u>0.024500</u>	<u>0.000000</u>	<u>0.001700</u>	<u>0.026200</u>
Total SBC		0.118749	0.000000	0.007944	0.126693
EET	N	0.058302	0.000000	0.003863	0.062165
Total Delivery Charge		0.177051	0.000000	0.011807	<b>0.188858</b>
<b>C-3 All Therms (Rate is negotiated. Shown here is the benchmark rate.)</b>		0.162900		0.010800	<b>0.173700</b>
<b>C-4 Escalator Rate (To be determined as prescribed in the Company's Tariff)</b>					<b>RATE SET MONTHLY</b>
Balancing Service Charge CASH OUT CHARGE (CREDIT) (Applicable to Firm Transportatin Customers Only)	I				RATE SET MONTHLY
<b>BGSS: (Applicable To Sales Customers Only)</b>	A				<b>RATE SET MONTHLY</b>
<b>SUMMER</b>					
<b>D-1 DEMAND (MCF) (Rate is negotiated. Shown here is the benchmark rate.)</b>		2.897200		0.191900	<b>3.089100</b>
<b>D-2 DEMAND BGSS(MCF) (Applicable to Sales Customers Only)</b>	A	11.480322	0.000000	0.760571	<b>12.240893</b>
SBC:					
RAC	E, G	0.057425	0.000000	0.003804	0.061229
CLEP	E, K	0.036824	0.000000	0.002440	0.039264
USF	E	0.024500	0.000000	0.001700	0.026200
EET	N	0.058302	0.000000	0.003863	0.062165
Total Delivery Charge		0.177051	0.000000	0.011807	<b>0.188858</b>
<b>C-3 All Therms (Rate is negotiated. Shown here is the benchmark rate.)</b>		0.162900		0.010800	<b>0.173700</b>
<b>C-4 Escalator Rate (To be determined as prescribed in the Company's Tariff)</b>					<b>RATE SET MONTHLY</b>
Balancing Service Charge CASH OUT CHARGE (CREDIT) (Applicable to Firm Transportatin Customers Only)	I				RATE SET MONTHLY
<b>BGSS: (Applicable To Sales Customers Only)</b>	A				<b>RATE SET MONTHLY</b>

SOUTH JERSEY GAS COMPANY  
Schedule of Rate Components  
Appendix A - Effective \_\_\_\_\_

**ELECTRIC GENERATION SERVICE (EGS) - RESIDENTIAL**

	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<b>CUSTOMER CHARGE</b>		9.850000		0.652563	<b>10.502563</b>
<b><u>DELIVERY CHARGE (per therm):</u></b>					
Base Rate		0.180446		0.011955	0.192401
IIP	B	0.006260	0.000000	0.000415	0.006675
SBC:					
RAC	E, G	0.057425	0.000000	0.003804	0.061229
CLEP	E, K	0.036824	0.000000	0.002440	0.039264
USF	E	<u>0.024500</u>	<u>0.000000</u>	<u>0.001700</u>	<u>0.026200</u>
Total SBC		0.118749	0.000000	0.007944	0.126693
EET	N	0.058302	0.000000	0.003863	0.062165
Balancing Service Charge BS-1 - Periodic BGSS	J	0.125432	0.000000	0.008310	0.133742
<b>TOTAL DELIVERY CHARGE</b>		0.489189	0.000000	0.032487	<b>0.521676</b>
<b><u>BGSS: (Applicable To Sales Customers Only)</u></b>	A	0.533258	0.000000	0.035328	<b>0.568586</b>

SOUTH JERSEY GAS COMPANY  
Schedule of Rate Components  
Appendix A - Effective \_\_\_\_\_

<b>ELECTRIC GENERATION SERVICE (EGS) - COMMERCIAL/INDUSTRIAL</b>					
	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<b>CUSTOMER CHARGE</b>		86.280000		5.716050	<b>91.996050</b>
<b>D-1 DEMAND (MCF)</b>		9.144200		0.605803	<b>9.750003</b>
<b>DELIVERY CHARGE (per therm):</b>					
Base Rate - Winter Season (Nov - Mar)		0.168130		0.011139	0.179269
Base Rate - Summer Season (Apr - Oct)		0.138130		0.009151	0.147281
IIP	B	0.006260	0.000000	0.000415	0.006675
SBC:					
RAC	E, G	0.057425	0.000000	0.003804	0.061229
CLEP	E, K	0.036824	0.000000	0.002440	0.039264
USF	E	<u>0.024500</u>	<u>0.000000</u>	<u>0.001700</u>	<u>0.026200</u>
		0.118749	0.000000	0.007944	0.126693
		Total SBC			
EET	N	0.058302	0.000000	0.003863	0.062165
Balancing Service Charge BS-1 - Non-Periodic BGSS*	J	0.153370	0.000000	0.010161	0.163531
		<b>Total Delivery Charge - Winter Season</b>	0.504811	0.000000	<b>0.538333</b>
		<b>Total Delivery Charge - Summer Season</b>	0.474811	0.000000	<b>0.506345</b>
<b>BGSS: (Applicable To Sales Customers Only)</b>	A				<b>RATE SET MONTHLY</b>

\* Non-Periodic BGSS customers are defined as those customers for which all gas delivered under the applicable rate schedules is subject to the Monthly BGSS Subrider of Rider "A" and all transportation customers under Rate Schedules GSG, GSG-LV, EGS and NGV to which Rider "J" applies.

SOUTH JERSEY GAS COMPANY  
Schedule of Rate Components  
Appendix A - Effective \_\_\_\_\_

<b>ELECTRIC GENERATION SERVICE-LV (EGS-LV)</b>					
	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<b>FIRM</b>					
<b>CUSTOMER CHARGE</b>		820.630000		54.366738	<b>874.996738</b>
<b>D-1 DEMAND (MCF) (Rate is negotiated. Shown here is the benchmark rate.)</b>		27.611897		1.829288	<b>29.441185</b>
<b>D-2 DEMAND BGSS (MCF) (Applicable to Sales Customers Only)</b>	A	18.948890	0.000000	1.255364	<b>20.204254</b>
<b>DELIVERY CHARGE (per therm):</b>					
IIP	B	0.000796	0.000000	0.000053	0.000849
SBC:					
RAC	E, G	0.057425	0.000000	0.003804	0.061229
CLEP	E, K	0.036824	0.000000	0.002440	0.039264
USF	E	<u>0.024500</u>	<u>0.000000</u>	<u>0.001700</u>	<u>0.026200</u>
		0.118749	0.000000	0.007944	0.126693
EET	N	0.058302	0.000000	0.003863	0.062165
<b>Total Delivery Charge</b>		0.177847	0.000000	0.011860	<b>0.189707</b>
Balancing Service Charge BS-1	I	0.125432	0.000000	0.008310	0.133742
Balancing Service Charge BS-1 (Opt Out Provision)	I	0.002374	0.000000	0.000157	0.002531
Balancing Service Charge CASH OUT CHARGE (CREDIT) (Applicable to Firm Transportatin Customers Onl	I				RATE SET MONTHLY
<b>BGSS: (Applicable To Sales Customers Only)</b>	A				<b>RATE SET MONTHLY</b>
<b>LIMITED FIRM</b>					
<b>D-2 DEMAND BGSS(MCF) (Applicable to Sales Customers Only)</b>	A	8.927397	0.000000	0.591440	<b>9.518837</b>
<b>DELIVERY CHARGE (per therm):</b>					
SBC:					
RAC	E, K	0.057425	0.000000	0.003804	0.061229
CLEP	E, G	0.036824	0.000000	0.002440	0.039264
USF	E	<u>0.024500</u>	<u>0.000000</u>	<u>0.001700</u>	<u>0.026200</u>
		0.118749	0.000000	0.007944	0.126693
EET	N	0.058302	0.000000	0.003863	0.062165
<b>Total Delivery Charge</b>		0.177051	0.000000	0.011807	<b>0.188858</b>
<b>C-3 (Rate is negotiated. Shown here is the benchmark rate.)</b>		0.162900		0.010800	<b>0.173700</b>
Balancing Service Charge BS-1	I	0.125432	0.000000	0.008310	0.133742
Balancing Service Charge BS-1 (Opt Out Provision)	I	0.002374	0.000000	0.000157	0.002531
Balancing Service Charge CASH OUT CHARGE (CREDIT) (Applicable to Firm Transportatin Customers Onl	I				RATE SET MONTHLY
<b>BGSS: (Applicable To Sales Customers Only)</b>	A				<b>RATE SET MONTHLY</b>

SOUTH JERSEY GAS COMPANY  
Schedule of Rate Components  
Appendix A - Effective \_\_\_\_\_

<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		16.021480		1.061423	17.082903
<u>STREET LIGHTING SERVICE (SLS)</u>					
MONTHLY CHARGE / INSTALL		19.228041		1.273858	20.501899
<u>INTERRUPTIBLE GAS SALES (IGS)</u>					
Commodity					Rate Set Monthly
SBC:					
RAC	E, K	0.057425	0.000000	0.003804	0.061229
USF	E	0.024500	0.000000	0.001700	0.026200
Total SBC:		0.081925	0.000000	0.005504	0.087429
EET	N	0.058302	0.000000	0.003863	0.062165

SOUTH JERSEY GAS COMPANY  
Schedule of Rate Components  
Appendix A - Effective \_\_\_\_\_

<b>INTERRUPTIBLE TRANSPORTATION (ITS)</b>					
	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<b>CUSTOMER CHARGE</b>		<b>500.000000</b>		<b>33.125000</b>	<b>533.125000</b>
<b>TRANSPORTATION CHARGE A</b>		<b>0.078400</b>		<b>0.005200</b>	<b>0.083600</b>
SBC:					
RAC	E, K	0.057425	0.000000	0.003804	0.061229
CLEP	E, G	0.036824	0.000000	0.002440	0.039264
USF	E	<u>0.024500</u>	<u>0.000000</u>	<u>0.001700</u>	<u>0.026200</u>
Total SBC:		0.118749	0.000000	0.007944	0.126693
EET	N	0.058302	0.000000	0.003863	0.062165
<b>TRANSPORTATION CHARGE B</b>		<b>0.143200</b>		<b>0.009500</b>	<b>0.152700</b>
SBC:					
RAC	E, K	0.057425	0.000000	0.003804	0.061229
CLEP	E, G	0.036824	0.000000	0.002440	0.039264
USF	E	<u>0.024500</u>	<u>0.000000</u>	<u>0.001700</u>	<u>0.026200</u>
Total SBC:		0.118749	0.000000	0.007944	0.126693
EET	N	0.058302	0.000000	0.003863	0.062165
<b>TRANSPORTATION CHARGE C</b>		<b>0.203200</b>		<b>0.013500</b>	<b>0.216700</b>
SBC:					
RAC	E, K	0.057425	0.000000	0.003804	0.061229
CLEP	E, G	0.036824	0.000000	0.002440	0.039264
USF	E	<u>0.024500</u>	<u>0.000000</u>	<u>0.001700</u>	<u>0.026200</u>
Total SBC:		0.118749	0.000000	0.007944	0.126693
EET	N	0.058302	0.000000	0.003863	0.062165

SOUTH JERSEY GAS COMPANY  
Schedule of Rate Components  
Appendix A - Effective \_\_\_\_\_

<b>NATURAL GAS VEHICLE (NGV)</b>		<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<b>COMPANY OPERATED FUELING STATIONS</b>					
<b>DELIVERY CHARGE (per therm):</b>					
IIP	B	0.011143	0.000000	0.000738	0.011881
SBC					
RAC	E, K	0.057425	0.000000	0.003804	0.061229
CLEP	E, G	0.036824	0.000000	0.002440	0.039264
USF	E	<u>0.024500</u>	<u>0.000000</u>	<u>0.001700</u>	<u>0.026200</u>
	Total SBC:	0.118749	0.000000	0.007944	0.126693
EET	N	0.058302	0.000000	0.003863	0.062165
	<b>Total Delivery Charge</b>	0.188194	0.000000	0.012545	<b>0.200739</b>
	<b>DISTRIBUTION CHARGE</b>	0.241844	0.000000	0.0160220	<b>0.257866</b>
	<b>COMPRESSION CHARGE</b>	0.656506	0.000000	0.043494	<b>0.700000</b>
Balancing Service Charge BS-1	I	0.125432	0.000000	0.008310	0.133742
Balancing Service Charge BS-1 (Opt Out Provision) (Applicable for Transportation Customers Only)	I	0.002374	0.000000	0.000157	0.002531
Balancing Service Charge BS-1 - Non-Periodic BGSS*	J	0.153370	0.000000	0.010161	0.163531
	<b>BGSS: (Applicable To Sales Customers Only)</b>	A			<b>RATE SET MONTHLY</b>
<b>CUSTOMER OPERATED FUELING STATIONS</b>					
<b>CUSTOMER CHARGE</b>					
	0 - 999 CF/hour	37.500000		2.484400	<b>39.984400</b>
	1,000 - 4,999 CF/hour	75.000000		4.968800	<b>79.968800</b>
	5,000 - 24,999 CF/hour	241.970000		16.030500	<b>258.000500</b>
	25,000 or Greater CF/hour	925.000000		61.281250	<b>986.281250</b>
<b>DELIVERY CHARGE (per therm):</b>					
IIP	B	0.011143	0.000000	0.000738	0.011881
SBC					
RAC	E, K	0.057425	0.000000	0.003804	0.061229
CLEP	E, G	0.036824	0.000000	0.002440	0.039264
USF	E	<u>0.024500</u>	<u>0.000000</u>	<u>0.001700</u>	<u>0.026200</u>
	Total SBC:	0.118749	0.000000	0.007944	0.126693
EET	N	0.058302	0.000000	0.003863	0.062165
	<b>Total Delivery Charge</b>	0.188194	0.000000	0.012545	<b>0.200739</b>
	<b>DISTRIBUTION CHARGE</b>	0.241844	0.000000	0.016022	<b>0.257866</b>
Balancing Service Charge BS-1	I	0.125432	0.000000	0.008310	0.133742
Balancing Service Charge BS-1 (Opt Out Provision) (Applicable for Transportation Customers Only)	I	0.002374	0.000000	0.000157	0.002531
Balancing Service Charge BS-1 - Non-Periodic BGSS*	J	0.153370	0.000000	0.010161	0.163531
	<b>BGSS: (Applicable To Sales Customers Only)</b>	A			<b>RATE SET MONTHLY</b>
<b>Facilities Charge (Applicable only to Customers that elect the Company construct Compressed Natural Gas ("CNG") fueling Facilities located on Customer's property)</b>		0.276150		0.018295	<b>0.294445</b>

\* Non-Periodic BGSS customers are defined as those customers for which all gas delivered under the applicable rate schedules is subject to the Monthly BGSS Subriders of Rider "A" and all transportation customers under Rate Schedules GSG, GSG-LV, EGS and NGV to which Rider "J" applies.

SOUTH JERSEY GAS COMPANY  
Appendix A - Effective

**Heat Residential Rate Schedule:**

	RSG FSS	RSG-FTS	Difference
BGSS	0.568586	0.000000	0.568586
Base Rate	0.956608	0.956608	0.000000
IIP	0.034335	0.034335	0.000000
CLEP	0.039264	0.039264	0.000000
RAC	0.061229	0.061229	0.000000
CIP	0.095569	0.095569	0.000000
USF	0.026200	0.026200	0.000000
TIC	0.000980	0.000980	0.000000
EET	0.062165	0.062165	0.000000
BSC "J" BS-1	0.133742	0.133742	0.000000
<b>Price to Compare</b>	<b>1.978678</b>	<b>1.410092</b>	<b>0.568586</b>

**NonHeat Residential Rate Schedule:**

	RSG FSS	RSG-FTS	Difference
BGSS	0.568586	0.000000	0.568586
CIP	0.195646	0.195646	0.000000
Base Rate	0.956608	0.956608	0.000000
IIP	0.034335	0.034335	0.000000
CLEP	0.039264	0.039264	0.000000
RAC	0.061229	0.061229	0.000000
USF	0.026200	0.026200	0.000000
TIC	0.000980	0.000980	0.000000
EET	0.062165	0.062165	0.000000
BSC "J" BS-1	0.133742	0.133742	0.000000
<b>Price to Compare</b>	<b>2.078755</b>	<b>1.510169</b>	<b>0.568586</b>

**GSG**  
(Under 5,000 therms annually)

	GSG FSS	GSG-FTS	Difference
BGSS	0.568586	0.000000	0.568586
CIP	0.049725	0.049725	0.000000
Base Rates	0.771098	0.771098	0.000000
IIP	0.027366	0.027366	0.000000
CLEP	0.039264	0.039264	0.000000
RAC	0.061229	0.061229	0.000000
USF	0.026200	0.026200	0.000000
TIC	0.000980	0.000980	0.000000
EET	0.062165	0.062165	0.000000
BSC "J" BS-1	0.133742	0.133742	0.000000
<b>Price to Compare</b>	<b>1.740355</b>	<b>1.171769</b>	<b>0.568586</b>

**GSG**  
(5,000 therms annually or greater)

	GSG FSS	GSG-FTS	Difference
BGSS	0.536171	0.000000	0.536171
CIP	0.049725	0.049725	0.000000
Base Rates	0.771098	0.771098	0.000000
IIP	0.027366	0.027366	0.000000
CLEP	0.039264	0.039264	0.000000
RAC	0.061229	0.061229	0.000000
USF	0.026200	0.026200	0.000000
TIC	0.000980	0.000980	0.000000
EET	0.062165	0.062165	0.000000
BSC "J" BS-1	0.133742	0.133742	0.000000
<b>Price to Compare</b>	<b>1.707940</b>	<b>1.171769</b>	<b>0.536171</b>

**GSG-LV**

Prior to 7/15/97

	GSG-LV FSS	GSG-LV-FTS	Difference
BGSS	0.536171	0.000000	0.536171
CIP	0.054462	0.054462	0.000000
Base Rates	0.382900	0.382900	0.000000
IIP	0.015427	0.015427	0.000000
CLEP	0.039264	0.039264	0.000000
RAC	0.061229	0.061229	0.000000
USF	0.026200	0.026200	0.000000
TIC	0.000980	0.000980	0.000000
EET	0.062165	0.062165	0.000000
BSC "J" BS-1	0.000000	0.000000	0.000000
<b>Price to Compare</b>	<b>1.178798</b>	<b>0.642627</b>	<b>0.536171</b>

**BEFORE THE  
NEW JERSEY BOARD OF PUBLIC UTILITIES**

**SOUTH JERSEY GAS COMPANY**

**Direct Testimony**

**of**

**Maria C. Mendoza**

**Director, Gas Supply  
SJI Utilities, Inc.**

**On Behalf of**

**South Jersey Gas Company**

1 **I. INTRODUCTION**

2 **Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

3 **A.** My name is Maria C. Mendoza, and my business address is One South Jersey Place,  
4 Atlantic City, NJ 08401.

5 **Q. WHAT IS YOUR POSITION WITH SOUTH JERSEY GAS COMPANY?**

6 **A.** I am Director, Gas Supply for SJI Utilities Inc (“SJIU”). My current responsibilities  
7 include the management and oversight of all aspects of the Gas Supply Department  
8 for South Jersey Gas Company (“South Jersey” or “Company”), including off-  
9 system sales, capacity planning, portfolio modeling, optimization, and forecasting  
10 for the Company.

11 **Q. WHAT ARE YOUR PROFESSIONAL QUALIFICATIONS?**

12 **A.** I received my Bachelor’s Degree in Industrial Engineering from Universidad  
13 Industrial de Santander in Colombia, South America. Subsequently, I moved to the  
14 United States where I graduated from Drexel University in 2011 with a Master of  
15 Business Administration. In 2012, I joined South Jersey as a Power Rotational  
16 Associate and in that role, which I held for three years, contributed to the  
17 implementation of new technology supporting the operations of the Utility and  
18 Construction areas of the Company. After completing my three-year term in the  
19 rotational program in 2015, I accepted a position in the Gas Supply Department as  
20 a Supervisor, Gas Scheduler. In that position, I had a number of responsibilities  
21 including trading, regulatory and accounting duties for the Gas Supply Department,  
22 and in July of 2023, I was promoted to my current position as Director, Gas Supply  
23 for SJIU.

1 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS**  
2 **PROCEEDING?**

3 **A.** The purpose of my testimony is to support the Company’s projected gas supply and  
4 requirements forecast, as well as the gas costs associated with meeting these needs  
5 for the 2025-2026 and 2026-2027 Basic Gas Supply Service (“BGSS”) Years,  
6 ending September 30, 2026 and September 30, 2027, respectively. I will be  
7 discussing the gas costs reflected in this filing and will also support proposed  
8 changes to the Company’s Balancing Service Clause (“BSC”) charges that are  
9 applicable to Rider “I” – BSC Large Volume (“BSC-LV”) and Rider “J” – BSC  
10 General Service (“BSC-GS”) transportation customers. In addition, I address  
11 certain affiliate gas supply and capacity release transactions, marketer-related  
12 issues and planned capacity additions as well as describe the Company’s hedging  
13 activities, cost offsets associated with margin sharing and pipeline refunds and  
14 Conservation Incentive Program (“CIP”) savings. I also address certain Federal  
15 Energy Regulatory Commission (“FERC”) pipeline activities expected to impact  
16 the 2025–2026 and 2026–2027 BGSS/CIP Years. Finally, throughout my  
17 testimony, I describe compliance with various requirements contained in the New  
18 Jersey Board of Public Utilities’ (“BPU” or “Board”) 2019 BGSS Order<sup>1</sup>, 2022  
19 BGSS Order<sup>2</sup> and 2025 BGSS Order<sup>3</sup>.

---

<sup>1</sup> In re the Petition of South Jersey Gas Company to Revise the Level of its Basic Gas Supply Service (“BGSS”) Charge and Conservation Incentive Program (“CIP”) Charges for the Year Ending September 30, 2019, Docket No. GR18060609, Order dated May 18, 2019 (“2019 BGSS Order”)

<sup>2</sup> In re the Petition of South Jersey Gas Company to Revise the Level of its Basic Gas Supply Service (“BGSS”) Charge and Conservation Incentive Program (“CIP”) Charges for the Year Ending September 30, 2023 Docket No. GR22060364, Order dated September 7, 2022 (“2022 BGSS Order”)

<sup>3</sup> In re the Petition of South Jersey Gas Company to Revise the Level of its Basic Gas Supply Service (“BGSS”) Charge and Conservation Incentive Program (“CIP”) Charges for the Year Ending September 30, 2024, Docket No. GR23060334, Order dated June 27, 2024 (“2024 BGSS Order”)

1 **Q. DO YOU SPONSOR ANY SCHEDULES AS PART OF YOUR**  
2 **TESTIMONY?**

3 **A.** Yes. My testimony includes the following schedules which were prepared under  
4 my supervision and direction, several of which contain information responsive to  
5 various Minimum Filing Requirements (“MFRs”) required by Board Order dated  
6 June 20, 2003 in BPU Docket No. GR02120945 *et. al*, as well as subsequent orders  
7 issued since that time:

8 (i) Schedule MCM-1 contains the Company’s projected gas send-out  
9 requirements and supplies for the 2026–2027 BGSS/CIP Year;

10 (ii) Schedule MCM-2 contains projected pipeline pricing for the 2026–  
11 2027 BGSS/CIP Year;

12 (iii) Schedule MCM-3 contains projected use of supplemental gas  
13 supplies for 2026–2027 BGSS/CIP Year;

14 (iv) Schedule MCM-4 contains actual and estimated annual gas  
15 requirements and supplies for the 2023–2028 period;

16 (v) Confidential Schedule MCM-5 contains South Jersey’s Gas  
17 Procurement Strategy and Plan as part of the SJI Utilities Risk Management  
18 Policy. Confidential Schedule MCM-5 will be provided to Board Staff and  
19 the New Jersey Division of Rate Counsel (“Rate Counsel”) upon the  
20 execution of a mutually acceptable Non-Disclosure Agreement;

21 (vi) Schedule MCM-6 contains the Design Day Forecast for the 2026–  
22 2031 period;

1 (vii) Schedule MCM-7 contains actual peak day supply and demand for  
2 the five highest demand days for the, 2023–2024, 2024-2025 and 2025-  
3 2026 winter seasons;

4 (viii) Schedule MCM-8 contains actual and estimated supplier refunds for  
5 the 2025–2026 and 2026-2027 BGSS/CIP Years;

6 (ix) Schedule MCM-9 contains a summary of hedging activity for the  
7 four most recent quarterly hedging reports as of March 31, 2026;

8 (x) Confidential Schedule MCM-10 contains affiliate transactions  
9 between South Jersey and South Jersey Resources Group, Inc. (“SJRG”),  
10 and Elizabethtown Gas including delivery points for all purchase and sale  
11 transactions and comparable daily/monthly price index information for  
12 purchase and sale transactions done at fixed price, for the period from May  
13 2024 through April 2026 Confidential Schedule MCM-10 will be provided  
14 to Board Staff and Rate Counsel upon execution of a mutually acceptable  
15 Non-Disclosure Agreement;

16 (xi) Schedule MCM-11 contains summaries of interstate pipeline filings  
17 submitted to FERC;

18 (xii) Schedule MCM-12 contains calculations of the charges applicable  
19 to Rider “I” - BSC-LV and Rider “J” - BSC-GS;

20 (xiii) Schedule MCM-13 contains a summary of transportation and  
21 storage contracts and capacity contract changes;

22 (xiv) Schedule MCM-14 contains the projected spot/natural gas purchase  
23 requirements and commodity prices for 2026-2027 BGSS/CIP Year; and

1 (xv) Schedule MCM-15 Contains Asset Management Agreement  
2 (“AMA”) valuation calculations covering transactions that involve baseload  
3 AMAs. In accordance with MFR-20, to the extent the Company enters into  
4 baseload AMAs, the Company will prepare an analysis produced at the time  
5 the AMA is executed that will set forth how much, if any, of the AMA  
6 management fee will be excluded from the formula used to determine AMA  
7 management fee sharing between the Company and its Periodic BGSS  
8 customers because the excluded portion of the fee is the product of an  
9 agreement by the Company to provide the Asset Manager with a benefit  
10 under the AMA that is forecasted to increase the commodity costs to  
11 Periodic BGSS customers.

12  
13 **II. GAS SUPPLY AND REQUIREMENTS FORECAST**

14 **Q. PLEASE EXPLAIN GENERALLY THE COMPANY’S GAS SUPPLY AND**  
15 **REQUIREMENTS FORECAST FOR THE 2026–2027 BGSS/CIP YEAR.**

16 **A.** The gas quantities shown on Schedule MCM-1 are based on a portfolio of gas  
17 supply sources determined by the Company to yield the best gas cost mixture while  
18 providing security of supply and system integrity. The Company utilized the New  
19 York Mercantile Exchange (“NYMEX”) Strip Pricing as of May 7, 2026, currently  
20 hedged positions and contractual agreements when determining the prices and  
21 quantities of gas, which are shown on Schedule MCM-2 and Schedule MCM-14.

22 For the 2026–2027 BGSS/CIP Year, it is projected in Schedule MCM-1 that  
23 firm customer requirements and projected storage injections will be met

1 predominantly through annual, seasonal and short term purchases from third-party  
2 sellers on the Transcontinental Gas Pipe Line Company, LLC (“Transco”),  
3 Columbia Gas Transmission, LLC (“Columbia”), and Eastern Gas Transmission  
4 and Storage (“EGTS”) pipeline systems of 4.4 million dekatherms (“MMDth”), 3.3  
5 MMDth, and 0.4 MMDth respectively as well as pipeline storage withdrawals of  
6 8.2 MMDth and liquified natural gas (“LNG”) withdrawals of 0.2 MMDth.

7 **Q. PLEASE PROVIDE THE HISTORIC AND PROSPECTIVE SUPPLY AND**  
8 **REQUIREMENTS FOR THE 2026-2027 BGSS YEAR.**

9 **A.** The data shown on Schedule MCM-4 (page 1 of 3) provides the actual requirements  
10 and supplies by component on an annual heating season and non-heating season  
11 basis for the two prior gas supply years, November 2023 – October 2024 and  
12 November 2024 – October 2025. The data shown on Schedule MCM-4 (page 2 of  
13 3) provides information for the reconciliation period November 2025 – October  
14 2026, including actual data for the November 2025 – March 2026 heating season  
15 and estimated data for the April 2026 – October 2027 non-heating season. Schedule  
16 MCM-1 provides prospective information for the 2026-2027 BGSS/CIP Year,  
17 while Schedule MCM-4 (page 3 of 3) provides the same information on a  
18 prospective basis for the subsequent gas supply years November 2026 – October  
19 2027 and November 2027 - October 2028.

1 **Q. PLEASE PROVIDE AN OVERVIEW OF THE COMPANY’S SUPPLY BY**  
2 **INTERSTATE PIPELINE.**

3 **A. Supplies on Transco**

4 Transco is South Jersey's largest provider of pipeline transportation capacity, and it  
5 is also the provider of six (6) of the eight (8) gas storage services. Additionally, the  
6 Company has a winter season peaking transportation service with Transco, which  
7 is available for the period December 1 through the last day of February of each year  
8 under Rate Schedule PSFT.

9 **Supplies on Columbia**

10 Columbia is South Jersey’s second-largest provider of interstate pipeline services.  
11 The Company holds several firm transportation services with Columbia under Rate  
12 Schedule FTS, and one long-term firm transportation service under Rate Schedules  
13 NTS. In addition, South Jersey subscribes to a firm storage service under  
14 Columbia’s Rate Schedule FSS along with an associated firm storage transportation  
15 service under Rate Schedule SST.

16 The Company’s Maximum Daily Quantity (“MDQ”) for its FTS service is  
17 176,511 Dth/day and its MDQ with its NTS service is 22,511 Dth/day, for a  
18 combined deliverability of 199,022 Dth/day. Each of the referenced services is  
19 available on a year-round basis.

20 **Supplies on EGTS, previously known as Dominion Transmission, Inc.**

21 The Company’s EGTS GSS storage service provides for the delivery of up to  
22 10,000 Dth/day during the winter season. This storage supply is delivered to the  
23 Company’s city gate via a Transco Leidy Line transportation service.

1 **Q. HAS THE COMPANY INCLUDED ANY PURCHASES OF SUPPLIES**  
2 **FROM RENEWABLE NATURAL GAS (“RNG”) PROJECTS IN ITS GAS**  
3 **SUPPLY FORECAST?**

4 **A.** Yes. The Company’s distribution system is interconnected with the Atlantic  
5 County Utility Authority (“ACUA”) Landfill which produces RNG. The project’s  
6 in-service date was in May 2025. South Jersey has entered into a gas purchasing  
7 agreement with OPAL Fuels, the gas supply manager for the project, to purchase  
8 gas from this project. The agreement provides that all RNG delivered to South  
9 Jersey will be pipeline quality gas.

10 This ACUA RNG supply transaction creates an additional source of supply  
11 in the heart of South Jersey’s service territory and has the ability to serve customers  
12 in much of Atlantic County. It will contribute to the Company’s gas supply  
13 portfolio for at least the next 15 years. This supply serves as both a source of gas  
14 that can displace more expensive supplies and provides additional reliability in the  
15 event of a loss of supply. It is anticipated that this addition will delay or reduce the  
16 need to enter into incremental upstream transportation capacity arrangements in the  
17 future.

18 The Company began receiving RNG from ACUA into its system in Egg  
19 Harbor Township in October 2025. Refer to Schedule MCM-4, page 1, line 42 and  
20 Schedule MCM-4, page 2, line 40 for the actual/forecast purchases from October  
21 2025 through October 2027. The forecasts of purchases are based on the contracted  
22 delivery volumes with ACUA of 1,800 Dth per day for 365 days per year. This is  
23 an expected annual volume of RNG of 657,000 Dth per year. The contract pricing

1 of the RNG purchased from the ACUA project is confidential but will be provided  
2 to parties executing a non-disclosure agreement. Based on the agreed pricing, South  
3 Jersey forecasts that purchases of RNG will consistently displace purchases of more  
4 expensive supplies.

5 Actual delivery volumes through March 2026 have been lower than the  
6 maximum delivery volumes due to ACUA production ramping up gradually before  
7 reaching full capacity. However, the forecast beginning in May 2026 assumes that  
8 the minimum daily quantity will be available throughout the remainder of the 2025-  
9 26 BGSS Year ending September 30, 2026 and the 2026-27 BGSS Year ending  
10 September 30, 2027.

11 **Q. PLEASE EXPLAIN HOW THE PIPELINE STORAGE SERVICES WILL**  
12 **HELP MEET THE COMPANY’S REQUIREMENTS DURING THE 2026-**  
13 **2027 BGSS/CIP YEAR.**

14 **A.** Schedule MCM-1 (lines 30 and 34) reflect the injection of direct purchased gas into  
15 storage services during the 2026-2027 summer season of approximately 8.3  
16 MMDth. Schedule MCM-1 (lines 31 and 35) also reflects the amount of gas  
17 projected to be withdrawn from pipeline storage services of approximately 8.0  
18 MMDth, to meet the Company’s requirements during the 2026-2027 winter season.  
19 The pipeline storage services are essential to meeting demand during the winter  
20 season and serve as to balance the variation in demand all year long.

21 **Q. PLEASE EXPLAIN HOW THE COMPANY USES LNG TO MEET ITS**  
22 **CURRENT AND FORECASTED NEEDS.**

1 A. In Schedule MCM-1 (line 26), the Company is projecting that its LNG sendout  
2 requirement during the 2026-2027 BGSS/CIP Year will be 154,900Dth. South  
3 Jersey's LNG facility liquefaction capability went into service in 2016 and provides  
4 a stable LNG supply source to maintain gas service to its customers during the  
5 winter season to meet peak sendout requirements at a reasonable cost as well as to  
6 supply its customers should an interruption of gas supplies occur on the system of  
7 one or more of its pipeline suppliers.

8 **Q. PLEASE EXPLAIN THE COMPANY'S DESIGN DAY ANALYSIS AND**  
9 **HOW IT IMPACTS THIS FILING.**

10 A. South Jersey, like other gas utilities, must plan to meet customer needs on a design  
11 day (a day in which our service area would experience an average daily temperature  
12 of 2 degrees Fahrenheit or 63 heating degree days). Schedule MCM-6 represents  
13 the Company's design day forecast ("Design Day Forecast") as compared to  
14 Company entitlements for the 2026-2027 through 2030-2031 winter seasons. This  
15 forecast is used by South Jersey to evaluate its ability to meet customer  
16 requirements on the projected coldest day scenario, which is based on South  
17 Jersey's actual experience in January 1994. For the purpose of this analysis, the  
18 Company updated the forecasting model to incorporate updated customer growth  
19 rates for residential and commercial customers and updated heating use factors.  
20 Incorporating the most recent available data into the design day model provides a  
21 reflection of the effects that energy efficiency programs and conservation incentive  
22 programs have had in recent years and are projected to have in future years.  
23 Schedule MCM-7 contains information related to the actual peak day supply and

1 demand for the Company’s five (5) highest send-out days for each of the last three  
2 winter seasons.

3 For design day planning purposes, South Jersey will rely on 100% of the  
4 daily projected transportation volumes (not acquire backup capacity) associated  
5 with transportation customers served under rate schedules RSG, GSG, GSG-LV  
6 and EGS (as well as those customers, if any, served under rate schedules LVS, CTS  
7 and EGS-LV who do not opt-out) if their volumes are less than or equal to 105,000  
8 Dth/day. Should South Jersey project that the transportation volumes associated  
9 with these rate schedules will exceed 105,000 Dth/day, then South Jersey will rely  
10 on 50% of transportation volumes associated with RSG, GSG, GSG-LV and EGS  
11 transportation customers (as well as those customers, if any, served under rate  
12 schedules LVS, CTS and EGS-LV who do not opt-out) that exceed 105,000  
13 Dth/day. Schedule MCM-6 details the Company’s design day requirements as  
14 compared to available capacity entitlements through the 2030-2031 winter season.

15

16 **III. COST OF GAS**

17 **Q. PLEASE EXPLAIN HOW THE COMPANY MANAGES THE COST OF**  
18 **GAS.**

19 **A.** The Company has taken reasonable steps to reduce its gas costs and manage the  
20 high volatility experienced in the natural gas commodities market during the recent  
21 years. South Jersey’s efforts to reduce costs and manage volatility have included  
22 (1) continuing to execute its Gas Procurement Strategy and Plan, which include  
23 financial hedging strategies, on file with the Board, (2) employing its gas storage

1 resources to reduce exposure to some of the volatility associated with wintertime  
2 price swings. Petitioner’s purchases of gas supply have been effectuated at prices  
3 consistent with market conditions required by N.J.S.A. 48:3-58(t) and (3)  
4 maximizing credits to firm customers through the optimization of its gas supply  
5 and upstream capacity management, which has resulted in the inclusion of a credit  
6 to BGSS gas costs of \$28.9 million, which represents eighty-five percent (85%) of  
7 the gross margin generated by off-system sales, interruptible sales and  
8 transportation and capacity releases and 100 percent (100%) of capacity release  
9 credits, off-system sales margins and other margins derived from the use of the  
10 Adelpia Gateway LLC (“Adelpia”) FT-28 contract. The Company will continue  
11 to monitor market conditions and look for opportunities to lower costs and benefit  
12 our customers. Further details regarding the Company’s efforts are discussed  
13 below.

14 **Market Responsive Pipeline Supplies**

15 The Company has direct connections with two interstate pipeline companies,  
16 Transco and Columbia. South Jersey also secures firm storage and transportation  
17 services from EGTS and Adelpia whose pipeline systems are located upstream of  
18 the Transco and Columbia systems, respectively. Natural gas stored and transported  
19 by EGTS is delivered into Transco’s Leidy Line system for ultimate delivery to  
20 South Jersey. Natural gas transported on the Adelpia system is delivered into  
21 Columbia for ultimate delivery to South Jersey. As required by the governing  
22 MFRs, Schedule MCM-13 presents changes to the Company’s portfolio of  
23 interstate pipeline contracts through the period ending September 30, 2027.

1           South Jersey intends to utilize the "open access" status of its pipeline  
2 suppliers to the maximum extent possible to facilitate its ongoing policy of best-  
3 value gas purchasing, with consideration given to security of supply along with  
4 contractual obligations and hedged supplies. With this objective, South Jersey is  
5 projecting that all the natural gas purchases reflected in Schedule MCM-14 for the  
6 2026-2027 BGSS/CIP Year will be priced on a market responsive basis, with the  
7 exception of those hedged purchases made under the provisions of the Company's  
8 Gas Procurement Strategy and Plan which are attached hereto as Confidential  
9 Schedule MCM-5. As indicated earlier in my testimony, this schedule will be  
10 provided to Board Staff and Rate Counsel upon execution of a mutually acceptable  
11 Non-Disclosure Agreement.

12           **Demand Charges**

13           The projected pipeline demand charges shown in Schedule MCM-2 associated with  
14 the purchase of storage and transportation services on the Transco, Columbia,  
15 EGTS and Adelpia pipeline systems reflect the currently effective FERC approved  
16 jurisdictional rates contained in each pipeline's FERC Gas Tariff.

17           On August 30, 2024, Transco filed a general rate case with FERC in Docket  
18 No. RP24-1035. The filing proposed rate increases of approximately 48 percent for  
19 Zone 6 shippers. On December 30, 2025, FERC issued an approval of the  
20 Stipulation and Agreement filed by Transco on October 29, 2025. Pursuant to its  
21 terms, the Stipulation and Agreement became effective March 1, 2026 and  
22 established a protocol for the pipeline to refund any overcollection (or apply  
23 surcharges for undercollection) to reconcile amounts billed under the interim rates

1 to the final approved rates. On April 9, 2026, Transco issued a refund to South  
2 Jersey in the amount of \$10.3M related to extra demand charges paid during the  
3 interim period.

4 On September 30, 2024, Columbia filed a Section 4 rate case with FERC in  
5 Docket No. RP24-1103, submitting two alternative sets of tariff records: revised  
6 sheets designated as its Primary Case and pro forma sheets labeled its Preferred  
7 Case. In an order dated October 31, 2024, FERC accepted selected sheets from the  
8 Primary Case, suspended them for the maximum five-month period, and allowed  
9 them to become effective, subject to refund, on April 1, 2025. On March 31, 2025  
10 Columbia filed two motions, one to implement the suspended tariff provisions and  
11 a separate motion to implement certain updated tariff provisions. Both were  
12 proposed to become effective April 1, 2025. On July 3, 2025, the Chief  
13 Administrative Law Judge approved Columbia's motion authorizing the interim  
14 rates to become effective as of June 1, 2025.

15 On October 30, 2025, FERC issued an approval of the Stipulation and  
16 Agreement filed by Columbia on August 13, 2025. Pursuant to its terms, the  
17 Stipulation and Agreement established a protocol for the pipeline to refund any  
18 overcollection (or apply surcharges for undercollection) to reconcile amounts billed  
19 under the interim rates to the final approved rates. South Jersey received a refund  
20 of \$3.6 million related to extra demand charges paid during the interim period in  
21 April and May 2025.

22 In January 2019, the Company entered into an agreement with Transco to  
23 turn back a total of 22,256 Dth/day of Zone 1- Zone 3 production area capacity for

1 a term of ten (10) years that became effective October 1, 2020. The Company  
2 released this path of capacity to various counterparties over many years as the most  
3 liquid pools to supply this long-haul capacity are in Transco's Zones 3 and 4. The  
4 turn back of this capacity saves customers approximately \$1.0 million annually.  
5 The referenced savings are included in Category Two BGSS Gas Cost Savings  
6 discussed further below.

7 **Commodity Charges**

8 The delivered commodity gas prices reflected in Schedule MCM-14 for the 2026-  
9 2027 BGSS/CIP Year were derived based on the Company's Gas Procurement  
10 Strategy and Plan, which is explained in Confidential Schedule MCM-5. These  
11 guidelines were developed with a number of goals in mind, including the  
12 management of price risk through diversity of purchases, providing a framework  
13 from which sound purchasing decisions can be made and the establishment of  
14 criteria for price hedging.

15 The commodity prices in Schedule MCM-14 for gas purchased and  
16 delivered under Transco Rate Schedules FT and PSFT, along with gas purchased  
17 and delivered on Columbia Rate Schedules FTS and NTS, were based on the  
18 average of the NYMEX close as of May 7, 2026, along with the estimated  
19 production and market area indices at the various locations where we expect to  
20 purchase gas during the 2026-2027 BGSS/CIP Year. The estimates of indices were  
21 gathered from industry publications along with discussions held with other market  
22 participants including brokers, marketers and other gas distribution companies.  
23 Additionally, any currently hedged positions as shown in the quarterly hedging

1 report most recently filed with the Board are included in the commodity price  
2 estimate. Also incorporated in these commodity prices are the appropriate pipeline  
3 fuel retainage and transportation costs assessed when delivering gas to South  
4 Jersey's city gate stations.

5 **LNG Commodity Charges**

6 The commodity price of the LNG as shown in Schedule MCM-14 was based on the  
7 delivered cost of LNG using the NYMEX strip on May 7, 2026, along with costs  
8 related to processing natural gas into liquefied natural gas.

9

10 **IV. BALANCING SERVICE CLAUSE ("BSC") CHARGES**

11 **Q. IS THE COMPANY PROPOSING ANY CHANGE TO ITS CURRENT BSC**  
12 **CHARGES?**

13 **A.** Yes. Within its Rider "I", the Company maintains two separate provisions for per  
14 therm volumetric charges related to balancing as follows: (1) An Opt-Out provision  
15 for customers under Rate Schedules LVS, EGS-LV, FES, NGV and CTS who "Opt-  
16 Out" and forego any right or entitlement to purchase the Company's firm system  
17 gas during the term of their standing Standard Gas Service Agreement; and (2) A  
18 Non Opt-Out provision for customers under Rate Schedules GSG-LV, EGS, LVS,  
19 EGS-LV, FES, NGV and CTS who do not Opt Out (*i.e.*, do not select the Opt Out  
20 provision).

21 Related to its Rider "I", the Company proposes to increase its current Opt-  
22 Out balancing charge of \$0.002427 per therm to \$0.002531 per therm, and the  
23 Company proposes to increase its current Non Opt-Out balancing charge of

1 \$0.068583 per therm to \$0.133742 per therm, which is equal to the Company's  
2 proposed Rider "J" BSC rate <sup>4</sup>. Both changes are proposed to be effective October  
3 1, 2026.

4 Related to its Rider "J", the Company is proposing that two separate rates  
5 be established effective October 1, 2026. For Periodic BGSS customers to which  
6 the Rider "J" BSC charges apply, South Jersey is proposing to increase the BSC  
7 charge from \$0.068583 per therm to \$0.133742 per therm, effective October 1,  
8 2026. For all customers other than Periodic BGSS customers, including customers  
9 who pay D-2 Demand charges, Monthly BGSS customers, and all transportation  
10 customers under Rate Schedules GSG, GSG-LV, EGS and NGV to which the Rider  
11 "J" BSC charges apply ("Non-Periodic BGSS" customers), South Jersey is  
12 proposing that a Non-Periodic BGSS Rider "J" BSC charge be established for the  
13 2026-27 BGSS Year at \$0.163531 per therm.

14 **Q. PLEASE EXPLAIN THE COMPANY'S RIDER "I" BALANCING**  
15 **SERVICE CHARGE CALCULATION.**

16 **A.** The proposed Rider "I" calculation is provided in Schedule MCM-12, page 1 of 2.  
17 The calculation presented therein reflects updated inventory amounts, which are  
18 based on the middle value of the last five (5) years of updated supply inventory.  
19 Each yearly inventory data point represents a twelve (12) month average supply  
20 and include LNG, updated storage carrying costs, the calculated percentage of  
21 balancing that pertains to single coldest January day volume requirements and

---

<sup>4</sup> All rates quoted herein include applicable taxes

1 updated balancing costs. The determination of the proposed pre-tax balancing rate,  
2 based on annual firm terms over the past twelve (12) months, is also provided.

3 **Q. PLEASE EXPLAIN THE COMPANY’S RIDER “J” BALANCING**  
4 **SERVICE CHARGE CALCULATION.**

5 **A.** The proposed Rider “J” calculation is provided in Schedule MCM-12, page 2 of 2.  
6 The calculation presented therein for Periodic BGSS customers is identical to Rider  
7 “I”, but also includes the following: (1) updated pipeline demand charges and  
8 BGSS incentive credits, as Rider “J” pertains to the Company’s General Service  
9 customers, and (2) commodity costs from the prior winter season, which are  
10 intended to send appropriate price signals to marketers/transportation customers to  
11 incent them to bring in the amount of gas used by customers on a monthly basis.  
12 The calculation presented therein for Non-Periodic BGSS customers includes the  
13 same costs used to derive the Rider “J” BSC rate for Periodic BGSS customers and  
14 also accounts for a \$3.0 million forecasted under-recovery at September 30, 2026.  
15 Further details on this allocation of forecasted under-recovery at September 30,  
16 2026 and the proposal to implement a separate Rider “J” BSC rate for Non-Periodic  
17 BGSS customers are provided in the Direct Testimony of Ms. Capozzoli.

18  
19 **V. AFFILIATE GAS SUPPLY TRANSACTIONS, NON-BIDDABLE**  
20 **CAPACITY RELEASES AND RELATED ISSUES**

21 **Q. PLEASE EXPLAIN ALL AFFILIATE GAS SUPPLY TRANSACTIONS**  
22 **ENTERED INTO AS OF APRIL 2026.**

23 **A.** Please refer to Confidential Schedule MCM-10 for details, including date, rate and  
24 terms of all gas and capacity sales as of April 2026 to our affiliates SJRG and

1 Elizabethtown Gas for the 2025-2026 BGSS/CIP Year. As noted above,  
2 Confidential Schedule MCM-10 will be provided to Board Staff and Rate Counsel  
3 upon execution of a mutually acceptable Non-Disclosure Agreement. Should  
4 market opportunities present themselves, we would expect additional transactions  
5 to maximize the value of Company assets for the benefit of BGSS customers.

6 **Q. WERE THERE ANY CAPACITY RELEASES OR AMAs IDENTIFIED IN**  
7 **CONFIDENTIAL SCHEDULE MCM-10 RELEASED ON A NON-**  
8 **BIDDABLE BASIS? IF SO, PLEASE EXPLAIN THE PROCESS AND THE**  
9 **BENEFITS TO THE BGSS.**

10 **A.** Excluding any CIP-related capacity releases, there were no new capacity releases  
11 made on a non-biddable basis included in Confidential Schedule MCM-10. The  
12 Company regularly evaluates its capacity portfolio to determine the volume and  
13 type of off-system sales and/or capacity releases that would be of the greatest  
14 benefit to the BGSS.

15 For all capacity releases to an affiliate other than CIP-related releases which  
16 expired on March 31, 2025, South Jersey will initially solicit bids by posting the  
17 capacity for a term of one (1) year or less. To the extent the bids do not attract  
18 offers of at least 100% of maximum rates, South Jersey reserves the right to release  
19 the capacity for a term greater than one (1) year at maximum rates.

20  
21 **VI. ADDITIONAL CAPACITY**

22 **Q. HAS THE COMPANY CONTRACTED FOR ADDITIONAL CAPACITY**  
23 **AND IF SO, HOW?**

24 **A.** Yes, the Company has contracted for additional capacity as described below.

1           **Adelphia/PennEast Capacity**

2           During the winters of 2014 and 2018 when prices spiked, the Company  
3           determined it was prudent to address the need for annually increasing city gate  
4           peaking requirements by subscribing to incremental firm city gate capacity.

5           The economic impact of addressing this need has been of great concern.  
6           However, South Jersey’s primary responsibility is to provide firm, reliable, and  
7           uninterrupted service to our customers which is a non-negotiable obligation.

8           In August 2014, the Company entered into a Precedent Agreement for firm  
9           transportation capacity with PennEast Pipeline Company, LLC (“PennEast”). The  
10          PennEast capacity would have provided supply at lower Marcellus production area  
11          prices as opposed to the volatile Transco Z-6 prices. As the PennEast project met  
12          with increasing regulatory delays, the project sought to amend its FERC application  
13          into two phases. “Phase 1” was to be located in Pennsylvania and “Phase 2”  
14          extending into New Jersey.

15          In November 2017, Adelphia announced a two-zone project with a  
16          termination point in Marcus Hook, Pennsylvania. This presented an opportunity  
17          for South Jersey to access the Marcellus shale supply while building on reliability  
18          and supply diversification.

19          In December 2019, the FERC issued Adelphia a certificate to construct  
20          and operate.

21          In January 2020, South Jersey agreed to amend the Precedent Agreement  
22          with PennEast at a lower volume and rate, with a receipt point intended to be an  
23          interconnection with Adelphia pipeline which would in turn interconnect

1 downstream with Columbia pipeline and bring the Marcellus production priced  
2 supply to the South Jersey's service territory. This capacity path presented an  
3 opportunity to 1) bring lower priced supply into the service territory and more  
4 importantly 2) meet the growing need for additional capacity identified in South  
5 Jersey's Ten-Year Forecast of Requirements and Entitlements referenced earlier in  
6 my testimony.

7 In August 2020, the Company entered a Precedent Agreement with  
8 Adelphia to bring supply from the interconnection with PennEast to the  
9 interconnection with Columbia to the Company's city gate station.

10 In February 2021, the Company executed a Firm Transportation Agreement  
11 for pipeline capacity with Adelphia. The transportation contract quantity is 75,000  
12 Dth/day at \$0.30 per Dth. The terms of the agreement provide South Jersey the  
13 option to extend the contract after the first five (5) years. However, it is at the  
14 Company's discretion to exercise the option.

15 In September 2021, the PennEast developers announced they would cease  
16 all further development of the project. As a result, the Company no longer had the  
17 opportunity to acquire the pipeline capacity related to the PennEast project as  
18 originally anticipated. However, given the deficit of city gate capacity in South  
19 Jersey's long-term planning, the Company proceeded with the Adelphia Precedent  
20 Agreement and continued negotiating a facilities agreement with Columbia to bring  
21 the supply to the Company's service territory.

22 The project viability assessment of South Jersey incorporating this  
23 transportation asset into its portfolio included the modeling of 75,000 Dth/Day of

1 Adelphia firm capacity built into the Company's Ten-Year Forecast of  
2 Requirements and Entitlements. The results of the model indicated that with this  
3 addition, South Jersey would be able to eliminate peaking supply ranging from  
4 35,000 Dth/Day for the Winter of 2018-2019 to up to 100,000 Dth/Day at the end  
5 of the ten-year window. A comparison between the current state of South Jersey's  
6 installed capacity versus one that included this incremental capacity on the  
7 Adelphia/Columbia pipeline resulted in an increase in transportation demand costs  
8 for the 2018-2028 period. However, in a condition of extreme weather, the impact  
9 of this additional capacity also represented significant commodity savings,  
10 eliminated peak day shortfalls in the long run, added an extra layer of supply  
11 diversification and most critically improved reliability of supply.

12 The Adelphia capacity was in service on September 1, 2022, and fully  
13 operational at the Company city gate on September 1, 2023. The associated  
14 demand fees from this capacity are included in the filing. Additionally, and  
15 pursuant to Board's 2022 BGSS Order, the Company agreed to credit BGSS  
16 customers effective September 1, 2022, with all capacity release credits or off-  
17 system sales margins (including the Company's usual 15% share) derived from the  
18 use of pipeline capacity under contract between the Company and Adelphia for the  
19 75,000 Dth/Day of firm transportation capacity and under a contract between the  
20 Company and Columbia for 75,000 Dth of firm transportation capacity in service  
21 since September 2023. The Company has continued to share 100% of any capacity  
22 release credits derived from the Adelphia contract during the current term of this  
23 FT agreement (FTS Agreement No. SJG-0028) ("Adelphia FT Agreement") of over

1           \$2 million in total for the 2024-2025 and 2025-2026 BGSS/CIP Years and projects  
2           to share approximately \$0.5 million between October 1, 2026 and August 31, 2027  
3           when the Adelphia FT Agreement’s primary term expires.

4           Under the terms of the Adelphia FT Agreement, the Company has a one-  
5           time right exercisable no later than 12 months prior to the expiration of the primary  
6           term to extend or terminate the agreement. The Columbia Transmission agreement  
7           (FTS Agreement No. 284291) term expires on October 31, 2027 (“Columbia  
8           Transmission Agreement). This capacity is subject to pre-granted abandonment  
9           upon termination of this agreement and subject to the right of first refusal of South  
10          Jersey.

11          In the Board’s April 2024 Order, it directed the Company to set forth its  
12          plans to terminate or continue the Adelphia FT Agreement and the Columbia  
13          Agreement for the period beyond the primary term expiration dates of these  
14          contracts. It also directed the Company to address in its 2025-26 BGSS filing the  
15          operational and cost consequence of its plans for contracting for firm upstream  
16          pipeline capacity following the expiration of the primary terms of the Adelphia and  
17          Columbia agreements. Refer to Schedule MCM-16, which is the Company’s  
18          response to discovery request S-SBGSS-16 addressing this directive.

19          As part of the review that the Company conducted of the potential  
20          alternatives upon the termination of the Adelphia and Columbia FT capacity, the  
21          Company executed a Request for Proposals (RFP) for the supply shortage forecast  
22          in its future peak demand requirements as indicated by the Company’s Design Day  
23          Forecast. This RFP process resulted in 3 AMAs with a term of 3 years and a call

1 option where the Company will have the ability to purchase incremental supplies  
2 on an as-needed basis at the Transco and Columbia gate stations. By executing  
3 these calls, the Company will be able to meet its gas supply needs in a manner that  
4 is more economical than the retention of the Adelphia and Columbia firm  
5 transportation agreements. The Company’s formal notice of its intent to not renew  
6 the capacity beyond the primary term was delivered to Adelphia on March 03, 2026.  
7 Within the next few months, South Jersey plans to formally inform Columbia of its  
8 intent to not extend the term of the related capacity. The term of the FTS agreement  
9 expires October 31, 2027. The FTS Agreement is subject to pre-granted  
10 abandonment upon termination and affords South Jersey the right of first refusal to  
11 retain capacity.

12

13 **Transco’s Regional Energy Access (REA) Expansion Project (“REA**  
14 **Expansion”)**

15 The Company’s Transco city gates are located on the restricted and fully subscribed  
16 Marcus Hook lateral, which makes it difficult to acquire city gate peaking services  
17 and does not offer any guarantee of future availability. This portion of Transco’s  
18 system has been the focus of increasingly restrictive Operational Flow Orders  
19 (“OFOs”), which severely limit or eliminate any non-primary deliveries on the  
20 Marcus Hook lateral. These OFOs continue to grow which, considering that the  
21 lateral is 100% subscribed by firm shippers, makes it extremely risky for the  
22 company to enter into third-party peaking arrangements in the near term and  
23 impossible to be a reliable supply source in the long term. For these reasons, the

1 Company entered into a Precedent Agreement for Firm Transportation Service  
2 under the REA Expansion with Transco on December 9, 2019. The transportation  
3 contract quantity is 25,000 Dth/day at the negotiated rate of \$0.65 per Dth/day.  
4 This project became effective on August 1, 2024. This date occurred just days after  
5 the US Court of Appeals for the District of Columbia vacated permits issued by  
6 FERC for the REA expansion, finding that FERC did not adequately address market  
7 studies showing the project is not needed. The FERC reinstated the certificate on  
8 January 24, 2025.

9 The REA Expansion provides an economic benefit by avoiding the worst  
10 impact of price spikes, but even more importantly, it provides the reliability that  
11 South Jersey is obligated to provide to its customers.

12

13 **Cabot Supply**

14 In January 2015, South Jersey entered into three (3) long term supply agreements  
15 directly associated with the new pipeline capacity agreements identified above that  
16 will provide significantly discounted supply and offset the demand and variable  
17 charges associated with those new capacity agreements. The first agreement  
18 provides supply into the Tennessee 300 line at Gibson, which will be moved to the  
19 Tennessee/Columbia interconnect and then transported to South Jersey's city gate  
20 via Columbia. This supply is priced at NYMEX last day settle less \$0.88. The  
21 commodity price has been negotiated to offset the per Dth demand charge of both  
22 the Tennessee capacity and the Columbia capacity such that South Jersey will

1 obtain the supply at its city gate at a price equal to the NYMEX price. The delivery  
2 period began November 2018 and continues for ten (10) years.

3 The second agreement which was intended to provide supply into the  
4 PennEast project is no longer in effect.

5 The third agreement also no longer in effect would provide winter only  
6 supply into the PennEast project, which will be moved to the PennEast/Transco  
7 interconnect and then transported to South Jersey's city gate via Transco.

8 **Supplier Refunds**

9 The Company's actual supplier refunds for both the 2025-2026 and 2026-2027  
10 BGSS/CIP Years are shown in Schedule MCM-8. The refunds shown for the 2025-  
11 2026 BGSS/CIP Year reflect the sharing of penalty revenues with non-penalized  
12 shippers.

13

14 **VII. HEDGING PROGRAM**

15 **Q. PLEASE EXPLAIN, GENERALLY, THE COMPANY'S EXISTING**  
16 **HEDGING PROGRAM.**

17 **A.** South Jersey manages its hedging program in accordance with the Commodity  
18 Purchasing Guidelines contained in its Financial and Physical Natural Gas  
19 Transaction Risk Management Policy and Procedures ("Policy and Procedures")  
20 reviewed and approved by the Company's Risk Management Committee ("RMC").  
21 South Jersey's RMC is responsible for approving and reviewing these hedging  
22 programs, while the Gas Supply Department is responsible for executing the  
23 hedging strategies outlined in the Policy and Procedures.

1           The intent of the hedging program and strategies is to provide commodity  
2 price stabilization at the lowest reasonable cost. South Jersey's hedging program  
3 consists of the following four hedging strategies: 1) A Non-Discretionary Strategy  
4 - the Company purchases two (2) and 1/2 futures contracts per month for the  
5 eighteen (18) month period beginning with the 7<sup>th</sup> month and continuing through  
6 the 24<sup>th</sup> month of the current NYMEX strip; 2) A Planalytics Strategy - the  
7 Company purchases futures contracts based on suggestions from the Planalytics  
8 Energy Buyer hedging tool; 3) A Storage Incentive Mechanism Strategy - the  
9 Company purchases futures contracts for the summer injection period establishing  
10 a benchmark and then manages the physical injections to improve upon the  
11 benchmark; and 4) A Discretionary Strategy - the Company exercises managerial  
12 discretion to utilize futures, options, fixed priced physical, or other derivatives  
13 when deemed appropriate. Furthermore, the Commodity Purchasing Guidelines  
14 require that individual monthly targets be set prior to the beginning of each BGSS  
15 year and that 100% of the minimum required hedging activity be complete for any  
16 BGSS year (October 1 - September 30) prior to October 1 of that year.

17           All hedging gains and losses, as well as the cost of any derivatives and  
18 related transaction fees, are passed through the BGSS clause and as such are subject  
19 to periodic review by the Board. Speculative trading is not practiced by the  
20 Company.

21 **Q.   HOW DOES THE COMPANY REPORT ON ITS HEDGING PROGRAM?**

22 **A.**   The Gas Supply Department prepares and distributes, on a quarterly basis, a  
23 detailed report of hedging positions for the current and prospective BGSS years.

1 The reports are presented to and reviewed by South Jersey’s RMC and are provided  
2 to the Board as required. The reports contain the details of each hedging strategy  
3 and a summary of all hedging strategies, including the percentage of BGSS sendout  
4 currently hedged.

5 The four most recent quarterly hedging reports as of March 2026 are  
6 contained in Schedule MCM-9.

7

8 **VIII. MARGIN SHARING AND PIPELINE REFUND BGSS COST OFFSETS**

9 **Q. PLEASE EXPLAIN ALL BGSS COST OFFSETS, INCLUDING**  
10 **INTERRUPTIBLE MARGINS, OFF-SYSTEM SALES AND CAPACITY**  
11 **RELEASE MARGINS, PIPELINE REFUNDS AND OTHER CREDITS, IF**  
12 **ANY, FOR THE RECONCILIATION AND PROJECTED PERIODS.**

13 **A.** For the 2025-2026 BGSS/CIP Year, as shown on Schedule CLC-12, eighty five  
14 percent (85%) of gross margin generated by off-system sales and off-system and  
15 on system capacity releases offset BGSS costs in accordance with the 2019 BGSS  
16 Order, and eighty five percent (85%) of gross margin generated by interruptible  
17 sales offset BGSS costs pursuant to the 2003 BGSS Order <sup>5</sup>. Additionally, it  
18 includes one hundred percent (100%) of gross margin generated by off-system sales  
19 and on system capacity releases derived from the Adelphia capacity.

20 For the 2026-2027 BGSS/CIP Year, as shown on Schedule CLC-9, eighty  
21 five percent (85%) of gross margin generated by off-system sales, off-system and

---

<sup>5</sup> In re the Matter of the Petition of South Jersey Gas Company for Approval of Increased Base Rate Tariff Rates and Charges for the Gas Service and Other Tariff Revisions, Docket No. GR03080683, et al, Order dated April 29, 2003 (“2003 BGSS Order”).

1 on system capacity releases, and gross margin generated by interruptible sales  
2 offset BGSS costs pursuant to the 2003 BGSS Order. Additionally, it includes one  
3 hundred percent (100%) of gross margin generated by off-system sales and on  
4 system capacity releases derived from the Adelpia capacity.

5 These estimates are based on normal weather, historical actual information,  
6 and current market conditions.

7 Additionally, the Company's actual and projected pipeline refunds for the  
8 2025–2026 and 2026-2027 BGSS/CIP Years are shown in Schedule MCM-8 along  
9 with the applicable FERC docket numbers.

10

11 **IX. CIP**

12 **Q. PLEASE EXPLAIN THE COMPANY'S CURRENT AND ANTICIPATED**  
13 **CIP ACTIONS.**

14 **A.** By Order dated May 21, 2014 in Docket No. GR13030185 (the "CIP Continuation  
15 Order"), the Board approved the continuation of the Company's CIP, with certain  
16 modifications, which became effective with the CIP accrual year beginning  
17 October 1, 2014. Those modifications, which include the Modified BGSS Savings  
18 Test, have been reflected in this CIP filing and are discussed in more detail in the  
19 Prepared Direct Testimony of Daniel P. Yardley.

20 Savings for the 2026-2027 BGSS Year include \$2,243,369 of Category One  
21 Permanent BGSS Savings, which are defined in the CIP Continuation Order as  
22 permanent savings realized from permanent capacity releases and contract  
23 terminations. The Category One Permanent BGSS Savings of \$2,243,369 includes

1 \$1,360,159 of savings associated with the termination of the SS-1 storage service  
2 provided by Transco and EGTS. The remaining \$883,210 of this savings is the  
3 result of a permanent CIP release of 1.7 million Dts of Washington Storage Service  
4 (WSS) on Transco that became effective May 1, 2006.

5 Pursuant to the November 2021 Order<sup>6</sup>, two of the CIP capacity releases or  
6 20,000 Dth/day Transco FT capacity and 16,468 Dth/day of Columbia FTS capacity  
7 previously released as Category One Permanent BGSS Savings shifted back to  
8 temporary releases in Category Two. Both capacity releases, along with another  
9 Transco FT (Long Haul) release of 10,000 Dth/day, expired on March 31, 2025,  
10 totaling 48,468 Dth/day. The capacity was returned to the utility portfolio and  
11 included in the Company's Design Day planning, as required by paragraph 20 of  
12 the 2024 BGSS Order.

13 In compliance with the 2024 BGSS Order, paragraph 21, in coordination  
14 with the expiration of the aforementioned capacity releases, the Company entered  
15 into three (3) separate AMA agreements each with a term of three (3) years and  
16 volume of 10,000 Dth/day which entitles South Jersey to call on 100% of the supply  
17 related to the capacity released November through March of each year. The  
18 associated AMA management fees total \$589,995 per month are included in  
19 Category Two of the Modified BGSS Saving Test.

20 Category Two of the Modified BGSS Savings Test also includes two  
21 capacity releases that together generate approximately \$8,759,189 in savings

---

<sup>6</sup> *In re the Matter of the Petition of South Jersey Gas Company to Revise the Level of its Basic Gas Supply Service ("BGSS") Charge and Conservation Incentive Program ("CIP") Charges for the Year Ending September 30, 2022*, Docket No. GR21060881, Order dated November 17, 2021 ("2021 BGSS Order")

1 through March 31, 2027. These releases were subject to competitive bidding. The  
2 Company intends to re-release the capacity for an additional one-year term  
3 beginning April 01, 2027.

4 Additionally, on October 1, 2020, the Company turned back the Zone 1  
5 Long Haul capacity on contracts #1003902 and #1002231 to Transco for a term of  
6 ten years. This action, along with the AMA CIP fees for the reclassified assets of  
7 10,000 dts/day of Transco Long Haul, 20,000 dts/day of Transco Leidy and 10,000  
8 dts/day of Columbia, total \$8,070,369 in Category Two BGSS Savings.

9 Category Three BGSS savings associated with avoided capacity costs to  
10 meet residential customer growth total \$641,999. This amount has been calculated  
11 as set forth in the CIP Continuation Order and is supported by the Direct Testimony  
12 of Daniel P. Yardley. The total anticipated Category One, Two and Three savings  
13 eligible for the Modified BGSS Savings Test for the 2025-2026 BGSS/CIP Year is  
14 \$19,714,926.

15

16 **X. FERC PIPELINE ACTIVITIES**

17 **Q. PLEASE EXPLAIN WHETHER ANY FERC PROCEEDINGS ARE**  
18 **ANTICIPATED TO IMPACT 2026-2027 BGSS/CIP YEAR COSTS.**

19 **A.** A summary of FERC proceedings which may impact BGSS costs during the  
20 applicable periods is attached as Schedule MCM-11. This Schedule reflects those  
21 proceedings that may have an operational and/or cost effect on the services that  
22 South Jersey receives from its pipeline suppliers As previously discussed, the

1 Company has elected to defer recovery of the rate increases for both the Transco  
2 and Columbia pipeline rate cases for future recovery.

3

4 **XI. CONCLUSION**

5 **Q. PLEASE PROVIDE A BRIEF SUMMARY OF YOUR TESTIMONY.**

6 **A.** My testimony highlights activities the Company is undertaking to optimize the use  
7 of its gas supply portfolio and to minimize and stabilize costs to its customers. For  
8 the reasons set forth in this testimony, the Board should approve the Company's  
9 proposed BGSS, BSC and CIP rates for the 2026-2027 BGSS/CIP Year.

10 **Q. DOES THAT CONCLUDE YOUR TESTIMONY?**

11 **A.** Yes, it does.

**South Jersey Gas Company**  
**Supply/Demand Balance**  
(in MDth's)

For the Projected Period October 1, 2026 through September 30, 2027

	Oct 2026	Nov 2026	Dec 2026	Jan 2027	Feb 2027	Mar 2027	Apr 2027	May 2027	Jun 2027	Jul 2027	Aug 2027	Sep 2027	TOTAL
<b>Sendout</b>													
<b>Firm</b>	1,513.3	3,637.1	5,540.1	6,953.3	6,085.7	4,684.4	2,505.6	1,254.2	816.7	962.0	950.5	872.2	35,775.0
<b>Non-Firm</b>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Net Gas Sendout</b>	<b>1,513.3</b>	<b>3,637.1</b>	<b>5,540.1</b>	<b>6,953.3</b>	<b>6,085.7</b>	<b>4,684.4</b>	<b>2,505.6</b>	<b>1,254.2</b>	<b>816.7</b>	<b>962.0</b>	<b>950.5</b>	<b>872.2</b>	<b>35,775.0</b>
<b>Firm Supplies</b>	1,513.3	3,637.1	5,540.1	6,953.3	6,085.7	4,684.4	2,505.6	1,254.2	816.7	962.0	950.5	872.2	35,775.0
<b>Spot Supplies</b>	2,577.6	3,320.8	4,209.3	4,918.2	4,157.9	3,716.2	3,577.4	2,636.2	1,940.7	1,873.4	1,660.7	1,208.5	35,797.1
<b>Other</b>													
Take-back Peaking Supply	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Peaking Supplies	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total Supplemental Gas</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>TOTAL GAS PURCHASES</b>	<b>4,091.0</b>	<b>6,957.9</b>	<b>9,749.4</b>	<b>11,871.5</b>	<b>10,243.5</b>	<b>8,400.6</b>	<b>6,083.1</b>	<b>3,890.5</b>	<b>2,757.4</b>	<b>2,835.3</b>	<b>2,611.2</b>	<b>2,080.7</b>	<b>71,572.1</b>
<b>On-Site LNG Activity</b>													
LNG Refill	(170.0)	0.0	0.0	0.0	0.0	0.0	(145.0)	0.0	0.0	0.0	0.0	0.0	(315.0)
LNG (Boil-off)	0.0	0.0	8.2	8.1	7.5	8.1	6.5	7.2	7.0	7.0	7.0	6.5	73.1
LNG Peaking	4.5	6.5	21.8	91.9	22.5	11.9	(1.5)	(1.2)	(0.5)	(0.5)	(0.5)	0.0	154.9
<b>Storage Activity</b>													
Injections	(1,095.7)	(255.3)	(212.6)	(212.2)	(221.2)	(238.7)	(1,376.5)	(1,388.5)	(1,128.5)	(923.3)	(728.3)	(346.5)	(8,127.2)
Withdrawals	48.4	579.7	1,538.9	2,185.8	2,153.7	1,209.8	329.9	28.9	20.3	23.0	26.0	10.0	8,154.3
<b>Fuel Retainage</b>													
Injections	(20.8)	(7.2)	(6.0)	(6.0)	(6.2)	(6.9)	(26.3)	(27.7)	(21.8)	(17.1)	(14.2)	(6.1)	(166.3)
Withdrawals	(0.7)	(7.5)	(19.5)	(32.6)	(28.5)	(16.1)	(3.9)	(0.8)	(0.5)	(0.5)	(0.3)	(0.3)	(111.1)
<b>Net System Supply</b>	<b>2,856.6</b>	<b>7,274.3</b>	<b>11,080.2</b>	<b>13,906.5</b>	<b>12,171.3</b>	<b>9,368.7</b>	<b>4,866.3</b>	<b>2,508.4</b>	<b>1,633.3</b>	<b>1,923.9</b>	<b>1,900.9</b>	<b>1,744.3</b>	<b>71,234.9</b>

**South Jersey Gas Company**  
**Projected Demand Charges and Storage Costs**  
For the Projected Period October 1, 2026 through September 30, 2027

Contract No.	Cost Type	Billing Determinant			31	30	31	31	28	31	30	31	30	31	31	30	TOTAL
		Demand	Other	Capacity	Oct-2026	Nov-2026	Dec-2026	Jan-2027	Feb-2027	Mar-2027	Apr-2027	May-2027	Jun-2027	Jul-2027	Aug-2027	Sep-2027	
<b>STORAGE Demand</b>																	
COL FSS	53000	Demand	52,891		\$3,86500	\$3,86500	\$3,86500	\$3,86500	\$3,86500	\$3,86500	\$3,91400	\$3,91400	\$3,91400	\$3,91400	\$3,91400	\$3,91400	\$2,468,635
		Capacity	3,473,022		\$0.06730	\$0.06730	\$0.06730	\$0.06730	\$0.06730	\$0.06730	\$0.06810	\$0.06810	\$0.06810	\$0.06810	\$0.06810	\$0.06810	\$2,821,483
					\$438,158	\$438,158	\$438,158	\$438,158	\$438,158	\$438,158	\$443,528	\$443,528	\$443,528	\$443,528	\$443,528	\$443,528	\$5,290,118
EGTS GSS	300002	Demand	10,000		\$2,67490	\$2,67490	\$2,67490	\$2,67490	\$2,67490	\$2,67490	\$2,67490	\$2,67490	\$2,67490	\$2,67490	\$2,67490	\$2,67490	\$320,988
		Capacity	423,000		\$0.02580	\$0.02580	\$0.02580	\$0.02580	\$0.02580	\$0.02580	\$0.02580	\$0.02580	\$0.02580	\$0.02580	\$0.02580	\$0.02580	\$130,961
					\$37,662	\$37,662	\$37,662	\$37,662	\$37,662	\$37,662	\$37,662	\$37,662	\$37,662	\$37,662	\$37,662	\$37,662	\$451,949
TR GSS	1000813	Demand	27,314		\$0.13882	\$0.13882	\$0.13882	\$0.13882	\$0.13882	\$0.13882	\$0.13882	\$0.13882	\$0.13882	\$0.13882	\$0.13882	\$0.13882	\$1,383,981
		Capacity	1,346,482		\$0.00098	\$0.00098	\$0.00098	\$0.00098	\$0.00098	\$0.00098	\$0.00098	\$0.00098	\$0.00098	\$0.00098	\$0.00098	\$0.00098	\$481,637
					\$158,450	\$153,338	\$158,450	\$158,450	\$143,116	\$158,450	\$153,338	\$158,450	\$153,338	\$158,450	\$153,338	\$158,450	\$1,865,618
TR LSS	1000818	Demand	12,000		\$0.20129	\$0.20129	\$0.20129	\$0.20129	\$0.20129	\$0.20129	\$0.20129	\$0.20129	\$0.20129	\$0.20129	\$0.20129	\$0.20129	\$881,650
		Capacity	1,224,000		\$0.00080	\$0.00080	\$0.00080	\$0.00080	\$0.00080	\$0.00080	\$0.00080	\$0.00080	\$0.00080	\$0.00080	\$0.00080	\$0.00080	\$357,408
					\$105,235	\$101,840	\$105,235	\$105,235	\$95,051	\$105,235	\$101,840	\$105,235	\$101,840	\$105,235	\$105,235	\$101,840	\$1,239,058
TR S-2	1000814	Demand	1,557		\$0.22776	\$0.22776	\$0.22776	\$0.22776	\$0.22776	\$0.22776	\$0.22776	\$0.22776	\$0.22776	\$0.22776	\$0.22776	\$0.22776	\$129,437
		Capacity	11,663		\$0.01069	\$0.01069	\$0.01069	\$0.01069	\$0.01069	\$0.01069	\$0.01069	\$0.01069	\$0.01069	\$0.01069	\$0.01069	\$0.01069	\$45,507
					\$14,858	\$14,379	\$14,858	\$14,858	\$13,420	\$14,858	\$14,379	\$14,858	\$14,379	\$14,858	\$14,379	\$14,858	\$174,944
TR LNG	9014431	Demand	15,670		\$0.11470	\$0.11470	\$0.11470	\$0.11470	\$0.11470	\$0.11470	\$0.11470	\$0.11470	\$0.11470	\$0.11470	\$0.11470	\$0.11470	\$656,032
		Capacity	215,042		\$0.02210	\$0.02210	\$0.02210	\$0.02210	\$0.02210	\$0.02210	\$0.02210	\$0.02210	\$0.02210	\$0.02210	\$0.02210	\$0.02210	\$1,734,636
					\$203,043	\$196,493	\$203,043	\$203,043	\$183,394	\$203,043	\$196,493	\$203,043	\$196,493	\$203,043	\$203,043	\$196,493	\$2,390,669
TR SS-2	1003971	Demand	16,043		\$0.34290	\$0.34290	\$0.34290	\$0.34290	\$0.34290	\$0.34290	\$0.34290	\$0.34290	\$0.34290	\$0.34290	\$0.34290	\$0.34290	\$2,007,918
		Capacity	1,764,675		\$0.00099	\$0.00099	\$0.00099	\$0.00099	\$0.00099	\$0.00099	\$0.00099	\$0.00099	\$0.00099	\$0.00099	\$0.00099	\$0.00099	\$637,665
					\$224,693	\$217,445	\$224,693	\$224,693	\$202,949	\$224,693	\$217,445	\$224,693	\$217,445	\$224,693	\$224,693	\$217,445	\$2,645,583
TR ESS	9050779	Demand	27,814		\$0.03363	\$0.03363	\$0.03363	\$0.03363	\$0.03363	\$0.03363	\$0.03363	\$0.03363	\$0.03363	\$0.03363	\$0.03363	\$0.03363	\$341,415
		Capacity	232,314		\$0.00466	\$0.00466	\$0.00466	\$0.00466	\$0.00466	\$0.00466	\$0.00466	\$0.00466	\$0.00466	\$0.00466	\$0.00466	\$0.00466	\$395,143
					\$62,557	\$60,539	\$62,557	\$62,557	\$56,303	\$62,557	\$60,539	\$62,557	\$60,539	\$62,557	\$60,539	\$62,557	\$736,558
<b>Subtotal Storage Demand</b>					<b>\$1,244,657</b>	<b>\$1,219,856</b>	<b>\$1,244,657</b>	<b>\$1,244,657</b>	<b>\$1,170,254</b>	<b>\$1,244,657</b>	<b>\$1,225,226</b>	<b>\$1,250,027</b>	<b>\$1,225,226</b>	<b>\$1,250,027</b>	<b>\$1,250,027</b>	<b>\$1,225,226</b>	<b>\$14,794,497</b>

**South Jersey Gas Company  
Projected Demand Charges and Storage Costs**

Contract No.	Cost Type	Billing Determinant		31	30	31	31	28	31	30	31	30	31	31	30	TOTAL	
		Demand	Other	Oct-2026	Nov-2026	Dec-2026	Jan-2027	Feb-2027	Mar-2027	Apr-2027	May-2027	Jun-2027	Jul-2027	Aug-2027	Sep-2027		
<b>FIRM TRANSPORT CAPACITY</b>																	
COL ADELPHIA FTS	FTS-SJG-0028	Demand	75,000	\$0.30000	\$0.30000	\$0.30000	\$0.30000	\$0.30000	\$0.30000	\$0.30000	\$0.30000	\$0.30000	\$0.30000	\$0.30000	\$0.30000	\$0.30000	\$8,212,500
				\$697,500	\$675,000	\$697,500	\$697,500	\$630,000	\$697,500	\$675,000	\$697,500	\$675,000	\$697,500	\$675,000	\$697,500	\$675,000	
COL SST	38086	Demand	26,445 Winter 52,891	\$13.33900	\$13.33900	\$13.33900	\$13.33900	\$13.33900	\$13.33900	\$13.33900	\$13.77400	\$13.77400	\$13.77400	\$13.77400	\$13.77400	\$13.77400	\$2,153,787 \$4,233,078.29
				\$705,513	\$705,513	\$705,513	\$705,513	\$705,513	\$705,513	\$705,513	\$358,964	\$358,964	\$358,964	\$358,964	\$358,964	\$358,964	\$6,386,865
COL FTS	38099	Demand	22,511	\$13.53900	\$13.53900	\$13.53900	\$13.53900	\$13.53900	\$13.53900	\$13.53900	\$13.77400	\$13.77400	\$13.77400	\$13.77400	\$13.77400	\$13.77400	\$3,689,057.66
				\$304,776	\$304,776	\$304,776	\$304,776	\$304,776	\$304,776	\$304,776	\$310,067	\$310,067	\$310,067	\$310,067	\$310,067	\$310,067	\$3,689,058
COL FTS	156147	Demand	9,000	\$13.53900	\$13.53900	\$13.53900	\$13.53900	\$13.53900	\$13.53900	\$13.53900	\$13.77400	\$13.77400	\$13.77400	\$13.77400	\$13.77400	\$13.77400	\$1,474,902.00
				\$121,851	\$121,851	\$121,851	\$121,851	\$121,851	\$121,851	\$121,851	\$123,966	\$123,966	\$123,966	\$123,966	\$123,966	\$123,966	\$1,474,902
COL FTS ESEP	161135	Demand	70,000	\$13.39600	\$13.39600	\$13.39600	\$13.39600	\$13.39600	\$13.39600	\$13.39600	\$13.39600	\$13.39600	\$13.39600	\$13.39600	\$13.39600	\$13.39600	\$11,252,640.00
				\$937,720	\$937,720	\$937,720	\$937,720	\$937,720	\$937,720	\$937,720	\$937,720	\$937,720	\$937,720	\$937,720	\$937,720	\$937,720	\$11,252,640
COL NTS	39305	Demand	22,511	\$13.77800	\$13.77800	\$13.77800	\$13.77800	\$13.77800	\$13.77800	\$13.77800	\$14.01300	\$14.01300	\$14.01300	\$14.01300	\$14.01300	\$14.01300	\$3,753,619.21
				\$310,157	\$310,157	\$310,157	\$310,157	\$310,157	\$310,157	\$310,157	\$315,447	\$315,447	\$315,447	\$315,447	\$315,447	\$315,447	\$3,753,619
TENN FTS	337061	Demand	78,000	\$12.16600	\$12.16600	\$12.16600	\$12.16600	\$12.16600	\$12.16600	\$12.16600	\$12.16600	\$12.16600	\$12.16600	\$12.16600	\$12.16600	\$12.16600	\$11,387,376.00
				\$948,948	\$948,948	\$948,948	\$948,948	\$948,948	\$948,948	\$948,948	\$948,948	\$948,948	\$948,948	\$948,948	\$948,948	\$948,948	\$11,387,376
COL FTS		Demand	75,000	\$13.53900	\$13.53900	\$13.53900	\$13.53900	\$13.53900	\$13.53900	\$13.53900	\$13.77400	\$13.77400	\$13.77400	\$13.77400	\$13.77400	\$13.77400	\$12,290,850
				\$1,015,425	\$1,015,425	\$1,015,425	\$1,015,425	\$1,015,425	\$1,015,425	\$1,015,425	\$1,033,050	\$1,033,050	\$1,033,050	\$1,033,050	\$1,033,050	\$1,033,050	
TR FTS ZONE BASED RESV	1003902	Demand	130,915	\$0.62298	\$0.62298	\$0.62298	\$0.62298	\$0.62298	\$0.62298	\$0.62298	\$0.62298	\$0.62298	\$0.62298	\$0.62298	\$0.62298	\$0.62298	\$29,768.295
TR FTS LONG HAUL TURN BACK DISCOUNT	1003902	Demand		\$0.00000	\$0.00000	\$0.00000	\$0.00000	\$0.00000	\$0.00000	\$0.00000	\$0.00000	\$0.00000	\$0.00000	\$0.00000	\$0.00000	\$0.00000	
				\$2,528,266	\$2,446,709	\$2,528,266	\$2,528,266	\$2,283,595	\$2,528,266	\$2,446,709	\$2,528,266	\$2,446,709	\$2,528,266	\$2,446,709	\$2,528,266	\$2,446,709	
TR FTS DEMAND	1013599	Demand	41,608 Monthly Demand Billing Determinant	\$0.15665	\$0.15665	\$0.15665	\$0.15665	\$0.15665	\$0.15665	\$0.15665	\$0.15665	\$0.15665	\$0.15665	\$0.15665	\$0.15665	\$0.15665	\$2,379,031
				\$1,289,848	\$1,248,240	\$1,289,848	\$1,289,848	\$1,165,024	\$1,289,848	\$1,248,240	\$1,289,848	\$1,248,240	\$1,289,848	\$1,248,240	\$1,289,848	\$1,248,240	\$15,186,920
				\$202,055	\$195,537	\$202,055	\$202,055	\$182,501	\$202,055	\$195,537	\$202,055	\$195,537	\$202,055	\$195,537	\$202,055	\$195,537	\$2,379,031
TR FTS SS-1 (WINTER ONLY)	1044825	Demand	17,433 Monthly Demand Billing Determinant	\$0.00000	\$0.15665	\$0.15665	\$0.15665	\$0.15665	\$0.15665	\$0.15665	\$0.00000	\$0.00000	\$0.00000	\$0.00000	\$0.00000	\$0.00000	\$2,632,383
				-	\$22,990	\$40,423	\$40,423	\$48,124	\$40,423	-	-	-	-	-	-	-	\$2,632,383
				\$0	\$81,926	\$84,657	\$84,657	\$76,465	\$84,657	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$412,363
TR Res PSFT (Dec-Jan-Feb ONLY)	1005003	Demand	3,002 Monthly Demand Billing Determinant	\$0.00000	\$0.00000	\$1.20961	\$1.20961	\$1.20961	\$0.00000	\$0.00000	\$0.00000	\$0.00000	\$0.00000	\$0.00000	\$0.00000	\$0.00000	\$270,180
				-	-	\$93,062	\$93,062	\$84,056	-	-	-	-	-	-	-	-	\$270,180
				\$0	\$0	\$112,569	\$112,569	\$101,675	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$326,813
TR FTS CNJEP	9032686	Demand	105,000 Monthly Demand Billing Determinant	\$0.15665	\$0.15665	\$0.15665	\$0.15665	\$0.15665	\$0.15665	\$0.15665	\$0.15665	\$0.15665	\$0.15665	\$0.15665	\$0.15665	\$0.15665	\$8,325,000
				\$3,255,000	\$3,150,000	\$3,255,000	\$3,255,000	\$2,940,000	\$3,255,000	\$3,150,000	\$3,255,000	\$3,150,000	\$3,255,000	\$3,150,000	\$3,255,000	\$3,150,000	\$38,325,000
				\$509,896	\$493,448	\$509,896	\$509,896	\$460,551	\$509,896	\$493,448	\$509,896	\$493,448	\$509,896	\$493,448	\$509,896	\$493,448	\$6,003,611
TR REA		Demand	25,000	\$0.65000	\$0.65000	\$0.65000	\$0.65000	\$0.65000	\$0.65000	\$0.65000	\$0.65000	\$0.65000	\$0.65000	\$0.65000	\$0.65000	\$0.65000	\$9,125,000
				\$75,000	\$75,000	\$75,000	\$75,000	\$70,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$9,125,000
	TBD			\$503,750	\$487,500	\$503,750	\$503,750	\$455,000	\$503,750	\$487,500	\$503,750	\$487,500	\$503,750	\$487,500	\$503,750	\$487,500	\$5,931,250
			<b>Subtotal Firm Transport Demand</b>	<b>\$8,785,857</b>	<b>\$8,724,510</b>	<b>\$8,983,083</b>	<b>\$8,983,083</b>	<b>\$8,534,177</b>	<b>\$8,870,514</b>	<b>\$8,326,355</b>	<b>\$8,469,628</b>	<b>\$8,326,355</b>	<b>\$8,469,628</b>	<b>\$8,469,628</b>	<b>\$8,326,355</b>	<b>\$8,469,628</b>	<b>\$103,269,172</b>
<b>Other Demand Costs</b>																	
				\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$60,000	
				\$0	\$110,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$110,000	
				\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$125,000	\$0	\$0	\$125,000	
				\$2,269	\$2,269	\$2,269	\$2,269	\$2,269	\$2,269	\$2,269	\$2,269	\$2,269	\$2,269	\$2,269	\$2,269	\$2,269	
				\$0	\$0	\$0	\$0	\$0	\$56,000	\$0	\$0	\$0	\$0	\$0	\$0	\$56,000	
			<b>Subtotal Other Demand Costs</b>	<b>\$7,269</b>	<b>\$117,269</b>	<b>\$7,269</b>	<b>\$7,269</b>	<b>\$7,269</b>	<b>\$63,269</b>	<b>\$7,269</b>	<b>\$7,269</b>	<b>\$7,269</b>	<b>\$7,269</b>	<b>\$132,269</b>	<b>\$7,269</b>	<b>\$7,269</b>	<b>\$378,228</b>
			<b>TOTAL DEMAND COSTS</b>	<b>\$10,037,783</b>	<b>\$10,061,635</b>	<b>\$10,235,009</b>	<b>\$10,235,009</b>	<b>\$9,711,699</b>	<b>\$10,178,440</b>	<b>\$9,558,850</b>	<b>\$9,726,924</b>	<b>\$9,558,850</b>	<b>\$9,851,924</b>	<b>\$9,726,924</b>	<b>\$9,558,850</b>	<b>\$118,441,898</b>	

**South Jersey Gas Company  
Projected Demand Charges and Storage Costs**

**STORAGE SERVICES VARIABLE CHARGES**

	Oct-2026	Nov-2026	Dec-2026	Jan-2027	Feb-2027	Mar-2027	Apr-2027	May-2027	Jun-2027	Jul-2027	Aug-2027	Sep-2027	TOTAL
<b>COL FSS</b>													
In Rate	\$0.02420	\$0.02420	\$0.02420	\$0.02420	\$0.02420	\$0.02420	\$0.02420	\$0.02420	\$0.02420	\$0.02420	\$0.02420	\$0.02420	\$0.02420
Out Rate	\$0.02420	\$0.02420	\$0.02420	\$0.02420	\$0.02420	\$0.02420	\$0.02420	\$0.02420	\$0.02420	\$0.02420	\$0.02420	\$0.02420	\$0.02420
In Vol.	376,119	202,004	173,115	165,802	162,956	174,038	603,462	467,572	346,257	346,257	269,397	44,597	3,331,575
Out Vol.	26,553	229,572	525,112	966,725	849,690	483,600	144,000	28,000	20,000	20,000	10,000	10,000	3,313,252
In Cost	\$9,102	\$4,888	\$4,189	\$4,012	\$3,944	\$4,212	\$14,604	\$11,315	\$8,379	\$8,379	\$6,519	\$1,079	\$80,624
Out Cost	\$643	\$5,556	\$12,708	\$23,395	\$20,562	\$11,703	\$3,485	\$678	\$484	\$484	\$242	\$242	\$80,181
<b>COL SST</b>													
In Rate	\$0.01640	\$0.01640	\$0.01640	\$0.01640	\$0.01640	\$0.01640	\$0.01640	\$0.01640	\$0.01640	\$0.01640	\$0.01640	\$0.01640	\$0.01640
Out Rate	\$0.01640	\$0.01640	\$0.01640	\$0.01640	\$0.01640	\$0.01640	\$0.01640	\$0.01640	\$0.01640	\$0.01640	\$0.01640	\$0.01640	\$0.01640
In Vol.	382,183	205,261	175,906	168,475	165,584	176,844	613,192	475,110	351,840	351,840	273,740	45,316	3,385,290
Out Vol.	26,553	229,572	525,112	966,725	849,690	483,600	144,000	28,000	20,000	20,000	10,000	10,000	3,313,252
In Cost	\$6,268	\$3,366	\$2,885	\$2,763	\$2,716	\$2,900	\$10,056	\$7,792	\$5,770	\$5,770	\$4,489	\$743	\$55,519
Out Cost	\$435	\$3,765	\$8,612	\$15,854	\$13,935	\$7,931	\$2,362	\$459	\$328	\$328	\$164	\$164	\$54,337
<b>EGTS GSS</b>													
In Rate	\$0.03930	\$0.03930	\$0.03930	\$0.03930	\$0.03930	\$0.03930	\$0.03930	\$0.03930	\$0.03930	\$0.03930	\$0.03930	\$0.03930	\$0.03930
IT In Rate	\$0.03930	\$0.03930	\$0.03930	\$0.03930	\$0.03930	\$0.03930	\$0.03930	\$0.03930	\$0.03930	\$0.03930	\$0.03930	\$0.03930	\$0.03930
Out Rate	\$0.02560	\$0.02560	\$0.02560	\$0.02560	\$0.02560	\$0.02560	\$0.02560	\$0.02560	\$0.02560	\$0.02560	\$0.02560	\$0.02560	\$0.02560
In Vol.	62,465	0	0	0	0	0	38,255	67,481	67,481	53,971	52,755	47,613	390,021
IT In Vol.	62,465	0	0	0	0	0	38,255	67,481	67,481	53,971	52,755	47,613	390,021
Out Vol.	0	0	0	182,166	187,600	53,234	0	0	0	0	0	0	423,000
In Cost	\$2,455	\$0	\$0	\$0	\$0	\$0	\$1,503	\$2,652	\$2,652	\$2,121	\$2,073	\$1,871	\$15,328
IT In Cost	\$2,455	\$0	\$0	\$0	\$0	\$0	\$1,503	\$2,652	\$2,652	\$2,121	\$2,073	\$1,871	\$15,328
Out Cost	\$0	\$0	\$0	\$4,663	\$4,803	\$1,363	\$0	\$0	\$0	\$0	\$0	\$0	\$10,829
<b>TR GSS</b>													
In Rate	\$0.05367	\$0.05367	\$0.05367	\$0.05367	\$0.05367	\$0.05367	\$0.05367	\$0.05367	\$0.05367	\$0.05367	\$0.05367	\$0.05367	\$0.05367
Out Rate	\$0.04577	\$0.04577	\$0.04577	\$0.04577	\$0.04577	\$0.04577	\$0.04577	\$0.04577	\$0.04577	\$0.04577	\$0.04577	\$0.04577	\$0.04577
In Vol.	149,527	54,158	40,352	47,200	58,094	65,540	114,097	255,000	180,028	65,000	74,825	60,000	3,385,290
Out Vol.	21,752	135,219	122,824	142,395	312,971	243,608	165,248	800	0	3,000	16,000	6	3,313,252
In Cost	\$8,025	\$2,907	\$2,166	\$2,533	\$3,118	\$3,518	\$6,124	\$13,686	\$9,662	\$3,489	\$4,016	\$3,220	\$62,462
Out Cost	\$996	\$6,189	\$5,622	\$6,517	\$14,325	\$11,150	\$7,563	\$37	\$0	\$137	\$732	\$0	\$53,268
<b>TR LSS</b>													
In Rate	\$0.03610	\$0.03610	\$0.03610	\$0.03610	\$0.03610	\$0.03610	\$0.03610	\$0.03610	\$0.03610	\$0.03610	\$0.03610	\$0.03610	\$0.03610
Out Rate	\$0.02863	\$0.02863	\$0.02863	\$0.02863	\$0.02863	\$0.02863	\$0.02863	\$0.02863	\$0.02863	\$0.02863	\$0.02863	\$0.02863	\$0.02863
In Vol.	175,915	0	0	0	0	0	204,000	198,600	198,600	175,634	172,484	104,486	3,385,290
Out Vol.	0	89,997	373,147	364,302	248,569	147,985	0	0	0	0	0	0	3,313,252
In Cost	\$6,351	\$0	\$0	\$0	\$0	\$0	\$7,364	\$7,169	\$7,169	\$6,340	\$6,227	\$3,772	\$44,393
Out Cost	\$0	\$2,577	\$10,683	\$10,430	\$7,117	\$4,237	\$0	\$0	\$0	\$0	\$0	\$0	\$35,043
<b>TR S-2</b>													
In Rate	\$0.03775	\$0.03775	\$0.03775	\$0.03775	\$0.03775	\$0.03775	\$0.03775	\$0.03775	\$0.03775	\$0.03775	\$0.03775	\$0.03775	\$0.03775
Out Rate	\$0.06234	\$0.06234	\$0.06234	\$0.06234	\$0.06234	\$0.06234	\$0.06234	\$0.06234	\$0.06234	\$0.06234	\$0.06234	\$0.06234	\$0.06234
In Vol.	35,690	0	0	0	0	0	17,865	36,704	35,520	14,345	0	0	3,385,290
Out Vol.	54	11,137	49,222	44,408	35,142	58	3	0	0	0	0	0	3,313,252
In Cost	\$1,347	\$0	\$0	\$0	\$0	\$0	\$674	\$1,386	\$1,341	\$542	\$0	\$0	\$5,290
Out Cost	\$3	\$694	\$3,068	\$2,768	\$2,191	\$4	\$0	\$0	\$0	\$0	\$0	\$0	\$8,729
<b>TR LNG</b>													
In Rate	\$0.03469	\$0.03469	\$0.03469	\$0.03469	\$0.03469	\$0.03469	\$0.03469	\$0.03469	\$0.03469	\$0.03469	\$0.03469	\$0.03469	\$0.03469
Out Rate	\$0.03469	\$0.03469	\$0.03469	\$0.03469	\$0.03469	\$0.03469	\$0.03469	\$0.03469	\$0.03469	\$0.03469	\$0.03469	\$0.03469	\$0.03469
In Vol.	0	0	0	0	0	0	0	0	0	0	0	0	3,385,290
Out Vol.	0	0	0	0	0	0	0	0	0	0	0	0	3,313,252
In Cost	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Out Cost	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>TR SS-2</b>													
In Rate	\$0.02849	\$0.02849	\$0.02849	\$0.02849	\$0.02849	\$0.02849	\$0.02849	\$0.02849	\$0.02849	\$0.02849	\$0.02849	\$0.02849	\$0.02849
Out Rate	\$0.02849	\$0.02849	\$0.02849	\$0.02849	\$0.02849	\$0.02849	\$0.02849	\$0.02849	\$0.02849	\$0.02849	\$0.02849	\$0.02849	\$0.02849
In Vol.	270,433	0	0	0	0	0	350,000	321,420	302,520	270,000	160,302	90,000	3,385,290
Out Vol.	0	113,358	468,558	485,820	415,638	281,301	0	0	0	0	0	0	3,313,252
In Cost	\$7,705	\$0	\$0	\$0	\$0	\$0	\$9,972	\$9,157	\$8,619	\$7,692	\$4,567	\$2,564	\$50,276
Out Cost	\$0	\$3,230	\$13,349	\$13,841	\$11,842	\$8,014	\$0	\$0	\$0	\$0	\$0	\$0	\$50,276
<b>TR ESS</b>													
In Rate	\$0.03311	\$0.03311	\$0.03311	\$0.03311	\$0.03311	\$0.03311	\$0.03311	\$0.03311	\$0.03311	\$0.03311	\$0.03311	\$0.03311	\$0.03311
Out Rate	\$0.03311	\$0.03311	\$0.03311	\$0.03311	\$0.03311	\$0.03311	\$0.03311	\$0.03311	\$0.03311	\$0.03311	\$0.03311	\$0.03311	\$0.03311
In Vol.	27,605	200	100	100	1,000	100	52,153	44,280	0	0	0	0	3,385,290
Out Vol.	0	439	0	0	104,044	31	20,674	100	250	0	0	0	3,313,252
In Cost	\$914	\$7	\$3	\$3	\$33	\$3	\$1,727	\$1,466	\$0	\$0	\$0	\$0	\$4,157
Out Cost	\$0	\$15	\$0	\$0	\$3,445	\$1	\$685	\$3	\$8	\$0	\$0	\$0	\$4,157
<b>TOTAL STORAGE SERVICES VARIABLE CHARGES</b>	<b>\$46,698</b>	<b>\$33,193</b>	<b>\$63,285</b>	<b>\$86,781</b>	<b>\$88,029</b>	<b>\$55,035</b>	<b>\$67,622</b>	<b>\$58,452</b>	<b>\$47,065</b>	<b>\$37,404</b>	<b>\$31,103</b>	<b>\$15,527</b>	<b>\$630,195</b>
<b>TOTAL DEMAND AND STORAGE SERVICES VARIABLE CHARGES</b>	<b>\$10,084,481</b>	<b>\$10,094,827</b>	<b>\$10,298,294</b>	<b>\$10,321,790</b>	<b>\$9,799,728</b>	<b>\$10,233,475</b>	<b>\$9,626,472</b>	<b>\$9,785,376</b>	<b>\$9,605,915</b>	<b>\$9,889,328</b>	<b>\$9,758,027</b>	<b>\$9,574,377</b>	<b>\$119,072,093</b>

**South Jersey Gas Company**  
**Statement of Injections and Withdrawals - LNG Inventory**  
**For the period October 1, 2026 through September 30, 2027**

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
	<b>Injections</b>		<b>Liquefier Costs</b>	<b>Inventory (Dth)</b>		<b>Withdrawals</b>			<b>Ending Inventory</b>	
<u>Period</u>	<u>Amount</u>	<u>Dth</u>	<u>Amount</u>	<u>Beginning</u>	<u>Ending</u>	<u>Sendout (Dth)</u>	<u>Average Relief Rate</u>	<u>Cost of Sendout from Storage</u>	<u>Ending Inventory (Dth)</u>	<u>Ending Inventory (\$)</u>
<b>Beginning Inventory</b>									239,975	\$1,766,755
Oct 2026	\$ 502,564	170,000	\$200,000	239,975	405,475	4,500	\$7.3622	\$27,104	405,475	\$2,442,215
Nov 2026	\$ -	-	\$18,000	405,475	398,975	6,500	\$6.0231	\$39,439	398,975	\$2,420,776
Dec 2026	\$ -	-	\$20,000	398,975	368,975	30,000	\$6.0675	\$183,529	368,975	\$2,257,248
Jan 2027	\$ -	-	\$22,000	368,975	268,975	100,000	\$6.1176	\$617,724	268,975	\$1,661,524
Feb 2027	\$ -	-	\$20,000	268,975	238,975	30,000	\$6.1772	\$187,548	238,975	\$1,493,976
Mar 2027	\$ -	-	\$19,000	238,975	218,975	20,000	\$6.2516	\$126,622	218,975	\$1,386,354
Apr 2027	\$ 422,750	145,000	\$170,000	218,975	358,975	5,000	\$4.9704	\$27,187	358,975	\$1,951,916
May 2027	\$ -	-	\$18,000	358,975	352,975	6,000	\$5.4375	\$32,926	352,975	\$1,936,990
Jun 2027	\$ -	-	\$18,000	352,975	346,475	6,500	\$5.4876	\$36,001	346,475	\$1,918,989
Jul 2027	\$ -	-	\$18,000	346,475	339,975	6,500	\$5.5386	\$36,339	339,975	\$1,900,651
Aug 2027	\$ -	-	\$18,000	339,975	333,475	6,500	\$5.5906	\$36,683	333,475	\$1,881,968
Sep 2027	\$ -	-	\$18,000	333,475	326,975	6,500	\$5.6435	\$37,034	326,975	\$1,862,934

**SOUTH JERSEY GAS COMPANY**  
**ACTUAL ANNUAL REQUIREMENTS AND SUPPLIES**  
**NOVEMBER 2023 THROUGH OCTOBER 2025**

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42  
43  
44  
45  
46  
47  
48

**Quantities in MDts**

	1	2	3	5	6	7
	Nov 2023 through Oct 2024			Nov 2024 through Oct 2025		
	Actual	Actual	Actual	Actual	Actual	Actual
	Annual	Heating Season	Non-Heat Season	Annual	Heating Season	Non-Heat Season
<b>FIRM REQUIREMENTS</b>						
Residential	24,595	18,591	6,004	21,096	21,096	5,760
Commercial	9,375	6,358	3,017	10,287	7,044	3,242
GSG Ind	265	207	59	283	237	46
GSG Com- Ind LV	2,767	1,875	892	2,934	1,970	964
<b>TOTAL FIRM SENDOUT EXCLUDING TRANSPORTATION (lines 17 thru 20)</b>	<b>37,003</b>	<b>27,032</b>	<b>9,972</b>	<b>34,599</b>	<b>30,347</b>	<b>10,012</b>
Firm Transportation (FT)	15,325	6,772	8,553	15,527	7,540	7,987
<b>TOTAL FIRM SENDOUT AND TRANSPORTATION (lines 22+24)</b>	<b>52,328</b>	<b>33,804</b>	<b>18,525</b>	<b>50,126</b>	<b>37,887</b>	<b>17,999</b>
Interruptible Sales, Interruptible Transportation and Off-System Sales	13,248	7,320	5,928	14,684	7,433	7,252
<b>TOTAL SENDOUT, TRANSPORTATION AND OFF-SYSTEM SALES (line 26+28)</b>	<b>65,576</b>	<b>41,123</b>	<b>24,452</b>	<b>70,570</b>	<b>45,320</b>	<b>25,251</b>
Storage Injections	8,343	964	7,379	8,594	1,049	7,545
<b>TOTAL REQUIREMENTS (lines 30+32)</b>	<b>73,919</b>	<b>42,087</b>	<b>31,832</b>	<b>79,165</b>	<b>46,369</b>	<b>32,796</b>
<b>AVAILABLE SUPPLIES</b>						
Spot Direct Purchases - Transco & Columbia FT & City Gate	28,483	12,608	15,874	33,692	15,725	17,968
LNG Withdrawals	122	80	42	160	121	38
RNG Supply	0	0	0	38	0	38
Peaking Supply	0	0	0	0	0	0
Columbia FT ESEP	15,075	10,397	4,678	14,506	10,354	4,153
Transportation Gas (Firm & Interruptible)	23,484	12,147	11,338	24,172	12,826	11,346
<b>TOTAL SUPPLIES EXCLUDING STORAGE (lines 37 thru 42)</b>	<b>67,164</b>	<b>35,232</b>	<b>31,932</b>	<b>72,569</b>	<b>39,026</b>	<b>33,543</b>
Storage Withdrawals	8,154	7,810	344	8,428	7,839	588
<b>TOTAL SUPPLIES AND STORAGE (lines 44+46)</b>	<b>75,318</b>	<b>43,042</b>	<b>32,276</b>	<b>80,997</b>	<b>46,865</b>	<b>34,132</b>

**SOUTH JERSEY GAS COMPANY**  
**ANNUAL REQUIREMENTS AND SUPPLIES**  
**NOVEMBER 2025 THROUGH OCTOBER 2026**  
**ACTUAL HEATING SEASON - ESTIMATED NON-HEATING SEASON**

		Quantities in MDts		
		1	2	3
		Nov 2025 through Oct 2026		
		Estimated	Actual	Estimated
		Annual	Heating Season	Non-Heat Season
18	<b>FIRM REQUIREMENTS</b>			
19	Residential	23,411	23,411	0
20	Commercial	7,887	7,887	0
21	Commercial LV	257	257	0
22	Industrial	2,046	2,046	0
23	Total HF Sendout - Normal	10,220	0	10,220
24				
25	<b>TOTAL FIRM SENDOUT REQUIREMENTS (lines 19 thru 23)</b>	<b>43,822</b>	<b>33,601</b>	<b>10,220</b>
26				
27	Firm Transportation (FT) (WS = Actual SS)	<u>7,168</u>	<u>7,168</u>	<u>0</u>
28				
29	<b>TOTAL FIRM SENDOUT AND TRANSPORTATION (lines 25+27)</b>	<b>50,990</b>	<b>40,770</b>	<b>10,220</b>
30				
31	Available For Interruptible and Off-System Sales	<u>12,510</u>	<u>5,895</u>	<u>6,615</u>
32				
33	<b>TOTAL SENDOUT, TRANSPORTATION AND OFF-SYSTEM SALES (line 29+31)</b>	<b>63,500</b>	<b>46,665</b>	<b>16,835</b>
34				
35	Storage Injections	<u>10,156</u>	<u>1,337</u>	<u>8,819</u>
36				
37	<b>TOTAL REQUIREMENTS - NORMAL WEATHER (lines 33+35)</b>	<b>73,656</b>	<b>48,002</b>	<b>25,654</b>
38				
39	<b>AVAILABLE SUPPLIES</b>			
40	Spot Direct Purchases - Transco & Columbia FT & City Gate	80,637	17,562	63,075
41	LNG Withdrawals	66,855	355	66,500
42	RNG Supply	576	191	385
43	Peaking Supply	0	0	0
44	Columbia ESEP	25,358	10,378	14,980
45	Transportation Gas (WS Actual - SS up to 105,000 dts/d)	35,008	12,538	22,470
46				
47	<b>TOTAL SUPPLIES EXCLUDING STORAGE (lines 40 thru 44)</b>	<b>208,435</b>	<b>41,024</b>	<b>167,411</b>
48				
49	Storage Withdrawals	<u>8,168</u>	<u>8,168</u>	<u>0</u>
50				
51	<b>TOTAL SUPPLIES PLUS STORAGE (lines 46+48)</b>	<b>216,602</b>	<b>49,192</b>	<b>167,411</b>

**SOUTH JERSEY GAS COMPANY  
ANNUAL REQUIREMENTS AND SUPPLIES  
NOVEMBER 2026 THROUGH OCTOBER 2028  
EXCLUDES OPT-OUT CUSTOMERS**

	Quantities in MDts			Quantities in MDts		
	1	2	3	1	2	3
	<b>Nov 2026 through Oct 2027</b>			<b>Nov 2027 through Oct 2028</b>		
	Estimated	Estimated	Estimated	Estimated	Estimated	Estimated
	Annual	Heating Season	Non-Heat Season	Annual	Heating Season	Non-Heat Season
<b>TOTAL FIRM SENDOUT AND TRANSPORTATION REQUIREMENTS (EXCLUDES OPT-OUT)</b>	<b>41,168</b>	<b>31,011</b>	<b>10,157</b>	<b>41,842</b>	<b>31,409</b>	<b>10,433</b>
Storage Injections Based on Full Contract Quantities	<u>8,819</u>	<u>0</u>	<u>8,819</u>	<u>8,819</u>	<u>0</u>	<u>8,819</u>
<b>TOTAL SENDOUT, STORAGE INJ. AND TRANS. REQ. - NORMAL WEATHER (lines 18+20)</b>	<b>49,986</b>	<b>31,011</b>	<b>18,975</b>	<b>50,660</b>	<b>31,409</b>	<b>19,251</b>
Available For Non-Firm Sales (NFS) - Normal Weather	<u>14,325</u>	<u>7,710</u>	<u>6,615</u>	<u>14,325</u>	<u>7,710</u>	<u>6,615</u>
<b>TOTAL SENDOUT - STORAGE INJ. - TRANS. REQ. &amp; AVAIL. NFS - NORMAL WEATHER (lines 22+24)</b>	<b>64,311</b>	<b>38,721</b>	<b>25,590</b>	<b>64,985</b>	<b>39,119</b>	<b>25,866</b>
Firm Sendout and Transportation Requirements Added for Design Weather	<u>6,768</u>	<u>6,768</u>	<u>0</u>	<u>6,855</u>	<u>6,855</u>	<u>0</u>
<b>TOTAL SENDOUT - STORAGE INJ. - TRANS. REQ. &amp; AVAIL. NFS - DESIGN WEATHER (lines 26+28)</b>	<b>71,079</b>	<b>45,488</b>	<b>25,590</b>	<b>71,355</b>	<b>45,488</b>	<b>25,866</b>
<b>AVAILABLE SUPPLIES</b>						
Spot Purchases Based on Transco & Col. FT & City Gate Supplies - Cap. Red.For AMA Releases	105,909	47,409	58,500	83,350	36,324	47,025
LNG Withdrawals	142	75	67	142	75	67
Peaking Service	0	0	0	0	0	0
RNG Supply	657	272	385	659	274	385
Columbia East Side Expansion Project	25,550	10,570	14,980	25,620	10,640	14,980
Transportation Gas (105,000 Dts per day)	38,325	15,855	22,470	14,546	3,422	11,124
<b>TOTAL SUPPLIES EXCLUDING STORAGE (lines 33 thru 38)</b>	<b>170,583</b>	<b>74,181</b>	<b>96,402</b>	<b>124,316</b>	<b>50,735</b>	<b>73,581</b>
Storage Withdrawals Full Contract Quantities	<u>8,819</u>	<u>8,819</u>	<u>0</u>	<u>8,819</u>	<u>8,819</u>	<u>0</u>
<b>TOTAL SUPPLIES PLUS STORAGE (lines 40+42)</b>	<b>179,401</b>	<b>82,999</b>	<b>96,402</b>	<b>133,134</b>	<b>59,553</b>	<b>73,581</b>
<b>WINTER RESERVE - NORMAL WEATHER (lines 22-44)</b>		51,989			28,144	
<b>WINTER RESERVE - DESIGN WEATHER (lines 28- 46)</b>		45,221			21,289	
Amount in Storage November 1	8,819			8,819		

Schedule MCM-5 - CONFIDENTIAL

**SOUTH JERSEY GAS COMPANY**  
**DESIGN DAY FORECAST**  
**2026-27 THROUGH 2030-31**

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42  
43  
44  
45  
46  
47  
48  
49  
50  
51  
52  
53  
54  
55  
56  
57  
58  
59  
60  
61  
62  
63  
64  
65  
66  
67  
68  
69  
70  
71  
72  
73  
74  
75  
76  
77  
78  
79  
80  
81  
82

	2026-27	2027-28	2028-29	2029-30	2030-31
<b>Summary of Requirements vs Supplies</b>					
Total Design Day Requirements	568,043	577,135	586,513	593,509	600,698
Total Design Day Supplies	722,455	647,455	657,455	667,455	672,455
Excess / (Shortfall)	154,412	70,320	70,942	73,946	71,757
<b>Design Day Degree Days</b>	<b>63.0</b>	<b>63.0</b>	<b>63.0</b>	<b>63.0</b>	<b>63.0</b>
Quantity in Dts	2026-27	2027-28	2028-29	2029-30	2030-31
<b>Total Design Day Sendout Requirements</b>	<b>568,043</b>	<b>577,135</b>	<b>586,513</b>	<b>593,509</b>	<b>600,698</b>
<b>Design Day Capacity Entitlements</b>					
<b>Pipeline City Gate Long-Term Capacity</b>	Contract #				
Transco FT (Long-haul)	1003902	118,651	118,651	128,651	128,651
Transco FT (Long-haul)	1002231	2,264	2,264	2,264	2,264
Transco (PSFT) (Long-haul)	1005003	3,002	3,002	3,002	3,002
Transco FT (Leidy Line)	1013599	31,608	31,608	41,608	41,608
Transco FT (Leidy Line)	1044825	17,433	17,433	17,433	17,433
Adelphia/Columbia FTS	28/284291	75,000	0	0	0
Columbia NTS	39305	22,511	22,511	22,511	22,511
Columbia FTS	38099	12,511	12,511	22,511	22,511
Columbia FTS	156147	9,000	9,000	9,000	9,000
Columbia FTS (ESEP)	161135	70,000	70,000	70,000	70,000
Transco REA FT		25,000	25,000	25,000	25,000
<b>Total Pipeline Services (lines 23 thru 33)</b>		386,980	311,980	341,980	341,980
<b>Underground Storage Services</b>					
Transco S-2		1,557	1,557	1,557	1,557
Transco GSS		27,314	27,314	27,314	27,314
Transco LSS		12,000	12,000	12,000	12,000
Transco LG-A		15,670	15,670	15,670	15,670
Transco SS-2		16,043	16,043	16,043	16,043
Columbia FSS		52,891	52,891	52,891	52,891
<b>Total Underground Storage (lines 38 thru 43)</b>		125,475	125,475	125,475	125,475
<b>Company Sources</b>					
City Gate Supplies - (Peaking)		-	-	10,000	20,000
Company LNG (110,000 Mcf pro-rated @ 20 hours - converted to Dts)		75,000	75,000	75,000	75,000
Total Company Entitlement Sources (lines 35+45+48+49)		587,455	512,455	552,455	562,455
<b>Company Entitlement Deficiency Before Transportation (50-18)</b>		<b>19,412</b>	<b>(64,680)</b>	<b>(34,058)</b>	<b>(31,054)</b>
<b>Transportation Sources</b>					
RSG-FT @ 100% of Jan 2026 Average Daily Load		4,681	4,681	4,681	4,681
GSG-FT & GSG-LV-FT @ 100% of Jan 2026 Average Daily Load		36,328	36,328	36,328	36,328
<b>Total Transportation Sources (lines 56+57)</b>		41,009	41,009	41,009	41,009
Incremental Capacity Available From Transco CNJEP (105,000-line 59)		63,991	63,991	63,991	63,991
Total Transco CNJEP Capacity (lines 58+60)		105,000	105,000	105,000	105,000
<b>Assets Released as Part of The CIP with Call Option</b>					
Transco FT (Long Haul) AMA - Call through 3/31/28		10,000	10,000	0	0
Transco FT (Leidy Line) AMA - Call through 3/31/28		10,000	10,000	0	0
Columbia FTS - AMA - Call through 3/31/28		10,000	10,000	0	0
<b>Total Assets Released as Part of the CIP (lines 66 thru 68)</b>		30,000	30,000	0	0
<b>Total Design Day Supplies (lines 51+63+70)</b>		<b>722,455</b>	<b>647,455</b>	<b>657,455</b>	<b>667,455</b>
Excess / (Shortfall) Between Requirements & Entitlements (lines 72 -18)		154,412	70,320	70,942	73,946
Excess / (Shortfall) as a Percent of Sendout (lines 74/18)		27.2%	12.2%	12.1%	12.5%

**South Jersey Gas Company**  
**Actual Peak Day Supply and Demand**  
**Five Highest Demand Days For Each Of The Last Three Winter Season (Dts)**

WINTER SEASON	DATE OF HIGHEST DEMAND	SUPPLY SOURCES				TOTAL SENDOUT	FIRM SENDOUT	INTERR SENDOUT	TOTAL SENDOUT	DEGREE DAYS
		TRANSCO	COLUMBIA	RNG	LNG					
<b>2025-2026</b>	February 07, 2026	284,222	239,285	0	49,068	572,575	572,575	0	572,575	53.50
	February 08, 2026	283,712	241,530	1,029	5,949	532,220	532,220	0	532,220	50.90
	January 30, 2026	236,064	211,054	1,272	50,449	498,839	498,839	0	498,839	52.00
	January 29, 2026	236,402	220,510	1,135	24,876	482,923	482,923	0	482,923	48.60
	February 01, 2026	216,918	225,668	895	34,859	478,340	475,773	2,567	478,340	44.90
<b>2024-2025</b>	January 22,2025	247,640	224,577	0	21,179	493,396	493,384	12	493,396	50.80
	January 21,2025	252,874	229,238	0	10,842	492,954	492,952	2	492,954	49.00
	February 19,2025	242,946	232,970	0	196	476,112	476,112	0	476,112	42.00
	February 18,2025	226,957	243,353	0	134	470,444	470,444	0	470,444	42.00
	February 20, 2025	221,780	224,327	0	9,602	455,709	455,709	0	455,709	44.00
<b>2023-2024</b>	January 20, 2024	165,970	228,537	0	25,389	419,896	419,896	0	419,896	42.60
	January 17, 2024	221,064	196,346	0	167	417,577	417,572	5	417,577	42.30
	January 16, 2024	192,597	198,902	0	8,313	399,812	399,812	0	399,812	40.00
	January 21, 2024	159,720	223,810	0	56	383,586	383,586	0	383,586	43.00
	January 19, 2024	160,612	221,447	0	318	382,377	382,377	0	382,377	39.30

**South Jersey Gas Company**  
**Statement of Estimated Supplier Refunds**  
For the period October 1, 2025 through September 30, 2026

Period	Suppliers	Docket Number	Refund Amounts	Total
Oct 2025		Revenue Sharing of Penalty Dollars Collected During the Annual Period Ending July 31, 2025	\$12,713	\$12,713
Nov 2025	Williams Transco	(1) RP-24-1103 Rate Refund (\$3,529,448.03)	\$0	\$0
Dec 2025	(1) and (2) Columbia Transmission <hr/> (3) Williams Transco	(2) Penalty Refund Contract 38086 (\$35,170.39) <hr/> (3) Penalty sharing Texas Eastern OFO to S-2 customers (2,107,501)	\$3,564,726	\$3,564,726
Jan 2026			\$0	\$0
Feb 2026			\$0	\$0
Mar 2026			\$0	\$0
Apr 2026	(1) Williams Transco <hr/> (2) Adelpia	(1) RP-24-1035 Rate Refund (\$10,318,465.13) <hr/> (2) Adelpia Refund 2025 Annual Pipeline Credit (\$1,761.72)	\$10,320,227	\$10,320,227
May 2026			\$0	\$0
Jun 2026			\$0	\$0
Jul 2026			\$0	\$0
Aug 2026			\$0	\$0
Sep 2026			\$0	\$0
<b>Total</b>			<b>\$13,897,666</b>	<b>\$13,897,666</b>

**South Jersey Gas Company**  
**Statement of Estimated Supplier Refunds**  
For the period October 1, 2026 through September 30, 2027

<b>Period</b>	<b>Suppliers</b>	<b>Docket Number</b>	<b>Refund Amounts</b>	<b>Total</b>
Oct 2026			\$0	\$0
Nov 2026			\$0	\$0
Dec 2026			\$0	\$0
Jan 2027			\$0	\$0
Feb 2027			\$0	\$0
Mar 2027			\$0	\$0
Apr 2027			\$0	\$0
May 2027			\$0	\$0
Jun 2027			\$0	\$0
Jul 2027			\$0	\$0
Aug 2027			\$0	\$0
Sep 2027			\$0	\$0
			<b>Total</b>	<b>\$0</b>

South Jersey Gas Company  
Summary of Hedging Activity  
October 2025 - September 2026  
As of March 31, 2026

Supply Month	BGSS Sendout* (000)	Total Hedged (000)	Program Hedges			
			Non-Discr (000)	Planalytics (000)	Sim (000)	Disc (000)
October-25	1,218	640	540	100	-	-
November-25	3,152	1,960	540	300	1,120	-
December-25	4,996	2,360	540	700	1,120	-
January-26	6,261	2,560	540	900	1,120	-
February-26	5,482	2,560	540	900	1,120	-
March-26	4,233	2,060	540	400	1,120	-
April-26	2,078	940	540	400	-	-
May-26	1,055	540	540	-	-	-
June-26	618	540	540	-	-	-
July-26	661	540	540	-	-	-
August-26	675	540	540	-	-	-
September-26	667	540	540	-	-	-
<b>Total</b>	<b>31,096</b>	<b>15,780</b>	<b>6,480</b>	<b>3,700</b>	<b>5,600</b>	<b>-</b>
<b>Total % Hedged</b>		<b>50.7%</b>	<b>20.8%</b>	<b>11.9%</b>	<b>18.0%</b>	<b>0.0%</b>

\*Sendout for Periodic BGSS customers from the 2025 BGSS Filing

South Jersey Gas Company  
Non Discretionary Hedging Strategy  
As of March 31, 2026

Month	Quantity	Weighted Average Price
October-25	540,000	\$ 3.645
November-25	540,000	\$ 3.665
December-25	540,000	\$ 3.701
January-26	540,000	\$ 3.752
February-26	540,000	\$ 3.780
March-26	540,000	\$ 3.802
April-26	540,000	\$ 3.826
May-26	540,000	\$ 3.849
June-26	540,000	\$ 3.872
July-26	540,000	\$ 3.890
August-26	540,000	\$ 3.932
September-26	540,000	\$ 3.959



South Jersey Gas Company  
Planalytics Hedging Strategy  
As of March 31, 2026

Month	Quantity	Average Price
October-25	100,000	\$ 3.440
November-25	300,000	\$ 3.628
December-25	700,000	\$ 4.203
January-26	900,000	\$ 4.535
February-26	900,000	\$ 4.282
March-26	400,000	\$ 3.814
April-26	400,000	\$ 3.611
May-26	-	\$ -
June-26	-	\$ -
July-26	-	\$ -
August-26	-	\$ -
September-26	-	\$ -



South Jersey Gas Company  
Discretionary Hedging Strategy  
As of March 31, 2026

Financial Fixed Priced				Physical Fixed Price			
Month	Quantity	Average Price		Month	Quantity	Average Price	
October-25	-	\$	-	October-25	-	\$	-
November-25	-	\$	-	November-25	-	\$	-
December-25	-	\$	-	December-25	-	\$	-
January-26	-	\$	-	January-26	-	\$	-
February-26	-	\$	-	February-26	-	\$	-
March-26	-	\$	-	March-26	-	\$	-
April-26	-	\$	-	April-26	-	\$	-
May-26	-	\$	-	May-26	-	\$	-
June-26	-	\$	-	June-26	-	\$	-
July-26	-	\$	-	July-26	-	\$	-
August-26	-	\$	-	August-26	-	\$	-
September-26	-	\$	-	September-26	-	\$	-

South Jersey Gas Company  
Summary of Hedging Activity  
October 2026 - September 2027  
As of March 31, 2026

Supply Month	BGSS Sendout* (000)	Total Hedged (000)	Program Hedges			
			Non-Discr (000)	Planalytics (000)	Sim (000)	Disc (000)
October-26	1,218	570	540	30	-	-
November-26	3,152	1,680	510	50	1,120	-
December-26	4,996	1,690	480	90	1,120	-
January-27	6,261	1,740	450	170	1,120	-
February-27	5,482	1,660	420	120	1,120	-
March-27	4,233	1,580	390	70	1,120	-
April-27	2,078	390	360	30	-	-
May-27	1,055	330	330	-	-	-
June-27	618	300	300	-	-	-
July-27	661	270	270	-	-	-
August-27	675	240	240	-	-	-
September-27	667	210	210	-	-	-
<b>Total</b>	<b>31,096</b>	<b>10,660</b>	<b>4,500</b>	<b>560</b>	<b>5,600</b>	<b>-</b>
<b>Total % Hedged</b>		<b>34.3%</b>	<b>14.5%</b>	<b>1.8%</b>	<b>18.0%</b>	<b>0.0%</b>

\*Sendout for Periodic BGSS customers from the 2025 BGSS Filing

South Jersey Gas Company  
Non Discretionary Hedging Strategy  
As of March 31, 2026

Month	Quantity	Weighted Average Price
October-26	540,000	\$ 3.985
November-26	510,000	\$ 4.021
December-26	480,000	\$ 4.043
January-27	450,000	\$ 4.056
February-27	420,000	\$ 4.061
March-27	390,000	\$ 4.045
April-27	360,000	\$ 4.004
May-27	330,000	\$ 3.989
June-27	300,000	\$ 3.964
July-27	270,000	\$ 3.935
August-27	240,000	\$ 3.943
September-27	210,000	\$ 3.956

South Jersey Gas Company  
Non Discretionary Hedging Strategy  
As of March 31, 2026

INS_TYPE	(Multiple Items)
PFOLIO	SJG_Financial_Trading_NonDiscr
PARAM_SEQ_NUM	1

Trade Date	Column Labels	10/1/2026	11/1/2026	12/1/2026	1/1/2027	2/1/2027	3/1/2027	4/1/2027	5/1/2027	6/1/2027	7/1/2027	8/1/2027	9/1/2027
10/31/2024	\$	3.370											
11/26/2024	\$	3.669	\$ 3.669										
12/31/2024	\$	3.860	\$ 3.860	\$ 3.860									
1/30/2025	\$	3.975	\$ 3.975	\$ 3.975	\$ 3.975								
2/27/2025	\$	4.275	\$ 4.275	\$ 4.275	\$ 4.275	\$ 4.275							
3/31/2025	\$	4.535	\$ 4.535	\$ 4.535	\$ 4.535	\$ 4.535	\$ 4.535						
4/30/2025	\$	4.170	\$ 4.170	\$ 4.170	\$ 4.170	\$ 4.170	\$ 4.170	\$ 4.170					
5/30/2025	\$	4.237	\$ 4.237	\$ 4.237	\$ 4.237	\$ 4.237	\$ 4.237	\$ 4.237	\$ 4.237				
6/30/2025	\$	4.225	\$ 4.225	\$ 4.225	\$ 4.225	\$ 4.225	\$ 4.225	\$ 4.225	\$ 4.225	\$ 4.225			
7/31/2025	\$	3.873	\$ 3.873	\$ 3.873	\$ 3.873	\$ 3.873	\$ 3.873	\$ 3.873	\$ 3.873	\$ 3.873	\$ 3.873		
8/27/2025	\$	3.850	\$ 3.850	\$ 3.850	\$ 3.850	\$ 3.850	\$ 3.850	\$ 3.850	\$ 3.850	\$ 3.850	\$ 3.850	\$ 3.850	
9/30/2025	\$	3.915	\$ 3.915	\$ 3.915	\$ 3.915	\$ 3.915	\$ 3.915	\$ 3.915	\$ 3.915	\$ 3.915	\$ 3.915	\$ 3.915	\$ 3.915
10/31/2025	\$	4.025	\$ 4.025	\$ 4.025	\$ 4.025	\$ 4.025	\$ 4.025	\$ 4.025	\$ 4.025	\$ 4.025	\$ 4.025	\$ 4.025	\$ 4.025
11/25/2025	\$	3.995	\$ 3.995	\$ 3.995	\$ 3.995	\$ 3.995	\$ 3.995	\$ 3.995	\$ 3.995	\$ 3.995	\$ 3.995	\$ 3.995	\$ 3.995
12/31/2025	\$	3.905	\$ 3.905	\$ 3.905	\$ 3.905	\$ 3.905	\$ 3.905	\$ 3.905	\$ 3.905	\$ 3.905	\$ 3.905	\$ 3.905	\$ 3.905
1/30/2026	\$	4.060	\$ 4.060	\$ 4.060	\$ 4.060	\$ 4.060	\$ 4.060	\$ 4.060	\$ 4.060	\$ 4.060	\$ 4.060	\$ 4.060	\$ 4.060
2/27/2026	\$	3.822	\$ 3.822	\$ 3.822	\$ 3.822	\$ 3.822	\$ 3.822	\$ 3.822	\$ 3.822	\$ 3.822	\$ 3.822	\$ 3.822	\$ 3.822
3/31/2026	\$	3.972	\$ 3.972	\$ 3.972	\$ 3.972	\$ 3.972	\$ 3.972	\$ 3.972	\$ 3.972	\$ 3.972	\$ 3.972	\$ 3.972	\$ 3.972
<b>Average Cost per Dth</b>	<b>\$</b>	<b>3.985</b>	<b>\$ 4.021</b>	<b>\$ 4.043</b>	<b>\$ 4.056</b>	<b>\$ 4.061</b>	<b>\$ 4.045</b>	<b>\$ 4.004</b>	<b>\$ 3.989</b>	<b>\$ 3.964</b>	<b>\$ 3.935</b>	<b>\$ 3.943</b>	<b>\$ 3.956</b>
<b>Dth Purchased</b>		<b>540,000</b>	<b>510,000</b>	<b>480,000</b>	<b>450,000</b>	<b>420,000</b>	<b>390,000</b>	<b>360,000</b>	<b>330,000</b>	<b>300,000</b>	<b>270,000</b>	<b>240,000</b>	<b>210,000</b>

South Jersey Gas Company  
Planalytics Hedging Strategy  
As of March 31, 2026

Month	Quantity	Average Price
October-26	30,000	\$ 3.519
November-26	50,000	\$ 3.773
December-26	90,000	\$ 4.570
January-27	170,000	\$ 5.000
February-27	120,000	\$ 4.472
March-27	70,000	\$ 3.538
April-27	30,000	\$ 3.254
May-27	-	\$ -
June-27	-	\$ -
July-27	-	\$ -
August-27	-	\$ -
September-27	-	\$ -



South Jersey Gas Company  
Discretionary Hedging Strategy  
As of March 31, 2026

Financial Fixed Priced				Physical Fixed Price			
Month	Quantity	Average Price		Month	Quantity	Average Price	
October-26	-	\$	-	October-26	-	\$	-
November-26	-	\$	-	November-26	-	\$	-
December-26	-	\$	-	December-26	-	\$	-
January-27	-	\$	-	January-27	-	\$	-
February-27	-	\$	-	February-27	-	\$	-
March-27	-	\$	-	March-27	-	\$	-
April-27	-	\$	-	April-27	-	\$	-
May-27	-	\$	-	May-27	-	\$	-
June-27	-	\$	-	June-27	-	\$	-
July-27	-	\$	-	July-27	-	\$	-
August-27	-	\$	-	August-27	-	\$	-
September-27	-	\$	-	September-27	-	\$	-

South Jersey Gas Company  
Summary of Hedging Activity  
October 2025 - September 2026  
As of December 31, 2025

Supply Month	BGSS Sendout* (000)	Total Hedged (000)	Program Hedges			
			Non-Discr (000)	Planalytics (000)	Sim (000)	Disc (000)
October-25	1,218	640	540	100	-	-
November-25	3,152	1,960	540	300	1,120	-
December-25	4,996	2,360	540	700	1,120	-
January-26	6,261	2,560	540	900	1,120	-
February-26	5,482	2,560	540	900	1,120	-
March-26	4,233	2,060	540	400	1,120	-
April-26	2,078	940	540	400	-	-
May-26	1,055	540	540	-	-	-
June-26	618	540	540	-	-	-
July-26	661	540	540	-	-	-
August-26	675	510	510	-	-	-
September-26	667	480	480	-	-	-
<b>Total</b>	<b>31,096</b>	<b>15,690</b>	<b>6,390</b>	<b>3,700</b>	<b>5,600</b>	<b>-</b>
<b>Total % Hedged</b>		<b>50.5%</b>	<b>20.5%</b>	<b>11.9%</b>	<b>18.0%</b>	<b>0.0%</b>

\*Sendout for Periodic BGSS customers from the 2025 BGSS Filing

South Jersey Gas Company  
Non Discretionary Hedging Strategy  
As of December 31, 2025

Month	Quantity	Weighted Average Price
October-25	540,000	\$ 3.645
November-25	540,000	\$ 3.665
December-25	540,000	\$ 3.701
January-26	540,000	\$ 3.752
February-26	540,000	\$ 3.780
March-26	540,000	\$ 3.802
April-26	540,000	\$ 3.826
May-26	540,000	\$ 3.849
June-26	540,000	\$ 3.872
July-26	540,000	\$ 3.890
August-26	510,000	\$ 3.925
September-26	480,000	\$ 3.961

South Jersey Gas Company  
Non Discretionary Hedging Strategy  
As of December 31, 2025

INS_TYPE	(Multiple Items)
PFOLIO	SJG_Financial_Trading_NonDiscr
PARAM_SEQ_NUM	1

Trade Date	Column Labels	10/1/2025	11/1/2025	12/1/2025	1/1/2026	2/1/2026	3/1/2026	4/1/2026	5/1/2026	6/1/2026	7/1/2026	8/1/2026	9/1/2026
10/31/2023	\$	3.804											
11/30/2023	\$	3.580	\$ 3.580										
12/29/2023	\$	3.315	\$ 3.315	\$ 3.315									
1/31/2024	\$	3.370	\$ 3.370	\$ 3.370	\$ 3.370								
2/29/2024	\$	3.451	\$ 3.451	\$ 3.451	\$ 3.451	\$ 3.451							
3/28/2024	\$	3.485	\$ 3.485	\$ 3.485	\$ 3.485	\$ 3.485	\$ 3.485						
4/30/2024	\$	3.618	\$ 3.618	\$ 3.618	\$ 3.618	\$ 3.618	\$ 3.618	\$ 3.618					
5/31/2024	\$	3.570	\$ 3.570	\$ 3.570	\$ 3.570	\$ 3.570	\$ 3.570	\$ 3.570	\$ 3.570				
6/28/2024	\$	3.580	\$ 3.580	\$ 3.580	\$ 3.580	\$ 3.580	\$ 3.580	\$ 3.580	\$ 3.580	\$ 3.580			
7/31/2024	\$	3.305	\$ 3.305	\$ 3.305	\$ 3.305	\$ 3.305	\$ 3.305	\$ 3.305	\$ 3.305	\$ 3.305	\$ 3.305		
8/27/2024	\$	3.349	\$ 3.349	\$ 3.349	\$ 3.349	\$ 3.349	\$ 3.349	\$ 3.349	\$ 3.349	\$ 3.349	\$ 3.349	\$ 3.349	
9/30/2024	\$	3.492	\$ 3.492	\$ 3.492	\$ 3.492	\$ 3.492	\$ 3.492	\$ 3.492	\$ 3.492	\$ 3.492	\$ 3.492	\$ 3.492	\$ 3.492
10/31/2024	\$	3.370	\$ 3.370	\$ 3.370	\$ 3.370	\$ 3.370	\$ 3.370	\$ 3.370	\$ 3.370	\$ 3.370	\$ 3.370	\$ 3.370	\$ 3.370
11/26/2024	\$	3.669	\$ 3.669	\$ 3.669	\$ 3.669	\$ 3.669	\$ 3.669	\$ 3.669	\$ 3.669	\$ 3.669	\$ 3.669	\$ 3.669	\$ 3.669
12/31/2024	\$	3.860	\$ 3.860	\$ 3.860	\$ 3.860	\$ 3.860	\$ 3.860	\$ 3.860	\$ 3.860	\$ 3.860	\$ 3.860	\$ 3.860	\$ 3.860
1/30/2025	\$	3.975	\$ 3.975	\$ 3.975	\$ 3.975	\$ 3.975	\$ 3.975	\$ 3.975	\$ 3.975	\$ 3.975	\$ 3.975	\$ 3.975	\$ 3.975
2/27/2025	\$	4.275	\$ 4.275	\$ 4.275	\$ 4.275	\$ 4.275	\$ 4.275	\$ 4.275	\$ 4.275	\$ 4.275	\$ 4.275	\$ 4.275	\$ 4.275
3/31/2025	\$	4.535	\$ 4.535	\$ 4.535	\$ 4.535	\$ 4.535	\$ 4.535	\$ 4.535	\$ 4.535	\$ 4.535	\$ 4.535	\$ 4.535	\$ 4.535
4/30/2025	\$		\$ 4.170	\$ 4.170	\$ 4.170	\$ 4.170	\$ 4.170	\$ 4.170	\$ 4.170	\$ 4.170	\$ 4.170	\$ 4.170	\$ 4.170
5/30/2025			\$	\$ 4.237	\$ 4.237	\$ 4.237	\$ 4.237	\$ 4.237	\$ 4.237	\$ 4.237	\$ 4.237	\$ 4.237	\$ 4.237
6/30/2025				\$	\$ 4.225	\$ 4.225	\$ 4.225	\$ 4.225	\$ 4.225	\$ 4.225	\$ 4.225	\$ 4.225	\$ 4.225
7/31/2025					\$	\$ 3.873	\$ 3.873	\$ 3.873	\$ 3.873	\$ 3.873	\$ 3.873	\$ 3.873	\$ 3.873
8/27/2025						\$	\$ 3.850	\$ 3.850	\$ 3.850	\$ 3.850	\$ 3.850	\$ 3.850	\$ 3.850
9/30/2025							\$	\$ 3.915	\$ 3.915	\$ 3.915	\$ 3.915	\$ 3.915	\$ 3.915
10/31/2025								\$	\$ 4.025	\$ 4.025	\$ 4.025	\$ 4.025	\$ 4.025
11/25/2025									\$	\$ 3.995	\$ 3.995	\$ 3.995	\$ 3.995
12/31/2025										\$	\$ 3.905	\$ 3.905	\$ 3.905
<b>Weighted Average Cost per Dth</b>	<b>\$</b>	<b>3.645</b>	<b>\$ 3.665</b>	<b>\$ 3.701</b>	<b>\$ 3.752</b>	<b>\$ 3.780</b>	<b>\$ 3.802</b>	<b>\$ 3.826</b>	<b>\$ 3.849</b>	<b>\$ 3.872</b>	<b>\$ 3.890</b>	<b>\$ 3.925</b>	<b>\$ 3.961</b>
<b>Dth Purchased</b>		<b>540,000</b>	<b>540,000</b>	<b>540,000</b>	<b>540,000</b>	<b>540,000</b>	<b>540,000</b>	<b>540,000</b>	<b>540,000</b>	<b>540,000</b>	<b>540,000</b>	<b>510,000</b>	<b>480,000</b>

South Jersey Gas Company  
Planalytics Hedging Strategy  
As of December 31, 2025

Month	Quantity	Average Price
October-25	100,000	\$ 3.440
November-25	300,000	\$ 3.628
December-25	700,000	\$ 4.203
January-26	900,000	\$ 4.535
February-26	900,000	\$ 4.282
March-26	400,000	\$ 3.814
April-26	400,000	\$ 3.611
May-26	-	\$ -
June-26	-	\$ -
July-26	-	\$ -
August-26	-	\$ -
September-26	-	\$ -



South Jersey Gas Company  
Discretionary Hedging Strategy  
As of December 31, 2025

Financial Fixed Priced				Physical Fixed Price			
Month	Quantity	Average Price		Month	Quantity	Average Price	
October-25	-	\$	-	October-25	-	\$	-
November-25	-	\$	-	November-25	-	\$	-
December-25	-	\$	-	December-25	-	\$	-
January-26	-	\$	-	January-26	-	\$	-
February-26	-	\$	-	February-26	-	\$	-
March-26	-	\$	-	March-26	-	\$	-
April-26	-	\$	-	April-26	-	\$	-
May-26	-	\$	-	May-26	-	\$	-
June-26	-	\$	-	June-26	-	\$	-
July-26	-	\$	-	July-26	-	\$	-
August-26	-	\$	-	August-26	-	\$	-
September-26	-	\$	-	September-26	-	\$	-

South Jersey Gas Company  
Summary of Hedging Activity  
October 2026 - September 2027  
As of December 31, 2025

Supply Month	BGSS Sendout* (000)	Total Hedged (000)	Program Hedges			
			Non-Discr (000)	Planalytics (000)	Sim (000)	Disc (000)
October-26	1,218	450	450	-	-	-
November-26	3,152	420	420	-	-	-
December-26	4,996	390	390	-	-	-
January-27	6,261	360	360	-	-	-
February-27	5,482	330	330	-	-	-
March-27	4,233	300	300	-	-	-
April-27	2,078	270	270	-	-	-
May-27	1,055	240	240	-	-	-
June-27	618	210	210	-	-	-
July-27	661	180	180	-	-	-
August-27	675	150	150	-	-	-
September-27	667	120	120	-	-	-
<b>Total</b>	<b>31,096</b>	<b>3,420</b>	<b>3,420</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total % Hedged</b>		11.0%	11.0%	0.0%	0.0%	0.0%

\*Sendout for Periodic BGSS customers from the 2025 BGSS Filing

South Jersey Gas Company  
Non Discretionary Hedging Strategy  
As of December 31, 2025

Month	Quantity	Weighted Average Price
October-26	450,000	\$ 3.992
November-26	420,000	\$ 4.036
December-26	390,000	\$ 4.065
January-27	360,000	\$ 4.082
February-27	330,000	\$ 4.091
March-27	300,000	\$ 4.073
April-27	270,000	\$ 4.022
May-27	240,000	\$ 4.003
June-27	210,000	\$ 3.970
July-27	180,000	\$ 3.927
August-27	150,000	\$ 3.938
September-27	120,000	\$ 3.960

South Jersey Gas Company  
Non Discretionary Hedging Strategy  
As of December 31, 2025

INS_TYPE	(Multiple Items)
PFOLIO	SJG_Financial_Trading_NonDiscr
PARAM_SEQ_NUM	1

Trade Date	Column Labels	10/1/2026	11/1/2026	12/1/2026	1/1/2027	2/1/2027	3/1/2027	4/1/2027	5/1/2027	6/1/2027	7/1/2027	8/1/2027	9/1/2027
10/31/2024	\$	3.370											
11/26/2024	\$	3.669	\$ 3.669										
12/31/2024	\$	3.860	\$ 3.860	\$ 3.860									
1/30/2025	\$	3.975	\$ 3.975	\$ 3.975	\$ 3.975								
2/27/2025	\$	4.275	\$ 4.275	\$ 4.275	\$ 4.275	\$ 4.275							
3/31/2025	\$	4.535	\$ 4.535	\$ 4.535	\$ 4.535	\$ 4.535	\$ 4.535						
4/30/2025	\$	4.170	\$ 4.170	\$ 4.170	\$ 4.170	\$ 4.170	\$ 4.170	\$ 4.170					
5/30/2025	\$	4.237	\$ 4.237	\$ 4.237	\$ 4.237	\$ 4.237	\$ 4.237	\$ 4.237	\$ 4.237				
6/30/2025	\$	4.225	\$ 4.225	\$ 4.225	\$ 4.225	\$ 4.225	\$ 4.225	\$ 4.225	\$ 4.225	\$ 4.225			
7/31/2025	\$	3.873	\$ 3.873	\$ 3.873	\$ 3.873	\$ 3.873	\$ 3.873	\$ 3.873	\$ 3.873	\$ 3.873	\$ 3.873		
8/27/2025	\$	3.850	\$ 3.850	\$ 3.850	\$ 3.850	\$ 3.850	\$ 3.850	\$ 3.850	\$ 3.850	\$ 3.850	\$ 3.850	\$ 3.850	
9/30/2025	\$	3.915	\$ 3.915	\$ 3.915	\$ 3.915	\$ 3.915	\$ 3.915	\$ 3.915	\$ 3.915	\$ 3.915	\$ 3.915	\$ 3.915	\$ 3.915
10/31/2025	\$	4.025	\$ 4.025	\$ 4.025	\$ 4.025	\$ 4.025	\$ 4.025	\$ 4.025	\$ 4.025	\$ 4.025	\$ 4.025	\$ 4.025	\$ 4.025
11/25/2025	\$	3.995	\$ 3.995	\$ 3.995	\$ 3.995	\$ 3.995	\$ 3.995	\$ 3.995	\$ 3.995	\$ 3.995	\$ 3.995	\$ 3.995	\$ 3.995
12/31/2025	\$	3.905	\$ 3.905	\$ 3.905	\$ 3.905	\$ 3.905	\$ 3.905	\$ 3.905	\$ 3.905	\$ 3.905	\$ 3.905	\$ 3.905	\$ 3.905
<b>Average Cost per Dth</b>	<b>\$</b>	<b>3.992</b>	<b>\$ 4.036</b>	<b>\$ 4.065</b>	<b>\$ 4.082</b>	<b>\$ 4.091</b>	<b>\$ 4.073</b>	<b>\$ 4.022</b>	<b>\$ 4.003</b>	<b>\$ 3.970</b>	<b>\$ 3.927</b>	<b>\$ 3.938</b>	<b>\$ 3.960</b>
<b>Dth Purchased</b>		<b>450,000</b>	<b>420,000</b>	<b>390,000</b>	<b>360,000</b>	<b>330,000</b>	<b>300,000</b>	<b>270,000</b>	<b>240,000</b>	<b>210,000</b>	<b>180,000</b>	<b>150,000</b>	<b>120,000</b>

South Jersey Gas Company  
Planalytics Hedging Strategy  
As of December 31, 2025

Month	Quantity	Average Price
October-26	-	\$ -
November-26	-	\$ -
December-26	-	\$ -
January-27	-	\$ -
February-27	-	\$ -
March-27	-	\$ -
April-27	-	\$ -
May-27	-	\$ -
June-27	-	\$ -
July-27	-	\$ -
August-27	-	\$ -
September-27	-	\$ -

South Jersey Gas Company  
Discretionary Hedging Strategy  
As of December 31, 2025

Financial Fixed Priced				Physical Fixed Price			
Month	Quantity	Average Price		Month	Quantity	Average Price	
October-26	-	\$	-	October-26	-	\$	-
November-26	-	\$	-	November-26	-	\$	-
December-26	-	\$	-	December-26	-	\$	-
January-27	-	\$	-	January-27	-	\$	-
February-27	-	\$	-	February-27	-	\$	-
March-27	-	\$	-	March-27	-	\$	-
April-27	-	\$	-	April-27	-	\$	-
May-27	-	\$	-	May-27	-	\$	-
June-27	-	\$	-	June-27	-	\$	-
July-27	-	\$	-	July-27	-	\$	-
August-27	-	\$	-	August-27	-	\$	-
September-27	-	\$	-	September-27	-	\$	-

South Jersey Gas Company  
Summary of Hedging Activity  
October 2024 - September 2025  
As of September 30, 2025

Supply Month	BGSS Sendout* (000)	Total Hedged (000)	Program Hedges			
			Non-Discr (000)	Planalytics (000)	Sim (000)	Disc (000)
October-24	1,244	1,280	480	800	-	-
November-24	3,073	2,005	485	400	1,120	-
December-24	4,895	2,430	490	820	1,120	-
January-25	6,306	2,685	495	1,070	1,120	-
February-25	5,432	2,620	500	1,000	1,120	-
March-25	4,105	1,975	505	350	1,120	-
April-25	2,016	1,210	510	700	-	-
May-25	1,000	515	515	-	-	-
June-25	624	520	520	-	-	-
July-25	657	525	525	-	-	-
August-25	668	530	530	-	-	-
September-25	657	535	535	-	-	-
<b>Total</b>	<b>30,678</b>	<b>16,830</b>	<b>6,090</b>	<b>5,140</b>	<b>5,600</b>	<b>-</b>
<b>Total % Hedged</b>		<b>54.9%</b>	<b>19.9%</b>	<b>16.8%</b>	<b>18.3%</b>	<b>0.0%</b>

\*Sendout for October 2024 through April 2025 is based on the Company's May 2024 BGSS filing.  
Sendout for May 2025 through September 2025 is based on the Company's May 2025 BGSS filing.

South Jersey Gas Company  
Non Discretionary Hedging Strategy  
As of September 30, 2025

Month	Quantity	Weighted Average Price
October-24	480,000	\$ 3.770
November-24	485,000	\$ 3.708
December-24	490,000	\$ 3.631
January-25	495,000	\$ 3.595
February-25	500,000	\$ 3.569
March-25	505,000	\$ 3.548
April-25	510,000	\$ 3.538
May-25	515,000	\$ 3.520
June-25	520,000	\$ 3.522
July-25	525,000	\$ 3.537
August-25	530,000	\$ 3.557
September-25	535,000	\$ 3.593

South Jersey Gas Company  
Non Discretionary Hedging Strategy  
As of September 30, 2025

INS_TYPE	(Multiple Items)
PFOLIO	SJG_Financial_Trading_NonDiscr
PARAM_SEQ_NUM	1

Trade Date	Column Labels	10/1/2024	11/1/2024	12/1/2024	1/1/2025	2/1/2025	3/1/2025	4/1/2025	5/1/2025	6/1/2025	7/1/2025	8/1/2025	9/1/2025
10/31/2022	\$	4.785											
11/30/2022	\$	5.055	\$ 5.055										
12/30/2022	\$	4.285	\$ 4.285	\$ 4.285									
1/31/2023	\$	3.768	\$ 3.768	\$ 3.768	\$ 3.768								
2/28/2023	\$	3.727	\$ 3.727	\$ 3.727	\$ 3.727	\$ 3.727							
3/31/2023	\$	3.675	\$ 3.675	\$ 3.675	\$ 3.675	\$ 3.675	\$ 3.675						
4/28/2023	\$	3.725	\$ 3.725	\$ 3.725	\$ 3.725	\$ 3.725	\$ 3.725	\$ 3.725					
5/30/2023	\$	3.650	\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650				
6/30/2023	\$	3.615	\$ 3.615	\$ 3.615	\$ 3.615	\$ 3.615	\$ 3.615	\$ 3.615	\$ 3.615	\$ 3.615			
7/31/2023	\$	3.636	\$ 3.636	\$ 3.636	\$ 3.636	\$ 3.636	\$ 3.636	\$ 3.636	\$ 3.636	\$ 3.636	\$ 3.636		
8/31/2023	\$	3.650	\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650	
9/28/2023	\$	3.604	\$ 3.604	\$ 3.604	\$ 3.604	\$ 3.604	\$ 3.604	\$ 3.604	\$ 3.604	\$ 3.604	\$ 3.604	\$ 3.604	\$ 3.604
10/31/2023	\$	3.804	\$ 3.804	\$ 3.804	\$ 3.804	\$ 3.804	\$ 3.804	\$ 3.804	\$ 3.804	\$ 3.804	\$ 3.804	\$ 3.804	\$ 3.804
11/30/2023	\$	3.580	\$ 3.580	\$ 3.580	\$ 3.580	\$ 3.580	\$ 3.580	\$ 3.580	\$ 3.580	\$ 3.580	\$ 3.580	\$ 3.580	\$ 3.580
12/29/2023	\$	3.315	\$ 3.315	\$ 3.315	\$ 3.315	\$ 3.315	\$ 3.315	\$ 3.315	\$ 3.315	\$ 3.315	\$ 3.315	\$ 3.315	\$ 3.315
1/31/2024	\$	3.370	\$ 3.370	\$ 3.370	\$ 3.370	\$ 3.370	\$ 3.370	\$ 3.370	\$ 3.370	\$ 3.370	\$ 3.370	\$ 3.370	\$ 3.370
2/29/2024	\$	3.451	\$ 3.451	\$ 3.451	\$ 3.451	\$ 3.451	\$ 3.451	\$ 3.451	\$ 3.451	\$ 3.451	\$ 3.451	\$ 3.451	\$ 3.451
3/28/2024	\$	3.485	\$ 3.485	\$ 3.485	\$ 3.485	\$ 3.485	\$ 3.485	\$ 3.485	\$ 3.485	\$ 3.485	\$ 3.485	\$ 3.485	\$ 3.485
4/30/2024			\$ 3.618	\$ 3.618	\$ 3.618	\$ 3.618	\$ 3.618	\$ 3.618	\$ 3.618	\$ 3.618	\$ 3.618	\$ 3.618	\$ 3.618
5/31/2024				\$ 3.570	\$ 3.570	\$ 3.570	\$ 3.570	\$ 3.570	\$ 3.570	\$ 3.570	\$ 3.570	\$ 3.570	\$ 3.570
6/28/2024					\$ 3.580	\$ 3.580	\$ 3.580	\$ 3.580	\$ 3.580	\$ 3.580	\$ 3.580	\$ 3.580	\$ 3.580
7/31/2024						\$ 3.305	\$ 3.305	\$ 3.305	\$ 3.305	\$ 3.305	\$ 3.305	\$ 3.305	\$ 3.305
8/27/2024							\$ 3.349	\$ 3.349	\$ 3.349	\$ 3.349	\$ 3.349	\$ 3.349	\$ 3.349
9/30/2024								\$ 3.492	\$ 3.492	\$ 3.492	\$ 3.492	\$ 3.492	\$ 3.492
10/31/2024									\$ 3.370	\$ 3.370	\$ 3.370	\$ 3.370	\$ 3.370
11/26/2024										\$ 3.669	\$ 3.669	\$ 3.669	\$ 3.669
12/31/2024											\$ 3.860	\$ 3.860	\$ 3.860
1/30/2025												\$ 3.975	\$ 3.975
2/27/2025													\$ 4.275
<b>Weighted Average Cost per Dth</b>	<b>\$</b>	<b>3.770</b>	<b>\$ 3.708</b>	<b>\$ 3.631</b>	<b>\$ 3.595</b>	<b>\$ 3.569</b>	<b>\$ 3.548</b>	<b>\$ 3.538</b>	<b>\$ 3.520</b>	<b>\$ 3.522</b>	<b>\$ 3.537</b>	<b>\$ 3.557</b>	<b>\$ 3.593</b>
<b>Dth Purchased</b>		<b>480,000</b>	<b>485,000</b>	<b>490,000</b>	<b>495,000</b>	<b>500,000</b>	<b>505,000</b>	<b>510,000</b>	<b>515,000</b>	<b>520,000</b>	<b>525,000</b>	<b>530,000</b>	<b>535,000</b>

South Jersey Gas Company  
Planalytics Hedging Strategy  
As of September 30, 2025

Month	Quantity	Average Price
October-24	800,000	\$ 2.386
November-24	400,000	\$ 2.880
December-24	820,000	\$ 3.359
January-25	1,070,000	\$ 3.623
February-25	1,000,000	\$ 3.471
March-25	350,000	\$ 3.109
April-25	700,000	\$ 2.192
May-25	-	\$ -
June-25	-	\$ -
July-25	-	\$ -
August-25	-	\$ -
September-25	-	\$ -

South Jersey Gas Company  
Storage Incentive Mechanism  
Benchmark Cost Calculation, Actual Results & Sharing (Proforma)  
Actual April - October 2024

<u>Component of Benchmark</u>	For Deliveries During							<u>Total</u>
	<u>Apr-24</u>	<u>May-24</u>	<u>Jun-24</u>	<u>Jul-24</u>	<u>Aug-24</u>	<u>Sep-24</u>	<u>Oct-24</u>	
<b>Volumes (Bcf)</b>	0.80	0.80	0.80	0.80	0.80	0.80	0.80	5.60
<b>Financial Hedges</b>								
Commodity Cost (\$000)	\$ 1,729	\$ 1,729	\$ 1,729	\$ 1,729	\$ 1,729	\$ 1,729	\$ 1,729	\$ 12,100
Average Cost	\$ 2.161	\$ 2.161	\$ 2.161	\$ 2.161	\$ 2.161	\$ 2.161	\$ 2.161	
<b>Total Benchmark</b>	\$ 1,729	\$ 1,729	\$ 1,729	\$ 1,729	\$ 1,729	\$ 1,729	\$ 1,729	\$ 12,100
								<b>Storage Benchmark Per Dt</b>
								<b>2.161</b>
Actual/Est Injection Volumes	1.10	1.00	0.90	0.80	0.80	0.80	0.20	5.60
<b>Financial Hedges</b>								
Cost (\$000)	\$ 1,313	\$ 1,193	\$ 1,426	\$ 1,486	\$ 1,022	\$ 1,030	\$ 313	
Net (Gains) / Losses	\$ 722	\$ 691	\$ (13)	\$ (121)	\$ 456	\$ 438	\$ (92)	
<b>Total</b>	\$ 2,035	\$ 1,884	\$ 1,413	\$ 1,366	\$ 1,478	\$ 1,467	\$ 221	\$ 9,863
								<b>Actual Average Cost Before Sharing</b>
								<b>1.761</b>
Difference between Benchmark and Actual	\$ 306	\$ 155	\$ (316)	\$ (363)	\$ (251)	\$ (261)	\$ (1,508)	\$ (2,238)
								<b>BGSS Share 80%</b>
								\$ (1,790)

South Jersey Gas Company  
Discretionary Hedging Strategy  
As of September 30, 2025

Financial Fixed Priced				Physical Fixed Price			
Month	Quantity	Average Price		Month	Quantity	Average Price	
October-24	-	\$	-	October-24	-	\$	-
November-24	-	\$	-	November-24	-	\$	-
December-24	-	\$	-	December-24	-	\$	-
January-25	-	\$	-	January-25	-	\$	-
February-25	-	\$	-	February-25	-	\$	-
March-25	-	\$	-	March-25	-	\$	-
April-25	-	\$	-	April-25	-	\$	-
May-25	-	\$	-	May-25	-	\$	-
June-25	-	\$	-	June-25	-	\$	-
July-25	-	\$	-	July-25	-	\$	-
August-25	-	\$	-	August-25	-	\$	-
September-25	-	\$	-	September-25	-	\$	-

South Jersey Gas Company  
Summary of Hedging Activity  
October 2025 - September 2026  
As of September 30, 2025

Supply Month	BGSS Sendout* (000)	Total Hedged (000)	Program Hedges			
			Non-Discr (000)	Planalytics (000)	Sim (000)	Disc (000)
October-25	1,218	640	540	100	-	-
November-25	3,152	1,960	540	300	1,120	-
December-25	4,996	2,360	540	700	1,120	-
January-26	6,261	2,560	540	900	1,120	-
February-26	5,482	2,560	540	900	1,120	-
March-26	4,233	2,060	540	400	1,120	-
April-26	2,078	940	540	400	-	-
May-26	1,055	510	510	-	-	-
June-26	618	480	480	-	-	-
July-26	661	450	450	-	-	-
August-26	675	420	420	-	-	-
September-26	667	390	390	-	-	-
<b>Total</b>	<b>31,096</b>	<b>15,330</b>	<b>6,030</b>	<b>3,700</b>	<b>5,600</b>	<b>-</b>
<b>Total % Hedged</b>		<b>49.3%</b>	<b>19.4%</b>	<b>11.9%</b>	<b>18.0%</b>	<b>0.0%</b>

\*Sendout for Periodic BGSS customers from the 2025 BGSS Filing

South Jersey Gas Company  
Non Discretionary Hedging Strategy  
As of September 30, 2025

Month	Quantity	Weighted Average Price
October-25	540,000	\$ 3.645
November-25	540,000	\$ 3.665
December-25	540,000	\$ 3.701
January-26	540,000	\$ 3.752
February-26	540,000	\$ 3.780
March-26	540,000	\$ 3.802
April-26	540,000	\$ 3.826
May-26	510,000	\$ 3.838
June-26	480,000	\$ 3.855
July-26	450,000	\$ 3.873
August-26	420,000	\$ 3.914
September-26	390,000	\$ 3.957

South Jersey Gas Company  
Non Discretionary Hedging Strategy  
As of September 30, 2025

INS_TYPE	(Multiple Items)
PFOLIO	SJG_Financial_Trading_NonDiscr
PARAM_SEQ_NUM	1

Trade Date	Column Labels	10/1/2025	11/1/2025	12/1/2025	1/1/2026	2/1/2026	3/1/2026	4/1/2026	5/1/2026	6/1/2026	7/1/2026	8/1/2026	9/1/2026
10/31/2023	\$	3.804											
11/30/2023	\$	3.580	\$ 3.580										
12/29/2023	\$	3.315	\$ 3.315	\$ 3.315									
1/31/2024	\$	3.370	\$ 3.370	\$ 3.370	\$ 3.370								
2/29/2024	\$	3.451	\$ 3.451	\$ 3.451	\$ 3.451	\$ 3.451							
3/28/2024	\$	3.485	\$ 3.485	\$ 3.485	\$ 3.485	\$ 3.485	\$ 3.485						
4/30/2024	\$	3.618	\$ 3.618	\$ 3.618	\$ 3.618	\$ 3.618	\$ 3.618	\$ 3.618					
5/31/2024	\$	3.570	\$ 3.570	\$ 3.570	\$ 3.570	\$ 3.570	\$ 3.570	\$ 3.570	\$ 3.570				
6/28/2024	\$	3.580	\$ 3.580	\$ 3.580	\$ 3.580	\$ 3.580	\$ 3.580	\$ 3.580	\$ 3.580	\$ 3.580			
7/31/2024	\$	3.305	\$ 3.305	\$ 3.305	\$ 3.305	\$ 3.305	\$ 3.305	\$ 3.305	\$ 3.305	\$ 3.305	\$ 3.305		
8/27/2024	\$	3.349	\$ 3.349	\$ 3.349	\$ 3.349	\$ 3.349	\$ 3.349	\$ 3.349	\$ 3.349	\$ 3.349	\$ 3.349	\$ 3.349	
9/30/2024	\$	3.492	\$ 3.492	\$ 3.492	\$ 3.492	\$ 3.492	\$ 3.492	\$ 3.492	\$ 3.492	\$ 3.492	\$ 3.492	\$ 3.492	\$ 3.492
10/31/2024	\$	3.370	\$ 3.370	\$ 3.370	\$ 3.370	\$ 3.370	\$ 3.370	\$ 3.370	\$ 3.370	\$ 3.370	\$ 3.370	\$ 3.370	\$ 3.370
11/26/2024	\$	3.669	\$ 3.669	\$ 3.669	\$ 3.669	\$ 3.669	\$ 3.669	\$ 3.669	\$ 3.669	\$ 3.669	\$ 3.669	\$ 3.669	\$ 3.669
12/31/2024	\$	3.860	\$ 3.860	\$ 3.860	\$ 3.860	\$ 3.860	\$ 3.860	\$ 3.860	\$ 3.860	\$ 3.860	\$ 3.860	\$ 3.860	\$ 3.860
1/30/2025	\$	3.975	\$ 3.975	\$ 3.975	\$ 3.975	\$ 3.975	\$ 3.975	\$ 3.975	\$ 3.975	\$ 3.975	\$ 3.975	\$ 3.975	\$ 3.975
2/27/2025	\$	4.275	\$ 4.275	\$ 4.275	\$ 4.275	\$ 4.275	\$ 4.275	\$ 4.275	\$ 4.275	\$ 4.275	\$ 4.275	\$ 4.275	\$ 4.275
3/31/2025	\$	4.535	\$ 4.535	\$ 4.535	\$ 4.535	\$ 4.535	\$ 4.535	\$ 4.535	\$ 4.535	\$ 4.535	\$ 4.535	\$ 4.535	\$ 4.535
4/30/2025			\$ 4.170	\$ 4.170	\$ 4.170	\$ 4.170	\$ 4.170	\$ 4.170	\$ 4.170	\$ 4.170	\$ 4.170	\$ 4.170	\$ 4.170
5/30/2025				\$ 4.237	\$ 4.237	\$ 4.237	\$ 4.237	\$ 4.237	\$ 4.237	\$ 4.237	\$ 4.237	\$ 4.237	\$ 4.237
6/30/2025					\$ 4.225	\$ 4.225	\$ 4.225	\$ 4.225	\$ 4.225	\$ 4.225	\$ 4.225	\$ 4.225	\$ 4.225
7/31/2025						\$ 3.873	\$ 3.873	\$ 3.873	\$ 3.873	\$ 3.873	\$ 3.873	\$ 3.873	\$ 3.873
8/27/2025							\$ 3.850	\$ 3.850	\$ 3.850	\$ 3.850	\$ 3.850	\$ 3.850	\$ 3.850
9/30/2025								\$ 3.915	\$ 3.915	\$ 3.915	\$ 3.915	\$ 3.915	\$ 3.915
<b>Average Cost per Dth</b>	<b>\$</b>	<b>3.645</b>	<b>\$ 3.665</b>	<b>\$ 3.701</b>	<b>\$ 3.752</b>	<b>\$ 3.780</b>	<b>\$ 3.802</b>	<b>\$ 3.826</b>	<b>\$ 3.838</b>	<b>\$ 3.855</b>	<b>\$ 3.873</b>	<b>\$ 3.914</b>	<b>\$ 3.957</b>
<b>Dth Purchased</b>		<b>540,000</b>	<b>540,000</b>	<b>540,000</b>	<b>540,000</b>	<b>540,000</b>	<b>540,000</b>	<b>540,000</b>	<b>510,000</b>	<b>480,000</b>	<b>450,000</b>	<b>420,000</b>	<b>390,000</b>

South Jersey Gas Company  
Planalytics Hedging Strategy  
As of September 30, 2025

Month	Quantity	Average Price
October-25	100,000	\$ 3.440
November-25	300,000	\$ 3.628
December-25	700,000	\$ 4.203
January-26	900,000	\$ 4.535
February-26	900,000	\$ 4.282
March-26	400,000	\$ 3.814
April-26	400,000	\$ 3.611
May-26	-	\$ -
June-26	-	\$ -
July-26	-	\$ -
August-26	-	\$ -
September-26	-	\$ -



South Jersey Gas Company  
Discretionary Hedging Strategy  
As of March 31, 2025

Financial Fixed Priced				Physical Fixed Price			
Month	Quantity	Average Price		Month	Quantity	Average Price	
October-24	-	\$	-	October-24	-	\$	-
November-24	-	\$	-	November-24	-	\$	-
December-24	-	\$	-	December-24	-	\$	-
January-25	-	\$	-	January-25	-	\$	-
February-25	-	\$	-	February-25	-	\$	-
March-25	-	\$	-	March-25	-	\$	-
April-25	-	\$	-	April-25	-	\$	-
May-25	-	\$	-	May-25	-	\$	-
June-25	-	\$	-	June-25	-	\$	-
July-25	-	\$	-	July-25	-	\$	-
August-25	-	\$	-	August-25	-	\$	-
September-25	-	\$	-	September-25	-	\$	-

South Jersey Gas Company  
Summary of Hedging Activity  
October 2024 - September 2025  
As of June 30, 2025

Supply Month	BGSS Sendout* (000)	Total Hedged (000)	Program Hedges			
			Non-Discr (000)	Planalytics (000)	Sim (000)	Disc (000)
October-24	1,244	1,280	480	800	-	-
November-24	3,073	2,005	485	400	1,120	-
December-24	4,895	2,430	490	820	1,120	-
January-25	6,306	2,685	495	1,070	1,120	-
February-25	5,432	2,620	500	1,000	1,120	-
March-25	4,105	1,975	505	350	1,120	-
April-25	2,016	1,210	510	700	-	-
May-25	1,000	515	515	-	-	-
June-25	624	520	520	-	-	-
July-25	657	525	525	-	-	-
August-25	668	530	530	-	-	-
September-25	657	535	535	-	-	-
<b>Total</b>	<b>30,678</b>	<b>16,830</b>	<b>6,090</b>	<b>5,140</b>	<b>5,600</b>	<b>-</b>
<b>Total % Hedged</b>		<b>54.9%</b>	<b>19.9%</b>	<b>16.8%</b>	<b>18.3%</b>	<b>0.0%</b>

\*Sendout for October 2024 through April 2025 is based on the Company's May 2024 BGSS filing.  
Sendout for May 2025 through September 2025 is based on the Company's May 2025 BGSS filing.

South Jersey Gas Company  
Non Discretionary Hedging Strategy  
As of June 30, 2025

Month	Quantity	Weighted Average Price
October-24	480,000	\$ 3.770
November-24	485,000	\$ 3.708
December-24	490,000	\$ 3.631
January-25	495,000	\$ 3.595
February-25	500,000	\$ 3.569
March-25	505,000	\$ 3.548
April-25	510,000	\$ 3.538
May-25	515,000	\$ 3.520
June-25	520,000	\$ 3.522
July-25	525,000	\$ 3.537
August-25	530,000	\$ 3.557
September-25	535,000	\$ 3.593

South Jersey Gas Company  
Non Discretionary Hedging Strategy  
As of June 30, 2025

INS\_TYPE (Multiple Items)  
PFOLIO SJG\_Financial\_Trading\_NonDiscr  
PARAM\_SEQ\_NUM 1

Trade Date	Column Labels											
Row Labels	10/1/2024	11/1/2024	12/1/2024	1/1/2025	2/1/2025	3/1/2025	4/1/2025	5/1/2025	6/1/2025	7/1/2025	8/1/2025	9/1/2025
10/31/2022	\$ 4.785											
11/30/2022	\$ 5.055	\$ 5.055										
12/30/2022	\$ 4.285	\$ 4.285	\$ 4.285									
1/31/2023	\$ 3.768	\$ 3.768	\$ 3.768	\$ 3.768								
2/28/2023	\$ 3.727	\$ 3.727	\$ 3.727	\$ 3.727	\$ 3.727							
3/31/2023	\$ 3.675	\$ 3.675	\$ 3.675	\$ 3.675	\$ 3.675	\$ 3.675						
4/28/2023	\$ 3.725	\$ 3.725	\$ 3.725	\$ 3.725	\$ 3.725	\$ 3.725	\$ 3.725					
5/30/2023	\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650				
6/30/2023	\$ 3.615	\$ 3.615	\$ 3.615	\$ 3.615	\$ 3.615	\$ 3.615	\$ 3.615	\$ 3.615	\$ 3.615			
7/31/2023	\$ 3.636	\$ 3.636	\$ 3.636	\$ 3.636	\$ 3.636	\$ 3.636	\$ 3.636	\$ 3.636	\$ 3.636	\$ 3.636		
8/31/2023	\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650	\$ 3.650	
9/28/2023	\$ 3.604	\$ 3.604	\$ 3.604	\$ 3.604	\$ 3.604	\$ 3.604	\$ 3.604	\$ 3.604	\$ 3.604	\$ 3.604	\$ 3.604	\$ 3.604
10/31/2023	\$ 3.804	\$ 3.804	\$ 3.804	\$ 3.804	\$ 3.804	\$ 3.804	\$ 3.804	\$ 3.804	\$ 3.804	\$ 3.804	\$ 3.804	\$ 3.804
11/30/2023	\$ 3.580	\$ 3.580	\$ 3.580	\$ 3.580	\$ 3.580	\$ 3.580	\$ 3.580	\$ 3.580	\$ 3.580	\$ 3.580	\$ 3.580	\$ 3.580
12/29/2023	\$ 3.315	\$ 3.315	\$ 3.315	\$ 3.315	\$ 3.315	\$ 3.315	\$ 3.315	\$ 3.315	\$ 3.315	\$ 3.315	\$ 3.315	\$ 3.315
1/31/2024	\$ 3.370	\$ 3.370	\$ 3.370	\$ 3.370	\$ 3.370	\$ 3.370	\$ 3.370	\$ 3.370	\$ 3.370	\$ 3.370	\$ 3.370	\$ 3.370
2/29/2024	\$ 3.451	\$ 3.451	\$ 3.451	\$ 3.451	\$ 3.451	\$ 3.451	\$ 3.451	\$ 3.451	\$ 3.451	\$ 3.451	\$ 3.451	\$ 3.451
3/28/2024	\$ 3.485	\$ 3.485	\$ 3.485	\$ 3.485	\$ 3.485	\$ 3.485	\$ 3.485	\$ 3.485	\$ 3.485	\$ 3.485	\$ 3.485	\$ 3.485
4/30/2024	\$	\$ 3.618	\$ 3.618	\$ 3.618	\$ 3.618	\$ 3.618	\$ 3.618	\$ 3.618	\$ 3.618	\$ 3.618	\$ 3.618	\$ 3.618
5/31/2024		\$	\$ 3.570	\$ 3.570	\$ 3.570	\$ 3.570	\$ 3.570	\$ 3.570	\$ 3.570	\$ 3.570	\$ 3.570	\$ 3.570
6/28/2024			\$	\$ 3.580	\$ 3.580	\$ 3.580	\$ 3.580	\$ 3.580	\$ 3.580	\$ 3.580	\$ 3.580	\$ 3.580
7/31/2024				\$	\$ 3.305	\$ 3.305	\$ 3.305	\$ 3.305	\$ 3.305	\$ 3.305	\$ 3.305	\$ 3.305
8/27/2024					\$	\$ 3.349	\$ 3.349	\$ 3.349	\$ 3.349	\$ 3.349	\$ 3.349	\$ 3.349
9/30/2024						\$	\$ 3.492	\$ 3.492	\$ 3.492	\$ 3.492	\$ 3.492	\$ 3.492
10/31/2024							\$	\$ 3.370	\$ 3.370	\$ 3.370	\$ 3.370	\$ 3.370
11/26/2024								\$	\$ 3.669	\$ 3.669	\$ 3.669	\$ 3.669
12/31/2024									\$	\$ 3.860	\$ 3.860	\$ 3.860
1/30/2025										\$	\$ 3.975	\$ 3.975
2/27/2025											\$	\$ 4.275
<b>Weighted Average Cost per Dth</b>	<b>\$ 3.770</b>	<b>\$ 3.708</b>	<b>\$ 3.631</b>	<b>\$ 3.595</b>	<b>\$ 3.569</b>	<b>\$ 3.548</b>	<b>\$ 3.538</b>	<b>\$ 3.520</b>	<b>\$ 3.522</b>	<b>\$ 3.537</b>	<b>\$ 3.557</b>	<b>\$ 3.593</b>
<b>Dth Purchased</b>	<b>480,000</b>	<b>485,000</b>	<b>490,000</b>	<b>495,000</b>	<b>500,000</b>	<b>505,000</b>	<b>510,000</b>	<b>515,000</b>	<b>520,000</b>	<b>525,000</b>	<b>530,000</b>	<b>535,000</b>

South Jersey Gas Company  
Planalytics Hedging Strategy  
As of June 30, 2025

Month	Quantity	Average Price
October-24	800,000	\$ 2.386
November-24	400,000	\$ 2.880
December-24	820,000	\$ 3.359
January-25	1,070,000	\$ 3.623
February-25	1,000,000	\$ 3.471
March-25	350,000	\$ 3.109
April-25	700,000	\$ 2.192
May-25	-	\$ -
June-25	-	\$ -
July-25	-	\$ -
August-25	-	\$ -
September-25	-	\$ -

South Jersey Gas Company  
Storage Incentive Mechanism  
Benchmark Cost Calculation, Actual Results & Sharing (Proforma)  
Actual April - October 2024

<u>Component of Benchmark</u>	For Deliveries During							<u>Total</u>
	<u>Apr-24</u>	<u>May-24</u>	<u>Jun-24</u>	<u>Jul-24</u>	<u>Aug-24</u>	<u>Sep-24</u>	<u>Oct-24</u>	
<b>Volumes (Bcf)</b>	0.80	0.80	0.80	0.80	0.80	0.80	0.80	5.60
<b>Financial Hedges</b>								
Commodity Cost (\$000)	\$ 1,729	\$ 1,729	\$ 1,729	\$ 1,729	\$ 1,729	\$ 1,729	\$ 1,729	\$ 12,100
Average Cost	\$ 2.161	\$ 2.161	\$ 2.161	\$ 2.161	\$ 2.161	\$ 2.161	\$ 2.161	
<b>Total Benchmark</b>	\$ 1,729	\$ 1,729	\$ 1,729	\$ 1,729	\$ 1,729	\$ 1,729	\$ 1,729	\$ 12,100
								<b>Storage Benchmark Per Dt</b>
								<b>2.161</b>
Actual/Est Injection Volumes	1.10	1.00	0.90	0.80	0.80	0.80	0.20	5.60
<b>Financial Hedges</b>								
Cost (\$000)	\$ 1,313	\$ 1,193	\$ 1,426	\$ 1,486	\$ 1,022	\$ 1,030	\$ 313	
Net (Gains) / Losses	\$ 722	\$ 691	\$ (13)	\$ (121)	\$ 456	\$ 438	\$ (92)	
<b>Total</b>	\$ 2,035	\$ 1,884	\$ 1,413	\$ 1,366	\$ 1,478	\$ 1,467	\$ 221	\$ 9,863
								<b>Actual Average Cost Before Sharing</b>
								<b>1.761</b>
Difference between Benchmark and Actual	\$ 306	\$ 155	\$ (316)	\$ (363)	\$ (251)	\$ (261)	\$ (1,508)	\$ (2,238)
								<b>BGSS Share 80%</b>
								<b>\$ (1,790)</b>

South Jersey Gas Company  
Discretionary Hedging Strategy  
As of June 30, 2025

Financial Fixed Priced				Physical Fixed Price			
Month	Quantity	Average Price		Month	Quantity	Average Price	
October-24	-	\$	-	October-24	-	\$	-
November-24	-	\$	-	November-24	-	\$	-
December-24	-	\$	-	December-24	-	\$	-
January-25	-	\$	-	January-25	-	\$	-
February-25	-	\$	-	February-25	-	\$	-
March-25	-	\$	-	March-25	-	\$	-
April-25	-	\$	-	April-25	-	\$	-
May-25	-	\$	-	May-25	-	\$	-
June-25	-	\$	-	June-25	-	\$	-
July-25	-	\$	-	July-25	-	\$	-
August-25	-	\$	-	August-25	-	\$	-
September-25	-	\$	-	September-25	-	\$	-

South Jersey Gas Company  
Summary of Hedging Activity  
October 2025 - September 2026  
As of June 30, 2025

Supply Month	BGSS Sendout* (000)	Total Hedged (000)	Program Hedges			
			Non-Discr (000)	Planalytics (000)	Sim (000)	Disc (000)
October-25	1,218	590	540	50	-	-
November-25	3,152	1,730	540	70	1,120	-
December-25	4,996	1,840	540	180	1,120	-
January-26	6,261	1,900	540	240	1,120	-
February-26	5,482	1,880	510	250	1,120	-
March-26	4,233	1,680	480	80	1,120	-
April-26	2,078	520	450	70	-	-
May-26	1,055	420	420	-	-	-
June-26	618	390	390	-	-	-
July-26	661	360	360	-	-	-
August-26	675	330	330	-	-	-
September-26	667	300	300	-	-	-
<b>Total</b>	<b>31,096</b>	<b>11,940</b>	<b>5,400</b>	<b>940</b>	<b>5,600</b>	<b>-</b>
<b>Total % Hedged</b>		<b>38.4%</b>	<b>17.4%</b>	<b>3.0%</b>	<b>18.0%</b>	<b>0.0%</b>

\*Sendout for Periodic BGSS customers from the 2025 BGSS Filing

South Jersey Gas Company  
Non Discretionary Hedging Strategy  
As of June 30, 2025

Month	Quantity	Weighted Average Price
October-25	540,000	\$ 3.645
November-25	540,000	\$ 3.665
December-25	540,000	\$ 3.701
January-26	540,000	\$ 3.752
February-26	510,000	\$ 3.774
March-26	480,000	\$ 3.795
April-26	450,000	\$ 3.815
May-26	420,000	\$ 3.829
June-26	390,000	\$ 3.849
July-26	360,000	\$ 3.872
August-26	330,000	\$ 3.923
September-26	300,000	\$ 3.981

South Jersey Gas Company  
Non Discretionary Hedging Strategy  
As of June 30, 2025

INS_TYPE	(Multiple Items)
PFOLIO	SJG_Financial_Trading_NonDiscr
PARAM_SEQ_NUM	1

Trade Date	Column Labels	10/1/2025	11/1/2025	12/1/2025	1/1/2026	2/1/2026	3/1/2026	4/1/2026	5/1/2026	6/1/2026	7/1/2026	8/1/2026	9/1/2026
10/31/2023	\$	3.804											
11/30/2023	\$	3.580	\$ 3.580										
12/29/2023	\$	3.315	\$ 3.315	\$ 3.315									
1/31/2024	\$	3.370	\$ 3.370	\$ 3.370	\$ 3.370								
2/29/2024	\$	3.451	\$ 3.451	\$ 3.451	\$ 3.451	\$ 3.451							
3/28/2024	\$	3.485	\$ 3.485	\$ 3.485	\$ 3.485	\$ 3.485	\$ 3.485						
4/30/2024	\$	3.618	\$ 3.618	\$ 3.618	\$ 3.618	\$ 3.618	\$ 3.618	\$ 3.618					
5/31/2024	\$	3.570	\$ 3.570	\$ 3.570	\$ 3.570	\$ 3.570	\$ 3.570	\$ 3.570	\$ 3.570				
6/28/2024	\$	3.580	\$ 3.580	\$ 3.580	\$ 3.580	\$ 3.580	\$ 3.580	\$ 3.580	\$ 3.580	\$ 3.580			
7/31/2024	\$	3.305	\$ 3.305	\$ 3.305	\$ 3.305	\$ 3.305	\$ 3.305	\$ 3.305	\$ 3.305	\$ 3.305	\$ 3.305		
8/27/2024	\$	3.349	\$ 3.349	\$ 3.349	\$ 3.349	\$ 3.349	\$ 3.349	\$ 3.349	\$ 3.349	\$ 3.349	\$ 3.349	\$ 3.349	
9/30/2024	\$	3.492	\$ 3.492	\$ 3.492	\$ 3.492	\$ 3.492	\$ 3.492	\$ 3.492	\$ 3.492	\$ 3.492	\$ 3.492	\$ 3.492	\$ 3.492
10/31/2024	\$	3.370	\$ 3.370	\$ 3.370	\$ 3.370	\$ 3.370	\$ 3.370	\$ 3.370	\$ 3.370	\$ 3.370	\$ 3.370	\$ 3.370	\$ 3.370
11/26/2024	\$	3.669	\$ 3.669	\$ 3.669	\$ 3.669	\$ 3.669	\$ 3.669	\$ 3.669	\$ 3.669	\$ 3.669	\$ 3.669	\$ 3.669	\$ 3.669
12/31/2024	\$	3.860	\$ 3.860	\$ 3.860	\$ 3.860	\$ 3.860	\$ 3.860	\$ 3.860	\$ 3.860	\$ 3.860	\$ 3.860	\$ 3.860	\$ 3.860
1/30/2025	\$	3.975	\$ 3.975	\$ 3.975	\$ 3.975	\$ 3.975	\$ 3.975	\$ 3.975	\$ 3.975	\$ 3.975	\$ 3.975	\$ 3.975	\$ 3.975
2/27/2025	\$	4.275	\$ 4.275	\$ 4.275	\$ 4.275	\$ 4.275	\$ 4.275	\$ 4.275	\$ 4.275	\$ 4.275	\$ 4.275	\$ 4.275	\$ 4.275
3/31/2025	\$	4.535	\$ 4.535	\$ 4.535	\$ 4.535	\$ 4.535	\$ 4.535	\$ 4.535	\$ 4.535	\$ 4.535	\$ 4.535	\$ 4.535	\$ 4.535
4/30/2025			\$ 4.170	\$ 4.170	\$ 4.170	\$ 4.170	\$ 4.170	\$ 4.170	\$ 4.170	\$ 4.170	\$ 4.170	\$ 4.170	\$ 4.170
5/30/2025				\$ 4.237	\$ 4.237	\$ 4.237	\$ 4.237	\$ 4.237	\$ 4.237	\$ 4.237	\$ 4.237	\$ 4.237	\$ 4.237
6/30/2025					\$ 4.225	\$ 4.225	\$ 4.225	\$ 4.225	\$ 4.225	\$ 4.225	\$ 4.225	\$ 4.225	\$ 4.225
<b>Average Cost per Dth \$</b>		<b>3.645</b>	<b>\$ 3.665</b>	<b>\$ 3.701</b>	<b>\$ 3.752</b>	<b>\$ 3.774</b>	<b>\$ 3.795</b>	<b>\$ 3.815</b>	<b>\$ 3.829</b>	<b>\$ 3.849</b>	<b>\$ 3.872</b>	<b>\$ 3.923</b>	<b>\$ 3.981</b>
<b>Dth Purchased</b>		<b>540,000</b>	<b>540,000</b>	<b>540,000</b>	<b>540,000</b>	<b>510,000</b>	<b>480,000</b>	<b>450,000</b>	<b>420,000</b>	<b>390,000</b>	<b>360,000</b>	<b>330,000</b>	<b>300,000</b>

South Jersey Gas Company  
Planalytics Hedging Strategy  
As of June 30, 2025

Month	Quantity	Average Price
October-25	50,000	\$ 3.874
November-25	70,000	\$ 4.154
December-25	180,000	\$ 4.628
January-26	240,000	\$ 4.950
February-26	250,000	\$ 4.662
March-26	80,000	\$ 4.117
April-26	70,000	\$ 3.883
May-26	-	\$ -
June-26	-	\$ -
July-26	-	\$ -
August-26	-	\$ -
September-26	-	\$ -

South Jersey Gas Company  
Storage Incentive Mechanism  
Benchmark Cost Calculation, Actual Results & Sharing (Proforma)  
Actual April - June; Estimated July - October 2025

<u>Component of Benchmark</u>	For Deliveries During							<u>Total</u>
	<u>Apr-25</u>	<u>May-25</u>	<u>Jun-25</u>	<u>Jul-25</u>	<u>Aug-25</u>	<u>Sep-25</u>	<u>Oct-25</u>	
Volumes (Bcf)	0.80	0.80	0.80	0.80	0.80	0.80	0.80	5.60
<b>Financial Hedges</b>								
Commodity Cost (\$000)	\$ 2,775	\$ 2,775	\$ 2,775	\$ 2,775	\$ 2,775	\$ 2,775	\$ 2,775	\$ 19,425
Average Cost	\$ 3.469	\$ 3.469	\$ 3.469	\$ 3.469	\$ 3.469	\$ 3.469	\$ 3.469	
<b>Total Benchmark</b>	\$ 2,775	\$ 2,775	\$ 2,775	\$ 2,775	\$ 2,775	\$ 2,775	\$ 2,775	\$ 19,425
								<b>Storage Benchmark Per Dt</b>
								<u><u>3.469</u></u>
Actual/Est Injection Volumes	0.80	1.00	1.10	0.80	0.80	0.80	0.30	5.60
<b>Financial Hedges</b>								
Cost (\$000)	\$ 2,535	\$ 2,362	\$ 2,295	\$ 2,775	\$ 2,775	\$ 2,775	\$ 1,041	
Net (Gains) / Losses	\$ 161	\$ 785	\$ 758	\$ -	\$ -	\$ -	\$ 125	
Total	\$ 2,696	\$ 3,146	\$ 3,053	\$ 2,775	\$ 2,775	\$ 2,775	\$ 1,165	\$ 18,385
								<b>Actual Average Cost Before Sharing</b>
								<u><u>3.283</u></u>
Difference between Benchmark and Actual	\$ (80)	\$ 371	\$ 277	\$ -	\$ -	\$ -	\$ (1,610)	\$ (1,040)
								<b>BGSS Share 80%</b>
							\$	(832)

South Jersey Gas Company  
Discretionary Hedging Strategy  
As of June 30, 2025

Financial Fixed Priced				Physical Fixed Price			
Month	Quantity	Average Price		Month	Quantity	Average Price	
October-25	-	\$	-	October-25	-	\$	-
November-25	-	\$	-	November-25	-	\$	-
December-25	-	\$	-	December-25	-	\$	-
January-26	-	\$	-	January-26	-	\$	-
February-26	-	\$	-	February-26	-	\$	-
March-26	-	\$	-	March-26	-	\$	-
April-26	-	\$	-	April-26	-	\$	-
May-26	-	\$	-	May-26	-	\$	-
June-26	-	\$	-	June-26	-	\$	-
July-26	-	\$	-	July-26	-	\$	-
August-26	-	\$	-	August-26	-	\$	-
September-26	-	\$	-	September-26	-	\$	-

Schedule MCM-10 - CONFIDENTIAL

**FEDERAL REGULATORY FILINGS OF INTEREST TO THE COMPANY**

Listed below are summaries of filings submitted to the Federal Energy Regulatory Commission (Commission or FERC), for review and approval, made by interstate pipeline suppliers which are of interest to the Company:

---

**Columbia Gas Transmission, LLC: OTRA Summer 2026 (Docket No RP26-00725-000)**

On April 1, 2026 Columbia Gas Transmission submitted its filing to adjust Operational Transaction Rate “OTRA” pursuant to Part VII.49.4 of Columbia’s tariff – General Terms and Conditions to become effective on May 01, 2026.

**Columbia Gas Transmission, LLS (Docket No. RP24-01103-006)**

On March 03, 2026 pursuant to the terms of the Stipulation and Agreement filed in Docket No RP24-1103-000 on August 13, 2025 (“Settlement”) and approved by the Commission on October 30, 2025 Columbia requests the proposed tariff records in accordance with the Period II Settlement Rate Implementation to become effective on April 01, 2026.

**Columbia Gas Transmission, LLC (Docket No RP26-00579-000)**

On February 27, 2026 Columbia Gas Transmission submitted its Transportation Cost Rate Adjustment (“TCRA”) for the annual period beginning April 1, 2026.

**Columbia Gas Transmission, LLC (Docket No RP26-00575-000)**

On February 27, 2026 Columbia Gas Transmission submitted its Electric Power Costs Adjustment (“EPCA”) for the annual period beginning April 1, 2026.

**Columbia Gas Transmission, LLC (Docket No RP24-1103-004)**

On January 09, 2026 Pursuant to Section 154.501(e) and 154.502 of the Federal Energy Regulatory Commission’s (“FERC” or “Commission”) regulations,<sup>1</sup> and Article VI.C of the Stipulation and Agreement of Settlement filed in Docket No. RP24-1103-000 on August 13, 2025 (“Settlement”),<sup>2</sup> and approved by the Commission on October 30, 2025 (“October Settlement Order”),<sup>3</sup> Columbia Gas Transmission, LLC (“Columbia”) hereby submitted its report regarding the refunds provided to shippers as a result of the Settlement.

**Columbia Gas Transmission, LLC (Docket No RP26-00300-000)**

On December 16, 2026 Columbia Gas Transmission submitted a report showing penalty revenues collected, eligible incurred costs netted against those penalty revenues, if any, and the resulting penalty revenue credits for each month of the twelve-month period ending October 31, 2025

**Stipulation and Agreement of Settlement (Docket RP24-1103-004)**

On August 13, 2025 Columbia submitted its Stipulation and Agreement of Settlement and Motion for Waiver of Reply Comment Period (“Settlement”). This Settlement reflects the agreement of Columbia and the setting parties to resolve all issues in the above docket. The Settlement provides benefits to Columbia’s shippers and will save the parties substantial costs, time, and resources that would have been expended in further litigating these issues. In lieu of a formal modernization program, Columbia agreed to tiered rates that go into effect on April 1, 2026 (Period II) and April 1, 2027 (Period III) respectively. Columbia requested the Commission for expedited approval without modification.

**Supplement to Refund Report Filing Docket No. RP24-1035-000**

Transco submitted a correction of a portion of the April 9, 2026 refund filing for certain commodity shippers with contracts under the following rate schedules: 85 North, Atlantic Sunrise, Dalton, Gulf Connector, Gulf Trace, Pascagoula and Virginia Southside Projects (I & II).

**Refund Report Filing Docket No. RP24-1035-005**

On April 09, 2026 Transco submitted a Report of Refunds to the Federal Energy Regulatory Commission in Docket No. RP24-1035-005. The refund covers the period March 1, 2025 through February 28, 2026.

**Rate Schedules GSS and LSS Tracker Filing Docket No. RP26-652-000**

On March 19, 2026 Transco submitted a filing to track the fuel retention percentage attributable to storage service purchased from Eastern Gas Transmission and Storage, Inc. under its Rate Schedule GSS, which is included in Transco's Rate Schedules GSS and LSS fuel retention percentages. The Rate Schedule GSS and LSS tariff records are proposed to be effective April 1, 2026.

**Rate Schedules LSS and SS-2 Tracker Filing Docket No. RP26-649-000**

On March 18, 2026 Transco submitted a filing to track the fuel retention percentage changes attributable to storage service purchased from National Gas Supply Corporation ("National Fuel") under its Rate Schedule SS-1, which is included in Transco's Rate Schedules LSS and SS-2. The Rate Schedule LSS and SS-2 tariff records are proposed to be effective April 1, 2026.

**Annual Transco Fuel Tracker Filing Docket No. RP26-571-000**

On February 27, 2026 Transco submitted its Annual Fuel Tracker Filing to adjust the fuel retention percentages applicable to transportation and storage rate schedules pursuant to Section 38 of the General Terms and Conditions of Transco's FERC Gas Tariff. The tariff records are proposed to be effective April 1, 2026. 02-26-2026

**Annual Transco Electric Power Tracker Filing Docket No. RP26-545-000**

On February 26, 2026 Transco filed revised Electric Power rates pursuant to Section 41 of the General Terms and Condition, s of Transco's FERC Gas Tariff. The proposed effective date of the tariff records is April 1, 2026.

**Docket No. RP24-1035 Settlement Tariff Record Filing Correction Docket No. RP24-1035-006**

On February 17, 2026, Transco filed a correction to its Settlement Tariff Record Filing submitted in Docket. No. RP24-1035-005. Transco submitted two tariff records that corrected the Rate Schedule SS-2 Third Party and Daily Charge Rates which did not include the current FERC annual charges adjustment ("ACA") unit rate. The substitute tariff records are proposed to be effective October 1, 2025, and November 1, 2025, respectively.

**Docket No. RP24-1035 Settlement Tariff Record Filing Docket No. RP24-1035-005**

In compliance with the Federal Energy Regulatory Commission's order issued December 30, 2025 approving the October 29, 2025 Stipulation and Agreement in the Docket No. RP24-1035, Transco submitted certain revised tariff records to its FERC Gas Tariff, Fifth Revised Volume No 1 that are effective as specified in Appendix A of the compliance filing.

**Rate Schedule S-2 Tracker Filing Docket No. RP26-411-000**

On January 27, 2026 Transco filed a revised tariff record to track rate changes attributable to storage services purchased from Texas Eastern Transmission, LP under its Rate Schedule X-28 which are included in the rates and charges payable under Transco's Rate Schedule S-2. The effective date of Transco's revised tariff record is February 1, 2026.

**Rate Schedule S-2 Penalty Flow Through Refund Report (Docket No RP26-36-000)**

On December 18, 2025, Transco submitted its Flow Through of Texas Eastern's OFO Penalty Distribution Report (Docket No RP26-7500). On December 10, 2025, Transco received its portion of the penalty disbursement for storage service purchased under Texas Eastern's Rate Schedule X-28 which is used by Transco to provide service to its customers under its Rate Schedule S-2. Pursuant to the provisions of Section 26.2(b) of Transco's General Terms and Conditions, Transco refunded the amount received from Texas Eastern, with interest, to its Rate Schedule S-2 customers on December 18, 2025.

**Stipulation and Agreement (Docket Nos RP24-1035-000 and RP24-1035-004)**

On December 30, 2025, the Commission issued its approval of the stipulation and agreement filed by Transco on October 29, 2025, as proposed and directed Transco to file actual tariff records consistent with the terms of the agreement. Pursuant to its terms, the stipulation and agreement will become effective on March 01, 2026.

**Rate Schedule S-2 Tracker Filing (Docket RP26-284-000)**

On December 30, 2025, the Commission approved Transco's December 8, 2025 filing to revise a tariff record in order to track rate changes attributable to storage services purchased from Texas Eastern Transmission, LP under its Rate Schedule X-28 which are included in the rates and charges payable under Transco's Rate Schedule S-2. The effective date of Transco's revised tariff record is January 1, 2026.

**Interim Fuel Tracker Filing- (Docket Nos RP26-270-000 and RP26-270-001)**

On December 31, 2025 the Commission accepted Transco's December 1, 2025 filing, as amended on December 4, 2025, to revise the transportation fuel retention percentages proposed to be effective January 1, 2026.

**Rate Schedule GSS and LSS Tracker Filing (Docket No RP26-278-000)**

On December 31, 2025, the Commission accepted Transco's December 3, 2025 filing to revise tariff records to track third party changes attributable to storage services purchased from Eastern Gas Transmission and Storage, Inc. The effective date of the revised Rate Schedule GSS and LSS is November 1, 2025.

**Annual Cash-Out Surcharge Filing Correction (Docket No. RP26-181-000)**

On November 4, 2025, Transco filed a correction to its Annual Cash-Out OUB Surcharge Filing submitted in Docket No. RP26-3-000. Transco submitted a tariff record that corrected the Southeast Energy Connector Maximum and Minimum Commodity Rates which inadvertently included the Electric Power Unit rate twice. The substitute tariff record was effective November 1, 2025.

**Rate Schedule S-2 Fuel Retention Tracker Filing (Docket No. RP25-211-000)**

On November 21, 2025, Transco filed a revised tariff record to track rate changes attributable to storage services purchased from Texas Eastern Transmission, LP under its Rate Schedule X-28 which are included in the rates and charges payable under Transco's Rate Schedule S-2. The effective date of Transco's revised S-2 rates and fuel is December 1, 2025.

**Stipulation and Agreement (Docket No. RP24-1035-000, -004)**

On November 26, 2025, the Presiding Administrative Law Judge issued the certification of the uncontested Stipulation and Agreement filed by Transco on October 29, 2025.

**Annual Cash-Out Report Supplement (Docket No. RP25-1162-000)**

On October 21, 2025, Transco filed a supplement to its Annual Cash-out Report filed in Docket No. RP25-1162.

**Annual Cash-Out OUB Surcharge Filing (Docket No. RP26-3-000)**

On October 22, 2025, the Commission issued an order accepting Transco's October 1, 2025 filing to reduce the Original Under Recovery Balance (OUB) surcharge rate from \$0.00067 to \$0.00000.

**Annual Penalty Sharing Report (Docket No. RP26-96-000)**

On October 29, 2025, Transco filed a Revenue Sharing Report of Penalty Dollars for the annual period ending July 31, 2025. The amount of penalty and interest shared was \$1,024,457.66.

**Offer of Settlement for Rate Case (Docket No. RP24-1035-004) On October 29, 2025, Transco filed the "Stipulation and Agreement" with the Federal Energy Regulatory Commission in Docket No. RP24-1035. The "Stipulation and Agreement" resolves all issues in the proceeding**

**Annual Cash-Out Report and Cash-Out Refund – Docket No RP25-1162-000**

On September 29, 2025, Transco filed its annual cash-out report. Section 15 of the General Terms and Conditions ("GT&C") of Transco's Tariff provides that, for each annual billing period, Transco will refund or carry forward the difference between revenues received and the cost incurred under Transco's cash out provisions. As of the end of the annual billing period August 1, 2024 through July 31, 2025, Transco's cumulative cash out revenues in the amount of \$9,617,226.00 to firm and interruptible transportation customers (including customers under Seller's bundled storage Rate Schedule GSS, LSS and SS-2) and OBA parties with an OBA agreement subject to penalty provisions of Section 37, except for those Interstate Pipeline Parties identified in Section 15.3 ( e) of the GT&C on a pro rata basis in accordance with the transportation volumes Transco has delivered for firm and interruptible shippers (including transportation volumes bundled with storage) and the measured quantities at locations where an OBA agreement subject to the penalty provisions of Section 37, except for those Interstate Pipeline Parties identified in Section 15.3(e) of the GT&C is in effect during the annual billing period ending July 31, 2025. Transco sent refunds by ACH, wire of check to customers for their portion of the "excess" revenue.

**Rate Schedule GSS, LSS, SS-2 and S-2 (ACA) Filing Docket No RP25-1101-000**

On August 28, 2025, Transco filed a revised tariff records to track rate changes resulting from an increase in the Annual Charge Adjustment rate from \$0.0014 to \$0.0015, which rate is included in the rates assessed for Transco's Rate Schedules GSS, LSS, SS-2 and S-2. The proposed effective date of the tariff records is October 1, 2025.

**Rate Schedule S-2 Penalty Flow Through Refund Report – Docket No RP25-1078-000**

On August 21, 2025, Transco submitted its Flow Through of Texas Eastern OFO Penalty Disbursement Report (Docket No RP25-960-000). On August 10, 2025, Transco received its portion of the penalty disbursement for storage service purchased under Texas Eastern's Rate Schedule X-28 which is used by Transco to provide service to its customers under its Rate Schedule S-2. Pursuant to the provisions of Section 26.2 (b) of the Transco's General Terms and Conditions, Transco refunded the amount received from Texas Eastern, with interest, to its Rate Schedule S-2 customers on August 20, 2025.

**Rate Schedule S-2 Tracker Filing – Docket No. RP25-1011-000**

On July 23, 2025, Transco filed a revised tariff record in order to track rate changes attributable to storage services purchased from Texas Eastern Transmission, LP under its Rate Schedule X-28 which are included in the rates and charges payable under Transco's Rate Schedule S-2. The effective date of Transco's revised tariff record is August 1, 2025.

**Flow Through EGTS Penalty Refund Report – Docket No. RP25-1013-000**

On June 30, 2025, Transco received a refund from Eastern Gas Transmission and Storage, Inc. ("EGTS") under Docket No. RP25-964-000 for service rendered to Transco under EGTS's Rate Schedule GSS. Transco purchases storage service from EGTS under Rate Schedule GSS in order to provide service under Rate Schedules GSS and LSS. On July 24, 2025, Transco refunded the amount received from EGTS, with interest, per the provisions of Section 4.1 (d) of Rate Schedule GSS and Section 4.1 (d) of Rate Schedule LSS.

**TGP 2026 Annual Fuel Tracker (Docket No RP26-00589-000)**

On February 27, 2026 Tennessee submitted a filing for its fuel and electric power cost rates pursuant to Tennessee's Fuel Adjustment Mechanism effective April 1, 2026.

**Eastern Gas Transmission and Storage (Docket No RP26-497-000)**

On February 20, 2026, Eastern Gas Transmission and Storage, Inc. filed tariff records and related workpapers to reflect updates to its annual fuel retention percentage effective April 01, 2026.

**South Jersey Gas Company**  
**Calculation of Balancing Service Clause Charge - General Service ("BSC-GS")**  
**Rider "J" (1)**

	\$000
1 <b><u>Balancing Charge Related to Inventory</u></b>	
2 12 month average Inventory balance, including LNG	\$14,859
3 Rate of Return	8.96%
4	
5	
6 Storage Carrying Costs	\$1,331
7 % of Balancing compared to Single Coldest January Day (3 year average) (see calc, line 40-44)	28.8%
8	
9 Balancing Costs related to Inventory	\$383
10 Annual Firm Therms (000)	415,040
11	
12 <u>Pre-tax Balancing Charge Related to Inventory</u>	<u>\$0.000923</u>
13	
14 <b><u>Balancing Charge Related to Demand and Commodity Charges</u></b>	
15 Commodity Charges	\$112,106
16 Pipeline Demand Charges	\$103,576
17 Less: Adjustments (BGSS Incentive Credits)	\$36,243
18	
19 Total	\$179,440
20 % of Balancing compared to Single Coldest January Day (3 year average) (see calc, line 40-44)	28.8%
21	
22 Balancing Costs related to Demand & Commodity Charges	\$51,676
23 Annual Firm Therms (000)	415,040
24	
25 <u>Pre-tax Balancing Charge Related to Demand and Commodity Charges</u>	<u>\$0.124509</u>
26	
27 Allocation of Forecasted - Non-Periodic BGSS Customers Estimated Under-Recovery @ 9/30/26 (CLC-10A)	\$2,994
28 Annual Firm Therms (000)	107,180
29	
30 <u>Pre-tax Balancing Charge Related to Estimated Under-Recovery @ 9/30/26</u>	<u>\$0.027938</u>
31	
32 <b><u>Total Proposed Periodic BGSS BSC Charges (Rider J)</u></b>	
33 Pre-tax proposed Balancing Charge related to Inventory	\$0.000923
34 Pre-tax proposed Balancing Charge related to Demand and Commodity Charges	\$0.124509
35 Pre-tax total proposed Periodic BGSS Balancing Charge	<u>\$0.125432</u>
36	
37 <b><u>Total Proposed Non-Periodic BGSS BSC Charges (Rider J)</u></b>	
38 Pre-tax proposed Balancing Charge related to Inventory	\$0.000923
39 Pre-tax proposed Balancing Charge related to Demand and Commodity Charges	\$0.124509
40 Pre-Tax Allocation of forecasted 9/30/2026 Under-Recovery	\$0.027938
41 Pre-tax total proposed Non-Periodic BGSS Balancing Charge	<u>\$0.153370</u>
42	
43 Pre-tax total proposed Periodic Balancing Charge	<u>\$0.125432</u>
44	
45 Pre-tax total proposed Non-Periodic BGSS Balancing Charge	<u>\$0.153370</u>
46	
47 After-tax total proposed Periodic Balancing Charge	<b>\$0.133742</b>
48	
49 After-tax total proposed Non-Periodic BGSS Balancing Charge	<b>\$0.163531</b>
50	
51 Current After-tax total Periodic Balancing Charge	\$0.068583
52	
53 Current After-tax total Non-Periodic BGSS Balancing Charge	\$0.068583
54	
55 Total Increase/(Decrease) to After-tax Periodic Balancing Charge	\$0.065159
56	
57 Total Increase/(Decrease) to After-tax Non-Periodic BGSS Balancing Charge	\$0.094948
58	
59 <b><u>Calculation of % of Balancing compared to Single Coldest January Day (3 year average)</u></b>	(Therms in 000)
60 Average of the 5 coldest January days of the past 3 years	4,029
61 Less: Average January days (3 years)	2,869
62 Balancing Therms	1,160
63 Balancing Therms as a % of coldest January days; average of 3 years	28.8%

(1) - For 2026-27 Annual BGSS Year, the Rider "J" rate is calculated for the Periodic BGSS customers and a separate rate is calculated for Non-Periodic BGSS customers (BGSS-monthly and transportation customers) for which the Rider "J" is applicable.

**South Jersey Gas Company**  
**Calculation of Balancing Service Clause Charge- Large Volume ("BSC-LV")**  
**Rider "I"**

Rider "I"

\$000

1	<b><u>Balancing Charge Related to Inventory</u></b>	
2	12 month average Inventory balance, including LNG	\$14,859
3	Rate of Return	<u>8.96%</u>
4		
5		
6	Storage Carrying Costs	\$1,331
7	% of Balancing compared to Single Coldest January Day (3 year average) (see calc, line 39-43)	<u>28.8%</u>
8		
9	Balancing Costs related to Inventory	\$383
10		
11	Allocation of Estimated Over-Recovery @ 9/30/26 (CLC-10A)	\$8
12		
13	Adjusted Balancing Costs related to Inventory	\$375
14		
15		
16	Annual Firm Therms (000)	<u>157,932</u>
17		
18	Pre-tax Balancing Charge Related to Inventory	\$0.002374
19		
20		
21	<b><u>Proposed BSC Charges (Rider I)</u></b>	
22		
23	<b>1. <u>Opt-Out Customer Charge</u></b>	
24	Pre-tax proposed Opt-Out Balancing Charge	\$0.002374
25		
26	<b>After-tax proposed Opt-Out Balancing Charge</b>	<b>\$0.002531</b>
27		
28	Current After-tax Opt-Out Balancing Charge	\$0.002427
29		
30	Opt-Out Customer Charge Increase/(Decrease) to After-tax Balancing Charge	\$0.000104
31		
32	<b>2. <u>Non-Opt-Out Customer Charge</u></b>	
33	The Company is proposing to use the after-tax BSC rate of \$0.133742, which is its proposed Rider "J" rate (see	
34	Schedule MCM-12, pg. 2 ), as the applicable rate for those customers under Rider "I" who do not Opt-Out.	
35		
36	Pre-tax proposed Non-Opt-Out Balancing Charge (same as Rider J proposed rate)	\$0.125432
37		
38	<b>After-tax proposed Non-Opt-Out Balancing Charge (same as Rider J proposed rate)</b>	<b>\$0.133742</b>
39		
40	Current After-tax Non-Opt-Out Balancing Charge	\$0.068583
41		
42	Non-Opt-Out Customer Charge Increase/(Decrease) to After-tax Balancing Charge	\$0.065159
43		
44		
45	<b><u>Calculation of % of Balancing compared to Single Coldest January Day (3 year average)</u></b>	Therms in (000)
46	Average of the 5 coldest January days of the past 3 years	4,029
47	Less: Average January days (3 years)	<u>2,869</u>
48	Balancing Therms	<u>1,160</u>
49	Balancing Therms as a % of coldest January days; average of 3 years	<u>28.8%</u>

**SOUTH JERSEY GAS COMPANY  
SUMMARY OF TRANSPORTATION AND STORAGE CONTRACTS  
CAPACITY CONTRACT CHANGES**

Pipeline	Rate Schedule	Contract Number	MDQ Dths/d	MSQ Dth	Days Available	Contract Expiration Date	Evergreen (Y or N)	Recent Action to be Taken
Transco	FT	1003902	128,651			365 Evergreen	Y	Term Extended Per Evergreen -Production Turn Back effective 10/20
Transco	FT	1002231	2,264			365 Evergreen	Y	Term Extended Per Evergreen -Production Turn Back effective 10/20
Transco	FT	1013599	21,608			365 Evergreen	Y	Term Extended Per Evergreen
Transco	FT	9259796	20,000			365 Evergreen	Y	Term Extended Per Evergreen
Transco	PSFT	1005003	3,002			90 Evergreen	Y	Term Extended Per Evergreen
Transco	FT	1044825	17,433			151 Evergreen	Y	Term Extended Per Evergreen
Transco	FT	9032686	105,000			365 10/31/2025	N	No Change
Transco	FT	9286392	25,000			365 8/1/2039	N	No Change
Transco	S-2	1000814		139,967		Evergreen	Y	Term Extended Per Evergreen
Transco	LSS	1000818		1,224,000		3/31/2028	N	No Change
Transco	SS-2	1003971		1,764,675		3/31/2028	N	No Change
Transco	GSS	1000813		1,346,482		3/31/2028	N	No Change
Transco	LNG (LGA)	9011431		215,042		Evergreen	Y	Term Extended Per Evergreen
Transco	ESS	9050779		232,314		Evergreen	Y	Term Extended Per Evergreen
Columbia Gas	NTS	39305	22,511			365 10/31/2027	N	No Change
Columbia Gas	FTS	38099	22,511			365 10/31/2027	N	No Change
Columbia Gas	FTS	156147	9,000			365 10/31/2027	N	No Change
Columbia Gas	FTS	161135	70,000			365 10/31/2030	N	No Change
Columbia Gas	FTS	284291	75,000			365 10/31/2027	N	Will not be renewed after primary term ends
Columbia Gas	SST	38086	52,891			10/31/2027	N	No Change
			26,446					
Columbia Gas	FSS	53000		3,473,022		182 10/31/2027	N	No Change
Dominion	GSS	300002		423,000		183 3/31/2028	N	No Change
Tennessee	FT-A	337061	78,000			365 5/31/2033	N	No Change
Adelphia	FT	FTS-SJG 0028	75,000			365 8/31/2027	N	Will not be renewed after primary term ends

**South Jersey Gas Company**  
**Calculation of Spot and Natural Gas Purchase Commodity Price**  
For the period October 1, 2026 through September 30, 2027

	Oct 2026	Nov 2026	Dec 2026	Jan 2027	Feb 2027	Mar 2027	Apr 2027	May 2027	Jun 2027	Jul 2027	Aug 2027	Sep 2027	Total
<b>NYMEX Settle/Futures (\$/dth)</b>	\$3.137	\$3.443	\$4.173	\$4.612	\$4.135	\$3.197	\$2.941	\$2.921	\$3.067	\$3.282	\$3.334	\$3.311	
<b>NYMEX to Pipeline Rcpt Pt Basis (\$/dth)</b>													
Spot Purchases - Columbia ESEP	(\$0.3440)	(\$0.3370)	(\$0.3190)	(\$0.3080)	(\$0.3200)	(\$0.3430)	(\$0.3490)	(\$0.3500)	(\$0.3460)	(\$0.3410)	(\$0.3400)	(\$0.3400)	
Spot Purchases - Tenn FT & Columbia ESEP	(\$0.8800)	(\$0.8800)	(\$0.8800)	(\$0.8800)	(\$0.8800)	(\$0.8800)	(\$0.8800)	(\$0.8800)	(\$0.8800)	(\$0.8800)	(\$0.8800)	(\$0.8800)	
Spot Purchases - Columbia	(\$0.3080)	(\$0.1410)	(\$0.1270)	(\$0.1180)	(\$0.1270)	(\$0.1460)	(\$0.2780)	(\$0.2790)	(\$0.2760)	(\$0.2720)	(\$0.2710)	(\$0.2710)	
Spot Purchases - Transco	\$0.4950	\$0.4680	\$0.4860	\$0.4970	\$0.4850	\$0.4610	\$0.2780	\$0.2770	\$0.2810	\$0.2860	\$0.2880	\$0.2870	
Spot Purchases - Transco Leidy	(\$0.4700)	(\$0.3200)	(\$0.3150)	(\$0.3120)	(\$0.3150)	(\$0.3210)	(\$0.4360)	(\$0.4370)	(\$0.4360)	(\$0.4340)	(\$0.4340)	(\$0.4340)	
Spot Purchases - Regional Energy Access (REA)	(\$0.4150)	\$0.7800	\$0.7850	\$0.7880	\$0.7850	\$0.7790	(\$0.3810)	(\$0.3820)	(\$0.3810)	(\$0.3790)	(\$0.3790)	(\$0.3790)	
Spot Purchases - FES & Monthly BGSS	\$0.4950	\$0.4680	\$0.4860	\$0.4970	\$0.4850	\$0.4610	\$0.2780	\$0.2770	\$0.2810	\$0.2860	\$0.2880	\$0.2870	
Spot Purchases on Transco PSFT	\$0.4950	\$0.4680	\$0.4860	\$0.4970	\$0.4850	\$0.4610	\$0.2780	\$0.2770	\$0.2810	\$0.2860	\$0.2880	\$0.2870	
<b>Purchase Point Commodity (\$/dth)</b>													
Spot Purchases - Columbia ESEP	\$2.7930	\$3.1060	\$3.8540	\$4.3040	\$3.8150	\$2.8540	\$2.5920	\$2.5710	\$2.7210	\$2.9410	\$2.9940	\$2.9710	
Spot Purchases - Tenn FT & Columbia ESEP	\$2.2570	\$2.5630	\$3.2930	\$3.7320	\$3.2550	\$2.3170	\$2.0610	\$2.0410	\$2.1870	\$2.4020	\$2.4540	\$2.4310	
Spot Purchases - Columbia	\$2.8290	\$3.3020	\$4.0460	\$4.4940	\$4.0080	\$3.0510	\$2.6630	\$2.6420	\$2.7910	\$3.0100	\$3.0630	\$3.0400	
Spot Purchases - Transco	\$3.6320	\$3.9110	\$4.6590	\$5.1090	\$4.6200	\$3.6580	\$3.2190	\$3.1980	\$3.3480	\$3.5680	\$3.6220	\$3.5980	
Spot Purchases - Transco Leidy	\$2.6670	\$3.1230	\$3.8580	\$4.3000	\$3.8200	\$2.8760	\$2.5050	\$2.4840	\$2.6310	\$2.8470	\$2.9000	\$2.8770	
Spot Purchases - Regional Energy Access (REA)	\$2.7220	\$4.2230	\$4.9580	\$5.4000	\$4.9200	\$3.9760	\$2.5600	\$2.5390	\$2.6860	\$2.9030	\$2.9550	\$2.9320	
Spot Purchases - FES & Monthly BGSS	\$3.6320	\$3.9110	\$4.6590	\$5.1090	\$4.6200	\$3.6580	\$3.2190	\$3.1980	\$3.3480	\$3.5680	\$3.6220	\$3.5980	
Spot Purchases on Transco PSFT	\$3.6320	\$3.9110	\$4.6590	\$5.1090	\$4.6200	\$3.6580	\$3.2190	\$3.1980	\$3.3480	\$3.5680	\$3.6220	\$3.5980	
RNG Supply Purchases (Transco-Leidy#1013599)	\$2.6970	\$3.1530	\$3.8880	\$4.3300	\$3.8500	\$2.9060	\$2.5350	\$2.5140	\$2.6610	\$2.8780	\$2.9300	\$2.9070	
Off-System COG per DT	\$2.8290	\$3.3020	\$4.0460	\$4.4940	\$4.0080	\$3.0510	\$2.6630	\$2.6420	\$2.7910	\$3.0100	\$3.0630	\$3.0400	
LNG Rates	\$2.9563	\$3.1308	\$4.0825	\$4.7507	\$4.0657	\$2.9078	\$2.9155	\$2.9338	\$2.9907	\$3.1543	\$3.1997	\$3.1198	
<b>SPOT Purchases/Natural Gas Purchases (dth)</b>													
Spot Purchases - Columbia ESEP	0	0	0	0	0	0	0	0	0	0	0	0	0
Spot Purchases - Tenn FT & Columbia ESEP	775,000	2,100,000	2,170,000	2,170,000	1,960,000	2,170,000	750,000	465,000	450,000	465,000	465,000	450,000	14,390,000
Spot Purchases - Columbia	100,000	40,000	50,000	150,000	50,000	50,000	405,198	220,000	30,000	15,000	15,000	0	1,125,198
Spot Purchases - Transco	43,239	13,126	18,121	49,021	29,249	47,492	437,208	419,715	147,416	3,878	8,641	1,192	1,218,298
Spot Purchases - Transco Leidy	979,848	662,054	1,368,244	1,520,271	1,520,271	912,163	948,240	979,848	806,004	734,886	529,118	199,130	11,160,076
Spot Purchases - Regional Energy Access (REA)	75,000	38,750	38,750	21,000	23,250	387,500	0	0	0	0	0	0	894,250
Spot Purchases - FES & Monthly BGSS	238,743	451,627	499,121	577,831	518,555	457,521	295,287	185,884	153,307	288,809	277,178	204,193	4,148,058
Spot Purchases on Transco PSFT	0	0	9,306	46,531	8,406	0	0	0	0	0	0	0	64,243
RNG Supply Purchases	55,800	54,000	55,800	55,800	50,400	55,800	54,000	55,800	54,000	55,800	55,800	54,000	657,000
Liquefied Natural Gas (LNG)	170,000	0	0	0	0	0	145,000	0	0	0	0	0	315,000
Transco AMA	310,000	0	0	0	0	0	300,000	310,000	300,000	310,000	310,000	300,000	2,140,000
<b>Total SPOT Purchases/Natural Gas Purchases (dth)</b>	<b>2,747,630</b>	<b>3,320,807</b>	<b>4,209,342</b>	<b>4,918,204</b>	<b>4,157,881</b>	<b>3,716,226</b>	<b>3,722,433</b>	<b>2,636,248</b>	<b>1,940,727</b>	<b>1,873,373</b>	<b>1,660,737</b>	<b>1,208,515</b>	<b>36,112,123</b>
<b>SPOT Purchases/Natural Gas Purchases (\$)</b>													
Spot Purchases - Columbia ESEP	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Spot Purchases - Tenn FT & Columbia ESEP	\$1,749,175	\$5,382,300	\$7,145,810	\$8,098,440	\$6,379,800	\$5,027,890	\$1,545,750	\$949,065	\$984,150	\$1,116,930	\$1,141,110	\$1,093,950	\$40,614,370
Spot Purchases - Columbia	\$282,900	\$132,080	\$202,300	\$674,100	\$200,400	\$152,550	\$1,079,042	\$581,240	\$83,730	\$45,150	\$45,945	\$0	\$3,479,437
Spot Purchases - Transco	\$157,043	\$51,335	\$84,427	\$250,448	\$135,131	\$173,726	\$1,407,042	\$1,342,249	\$493,548	\$13,838	\$31,298	\$4,287	\$4,144,702
Spot Purchases - Transco Leidy	\$2,613,255	\$2,067,593	\$5,278,685	\$6,537,165	\$5,807,435	\$2,623,380	\$2,375,341	\$2,433,942	\$2,120,597	\$2,092,955	\$1,534,442	\$572,898	\$36,057,688
Spot Purchases - Regional Energy Access (REA)	\$204,150	\$0	\$192,123	\$103,320	\$92,442	\$92,442	\$0	\$0	\$0	\$0	\$0	\$0	\$3,467,285
Spot Purchases - FES & Monthly BGSS	\$867,116	\$1,766,315	\$2,325,405	\$2,952,140	\$2,395,724	\$1,673,613	\$950,530	\$594,458	\$513,272	\$1,030,470	\$1,003,939	\$734,687	\$16,807,669
Spot Purchases on Transco PSFT	\$0	\$0	\$43,358	\$237,727	\$38,834	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$319,918
RNG Supply Purchases	\$150,493	\$170,262	\$216,950	\$241,614	\$194,040	\$162,155	\$136,890	\$140,281	\$143,694	\$160,592	\$163,494	\$156,978	\$2,037,443
Marcus Hook - Woodbury Lateral	\$7,614	\$7,614	\$7,614	\$7,614	\$7,614	\$7,614	\$7,614	\$7,614	\$7,614	\$7,614	\$7,614	\$7,614	\$91,374
Transco AMA	\$847,850	\$0	\$0	\$0	\$0	\$0	\$777,000	\$796,700	\$815,100	\$909,230	\$925,660	\$888,900	\$5,960,440
<b>Total SPOT Purchases/Natural Gas Purchases (\$)</b>	<b>\$6,879,595</b>	<b>\$9,577,500</b>	<b>\$15,496,671</b>	<b>\$20,882,498</b>	<b>\$15,262,299</b>	<b>\$9,913,370</b>	<b>\$9,271,540</b>	<b>\$6,845,551</b>	<b>\$5,161,704</b>	<b>\$5,376,780</b>	<b>\$4,853,503</b>	<b>\$3,459,314</b>	<b>\$112,980,326</b>
<b>SPOT/NGP WACOG at Purchase Point</b>													
Unit Cost (before Hedging Impact)	\$2.5038	\$2.8841	\$3.6815	\$4.2460	\$3.6707	\$2.6676	\$2.4907	\$2.5967	\$2.6597	\$2.8701	\$2.9225	\$2.8625	\$3.1286
<b>Hedging Program</b>													
Hedged Volume (dth)													
Volume Non Discr	540,000	540,000	510,000	480,000	450,000	420,000	390,000	360,000	330,000	300,000	270,000	240,000	4,830,000
Volume Planalytics	50,000	130,000	280,000	380,000	300,000	140,000	80,000	0	0	0	0	0	1,360,000
Volume SIM	800,000	0	0	0	0	0	0	0	0	0	0	0	800,000
Total Hedged Volumes	1,390,000	670,000	790,000	860,000	750,000	560,000	470,000	360,000	330,000	300,000	270,000	240,000	6,990,000
Hedged Volume (\$)													
Hedged (Gain)/Loss- Non Discr	\$458,010	\$300,720	(\$78,360)	(\$279,690)	(\$45,930)	\$343,830	\$403,530	\$373,860	\$286,200	\$186,960	\$155,190	\$145,230	\$2,249,550
Hedged (Gain)/Loss- Planalytics	\$11,910	\$20,683	\$48,860	\$85,652	\$51,180	\$31,724	\$13,928	\$0	\$0	\$0	\$0	\$0	\$263,937
(Gain)/Loss SIM	\$228,480	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$228,480
Total Hedging (Gain)/Loss	\$698,400	\$321,403	(\$29,500)	(\$194,038)	\$5,250	\$375,554	\$417,458	\$373,860	\$286,200	\$186,960	\$155,190	\$145,230	\$2,741,967
Weighted Avg. Unit Cost	\$0.5024	\$0.4797	(\$0.0373)	(\$0.2256)	\$0.0070	\$0.6706	\$0.8882	\$1.0385	\$0.8673	\$0.6232	\$0.5748	\$0.6051	\$0.3923
WACOG vs. NYMEX Diff.	(\$2.6346)	(\$2.9633)	(\$4.2103)	(\$4.8376)	(\$4.1280)	(\$2.5264)	(\$2.0528)	(\$1.8825)	(\$2.1997)	(\$2.6588)	(\$2.7592)	(\$2.7059)	
Total \$ Impact	(\$3,662,030)	(\$1,985,407)	(\$3,326,170)	(\$4,160,358)	(\$3,096,000)	(\$1,414,766)	(\$964,812)	(\$677,700)	(\$725,910)	(\$797,640)	(\$744,990)	(\$649,410)	(\$22,205,193)
Total Spot Purchases	\$6,879,595	\$9,577,500	\$15,496,671	\$20,882,498	\$15,262,299	\$9,913,370	\$9,271,540	\$6,845,551	\$5,161,704	\$5,376,780	\$4,853,503	\$3,459,314	\$112,980,326
Total Hedging Program Impact	(\$3,662,030)	(\$1,985,407)	(\$3,326,170)	(\$4,160,358)	(\$3,096,000)	(\$1,414,766)	(\$964,812)	(\$677,700)	(\$725,910)	(\$797,640)	(\$744,990)	(\$649,410)	(\$22,205,193)
<b>Total Spot Purchases adj. for Hedging</b>	<b>\$3,217,565</b>	<b>\$7,592,093</b>	<b>\$12,170,501</b>	<b>\$16,722,140</b>	<b>\$12,166,299</b>	<b>\$8,498,604</b>	<b>\$8,306,728</b>	<b>\$6,167,851</b>	<b>\$4,435,794</b>	<b>\$4,579,140</b>	<b>\$4,108,513</b>	<b>\$2,809,904</b>	<b>\$90,775,133</b>
<b>SPOT WACOG at Purchase Point</b>													
Unit Cost (after Hedging Impact)	\$1.1710	\$2.2862	\$2.8913	\$3.4001	\$2.9261	\$2.2869	\$2.2315	\$2.3396	\$2.2856	\$2.4443	\$2.4739	\$2.3251	\$2.5137

## AMA Valuation

To the extent the Company enters into baseload Asset Management Agreements (“AMAs”) (defined as a transaction with a fixed gas purchase obligation for any day of the term of the AMA), the Company will prepare an analysis produced at the time the AMA is executed that will set forth how much, if any, of the AMA management fee will be excluded from the formula used to determine AMA management fee sharing between the Company and its Periodic BGSS customers because the excluded portion of the fee is the product of an agreement by the Company to provide the Asset Manager with a benefit under the AMA that is forecasted to increase the commodity costs to Periodic BGSS customers. The analysis will calculate a) the lowest estimated delivered price on the contract capacity path up to and including the Company city gate compared to b) the estimated commodity cost per month under the contract price of the AMA. The result of this comparison or c) delta, represents an excess in commodity cost that will be subtracted from d) the AMA management fee arriving at e) the net amount that will be subject to the sharing formula over the term of the AMA.

In response to the RFP distributed by the company on February 17, 2026, for an AMA on Transco Zone 3 – Zone 6; SJG awarded a volume of 10,000 dth/day for the term of April 01, 2026 through March 31, 2027, with a fixed gas purchase obligation for the term of the AMA at a seasonal price as follows:

- 1) Summer Period (April-Oct) Monthly - IFERC Transco Zone 6
- 2) Winter Period (Nov- March) Monthly - IFERC Transco Zone 3 plus applicable fuel and variables
- 3) Asset manager fee \$2,081,222

The following illustrative table sets forth the calculation for a baseload AMA at the conditions described above.

Seasonal Pricing Summer NNYN and Winter Z3		
<u>AMA Example Analysis</u>	Volume (Dth/d)	Total Cost
a) Estimated Baseload at the least Commodity Cost*	10,000	\$12,605,197.55
b) Estimated Baseload Commodity Costs with AMA**	10,000	\$12,605,197.55
c) Delta or Additional Commodity Costs		\$0.00
d) AMA Fee (100 %)		\$ 2,081,222.00
e) Less Delta or additional Commodity Costs		\$0.00
f) Remaining Asset Mangement Fee subject to sharing formula		\$ 2,081,222.00
<u>Estimated Annual Cost to BGSS:</u>		
Commodity Costs		\$12,605,197.55
AMA Fee Not subject to Sharing		\$ -
85% Sharing from AMA Fee		(\$1,769,038.70)
Total Estimated Cost of Supply		<b>\$10,836,158.85</b>
* Assumes least possible cost of either Z-6 plus variables or Z-3 plus variables		
** Assumes Seasonal Pricing Zone 6 (Summer) Zone 3 (Winter)		
<b>Summary</b>		
SJG at Full Sharing	\$ 312,183.30	
Exempt or 15% Delta (15% of Item (e))	\$ -	
Revised SJG Sharing	\$ 312,183.30	

## AMA Valuation

The evaluation of a seasonal priced AMA deal, at the market conditions as of March 10, 2026, when the transaction was awarded, using the latest available Nymex close and seasonal basis data, indicate that this transaction will not represent any additional commodity cost to the BGSS customers. Therefore, the company will be able to apply the 15% sharing formula.

**IN THE MATTER OF THE PETITION OF SOUTH JERSEY GAS COMPANY TO  
REVISE THE LEVEL OF ITS BASIC GAS SUPPLY SERVICE (BGSS) CHARGE AND  
ITS CONSERVATION INCENTIVE PROGRAM (CIP) CHARGE FOR YEAR ENDING  
SEPTEMBER 30, 2025**

**BPU DOCKET NO. GR24060370**

**S-SBGSS-16**

**Witness: M.C. Mendoza**

**REQUEST:**

When does the Company anticipate having the results of the “comprehensive comparative analysis” discussed on page 25 of Maria C. Mendoza’s testimony.

**RESPONSE:**

The Company will conduct a comprehensive comparative analysis by no later than September 30, 2025 and will supplement the record with that analysis. As detailed in testimony, Transco, Columbia Gas Transmission LLC and Adelpia Gateway LLC have been involved in protracted rate cases in which the pipelines have placed into effect rates, subject to refund, that are likely to be substantially higher than rates ultimately approved by the FERC. These rate filings have disrupted valuations and complicated the efforts to identify alternatives. While the Company expects these rate cases to conclude in the near term, regardless of whether that occurs, the Company will conduct a thorough inquiry, including soliciting RFPs from market participants, study of any planned storage or firm transportation projects or other incremental measures to meet future demand requirements, maintain system reliability and minimize cost.

**SUPPLEMENT RESPONSE:**

See **Attachment S-SBGSS-16.1.**

**South Jersey Gas Company's Analysis Of The Operation and Cost Consequences  
Of Its Plans For Contracting For Firm Upstream Pipeline Capacity Following  
The Expiration Of The Primary Terms Of The Adelpia and Columbia Agreements**

**Summary**

South Jersey Gas Company ("SJG" or the "Company") currently has an upstream firm transportation agreement ("FTS Agreement") with Adelpia Gateway, LLC ("Adelpia") that has a primary term expiring on August 31, 2027. Under the terms of the FTS Agreement, the Company has a one-time right exercisable no later than 12 months prior to the expiration of the primary term to extend or terminate the agreement.

SJG also has an upstream FTS Agreement with Columbia Gas Transmission, LLC ("Columbia") (FTS Agreement 284291) to transport natural gas from Columbia's interconnection with Adelpia to SJG's service territory. The term of the FTS Agreement expires October 31, 2027. The FTS Agreement is subject to pre-granted abandonment upon termination and affords SJG a right of first refusal to retain the capacity.

Both the Adelpia and Columbia contracts provide a maximum delivery quantity of up to 75,000 Dekatherms ("Dth"). The current annual demand charges for the Adelpia and Columbia capacity total \$20,190,600. These capacity charges are presently offset by capacity release credits that SJG obtains from releasing capacity to third parties. These credits – which are 100% credited to SJG's Basic Gas Supply Service ("BGSS") customers – are expected to total an average annual amount of \$1,379,664.10 for the period from September 1, 2022 through August 31, 2027, or the full primary term of the contract.

As more fully discussed below, SJG has determined, based on its analysis of both operational and cost consequences, that the Adelpia and Columbia contracts should be terminated as of the expiration dates.

## **Background**

The Adelphia and Columbia contracts were initially executed as necessary additions to the anticipated PennEast Pipeline Company, LLC (“PennEast”) project. The PennEast project initially contemplated the construction of approximately 115 miles of 36-inch diameter pipeline stretching from the Marcellus Shale producing region in Luzerne County, Pennsylvania to Mercer County, New Jersey. In 2014, SJG, along with other New Jersey gas distribution utilities, entered into precedent agreements to subscribe to the PennEast project. However, the project faced environmental challenges that lead PennEast to propose dividing it into two phases. In February 2020, it was announced that Phase 1 would transport Marcellus Shale supplies to Bethlehem Township, Pennsylvania and Phase 2 would extend the project to Mercer County, New Jersey. In order to obtain access to the lower cost Marcellus Shale supplies and address anticipated peak day supply deficiencies, SJG, in August 2020, entered into agreements with Adelphia and Columbia to facilitate the transportation of lower cost Marcellus Shale gas supplies from Pennsylvania to SJG’s New Jersey service territory. Unfortunately, however, in September 2021, PennEast announced the cessation of development of its project.

Because the PennEast project did not move forward and as a result of the constrained location of SJG’s service territory, the only incremental supply available to the Adelphia/Columbia capacity was market area supply purchased from producers/marketers connected to the Texas Eastern Transmission, LLC pipeline. While this supply/capacity path provided SJG with an incremental source of supply to serve its increasing peak day demand, the capacity did not afford SJG the opportunity presented by the PennEast project to reduce costs by obtaining lower cost commodity supplies from the Marcellus Shale region, as originally envisioned.

In determining whether to retain some or all of the Adelphia and Columbia capacity when those contracts expire, the Company has considered both the need to retain some portion of the capacity to meet its present and forecast peak day requirements and whether there are likely to be more economical ways to meet those requirements now and in the future.

### **Operational Concerns**

The primary operational concern is SJG's ability to meet its Design Day Requirements with available supplies absent the Adelphia/Columbia supply path to the Company's service territory when analyzing a ten-year Requirements and Supply forecast.

Since entering into the Adelphia/Columbia agreements, two changes to the Company's ability to make peak day purchases have occurred that substantially mitigate the operational risk of having insufficient supplies to meet Design Day Requirements over the next three to five years as a result of termination of the Adelphia/Columbia contracts.

The first change is the restructuring of the capacity releases associated with SJG's Conservation Incentive Program ("CIP"). Prior to April 2025, the capacity releases associated with the CIP were traditional releases made at maximum tariff rates. Subsequently, the Company gained the ability to restructure these capacity releases as Asset Management Agreements ("AMAs"), which afford the Company the ability to purchase the associated supply during the winter season. This modification also affords the Company the ability to purchase additional peak day supplies of up to 30,000 Dth/day at prices that are likely to be comparable to costs of supplies that would have been purchased using the Adelphia/Columbia contracts.

The second change is the construction and operation of an additional city gate station by Columbia that interconnects with SJG's distribution system. The new gate station was required to accommodate the additional volumes associated with the Adelphia/Columbia transportation service and increases the total volume of supply SJG can receive into its service territory

(assuming adequate inlet pressure from Columbia). The ability to increase the volume of supply from Columbia will afford the Company the ability to purchase additional delivered peak day supplies services on Columbia in the event of a shortfall regardless of whether SJG maintains its Columbia transportation agreement.

In the short-term, over the next five years or so, the ability to purchase peak day supplies under the AMAs that result from CIP-related capacity releases, plus the additional deliverability created by the new Columbia gate station will ensure SJG's continued access to a sufficient quantity of peak day supplies in the absence of the Adelphia/Columbia transportation contracts, enabling SJG to lower its fixed cost by excluding the demand charges from the Adelphia/Columbia firm contracts.

### **Supply Alternatives**

#### **Interstate Pipeline Services**

##### **Columbia Gas Transmission, LLC**

SJG contacted Columbia in writing and in meetings with their commercial teams to inquire about potential incremental peaking services beginning in the 2027-28 winter season. Specifically, the Company requested information regarding the availability of FSS/SST (firm storage and transportation service), No-Notice transportation service and any other firm services that would align with SJG's demand profile.

Columbia responded by indicating that they do not currently have and do not anticipate having any FSS/SST or No-Notice service available. However, Columbia indicated they currently have approximately 17,500 Dth/day of unsubscribed capacity available that could be subscribed by SJG under the FTS rate schedule. The Company will consider whether this capacity is beneficial to SJG's portfolio in the future. Currently, the Company does not believe there is a need for or benefit to this capacity over the next three to five years.

### **Transcontinental Gas Pipeline (“Transco”)**

SJG contacted Transco in writing and in meetings with their commercial teams to inquire about potential peaking services beginning in the 2027-28 winter season. Specifically, the Company requested information regarding the availability of additional storage services provided under rates schedules S-2, GSS, LSS, LNG SS-2, or ESS or any other firm services that would align with SJG’s demand profile.

Transco indicated that they do not have any peaking storage services available at this time for the 2027-28 winter season but would inform SJG of any notice to turnback capacity by other shippers. Transco also identified a service, Pine Prairie, that is located in the Gulf of Mexico production area and does not currently provide incremental delivery to SJG. While this service does not meet the criteria of increasing supply to the Company’s distribution system on a peak day, SJG will evaluate the economic viability of inclusion of this service in the supply portfolio in the long-term.

### **Third Party Suppliers**

Earlier this year SJG issued a Request for Proposals (“RFP”) to counterparties (marketers and producers) it transacts with on an ongoing basis or were anticipated to be interested in participating in providing a peaking service to the Company. The RFP invited recipients to bid on providing peaking services from one (1) to five (5) years beginning in the 2027-28 winter season.

While the RFP generated conversations with several market participants, ultimately the Company did not receive any offers to provide the requested service. The feedback from conversations with those participants was that the time frame of the RFP supply request was

beyond the horizon in which the counterparties felt they could make an offer representative of market conditions.

Although SJG did not receive any bids, the exercise was useful in that it alerted potential counterparties of the Company's anticipated future needs and prompted conversations regarding future RFPs. The Company anticipates continuing the RFP process in the future as additional supply requirements are identified.

### **Conclusion**

Based on its review of the potential alternatives summarized above, the Company believes that it is appropriate to replace the current Adelphia/Columbia transport path with a service alternative or alternatives that will better fit the supply shortage forecast in its future peak demand requirements as indicated by the Company's Design Day Forecast. In the short-term (3 to 5 years) the Company believes that the ability to purchase incremental supplies through the AMAs created through its CIP releases, coupled with the ability to purchase delivered natural gas supplies on an as-needed basis at the Columbia gate station will enable SJG to meet its gas supply needs in a manner that is more economical than the retention of the Adelphia and Columbia firm transportation agreements. Over the longer term (6 to 10 years) the Company will look to develop one or more of the supply alternatives described above to the extent that expected peak day demand growth requires incremental upstream capacity. Because decisions and negotiations to settle on a solution will take some time, the exact economic implications are unknown at this time.

The Company is confident, however, that the decision to replace the Adelphia/Columbia supply path with services that better fit its current and future demand requirements will result in a net reduction in BGSS costs in the years following the termination of those agreements.

**BEFORE THE  
NEW JERSEY BOARD OF PUBLIC UTILITIES**

**SOUTH JERSEY GAS COMPANY**

**Direct Testimony**

**of**

**Frank Vetri**

**Manager, Energy Efficiency**

**On Behalf of**

**South Jersey Gas Company**

1 **I. INTRODUCTION**

2 **Q. PLEASE STATE YOUR NAME, AFFILIATION, AND BUSINESS**  
3 **ADDRESS.**

4 **A.** My name is Frank Vetri. My business address is 520 Green Lane, Union, New  
5 Jersey 07083. I am employed by South Jersey Industries Utilities (SJIU), parent  
6 company of South Jersey Gas Company (“South Jersey”, “SJG” or “Company”),  
7 as Manager – Energy Efficiency Programs. I am responsible for the management  
8 of the Company’s Energy Efficiency Programs (“EE Programs”). I also serve as a  
9 Program Manager of the New Jersey Comfort Partners Program Working Group  
10 supporting program administration. In addition, I manage the efforts of the  
11 Company to promote conservation goals and energy efficiency initiatives.

12 **Q. PLEASE EXPLAIN YOUR EDUCATIONAL AND PROFESSIONAL**  
13 **BACKGROUND.**

14 **A.** In May 2008, I graduated from Rutgers University located in New Brunswick, N.J.  
15 with a Bachelor of Arts degree in Economics. In 2011, I joined PSE&G’s  
16 Renewables and Energy Solutions Department where I would eventually manage  
17 the Comfort Partners and Smart Thermostat Marketplace programs. I joined  
18 Elizabethtown Gas in August 2019 as Manager, Energy Efficiency. Recently, I  
19 shifted to SJIU where my responsibilities were expanded to include both the  
20 Elizabethtown Gas and South Jersey Gas EE program portfolios.

1 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS**  
2 **PROCEEDING?**

3 **A.** The purpose of my testimony is to provide information about the various  
4 conservation-oriented initiatives that South Jersey has launched since the  
5 Conservation Incentive Program (“CIP”) was originally approved by the Board of  
6 Public Utilities (“Board” or “BPU”) on October 12, 2006, in BPU Docket No.  
7 GR05121019<sup>1</sup>, and further extended on January 20, 2010 in BPU Docket No. also  
8 in GR05121019 and on May 21, 2014 in BPU Docket No. GR13030185<sup>2</sup>. My  
9 testimony will also discuss how South Jersey will spend five hundred thousand  
10 (\$500,000) to fund CIP programs during the CIP year ending September 30, 2026  
11 that 1) aid customers in reducing their natural gas costs, 2) reduce the Company’s  
12 peak winter and design day system the Direct Testimony of Maria C. Mendoza),  
13 and 3) do not replicate existing programs offered through the Board’s Office of  
14 Clean Energy. I will also provide actual cost information for the CIP initiatives.

15 **Q. DO YOU SPONSOR ANY SCHEDULES AS PART OF YOUR**  
16 **TESTIMONY?**

17 **A.** Yes. My testimony includes the following schedules which were prepared under  
18 my supervision:

---

<sup>1</sup> In re the Matter of the Petition of South Jersey Gas Company for Authority to Implement a Conservation and Usage Adjustment, Docket No. GR05121019, Order dated October 12, 2006.

<sup>2</sup> In re the Petition of New Jersey Natural Gas Company and South Jersey Gas Company for Authorization to Continue the Conservation Incentive Program, Docket No. GR13030185, Order dated May 21, 2014 (“May 2014 Order”).

- 1 (i) Schedule FV-1 contains the Company’s CIP Quarterly Report for the prior  
2 CIP period from October 2024 through September 2025 (“2024-25 CIP  
3 Year”); and
- 4 (ii) Schedule FV-2 contains the Company’s CIP Quarterly Report for the period  
5 from October 2025 through March 2026. The entire current CIP period is  
6 from October 2025 through September 2026 (“2025-26 CIP Year”).
- 7 (iii) Schedule FV-3 contains the annual Conserve website content calendar for  
8 the 2025-26 CIP Year.

9 **Q. HOW IS THE BALANCE OF YOUR TESTIMONY ORGANIZED?**

10 **A.** The balance of my testimony is organized as follows:

11 Section II: CIP Background

12 Section III: Current Programs

13 Section IV: Current CIP Year Program Expenses

14 Section V: Future CIP Initiatives

15 **II. CIP BACKGROUND**

16 **Q. PLEASE DESCRIBE THE COMPANY’S APPROACH TO  
17 CONSERVATION SINCE INCEPTION OF THE CIP?**

18 **A.** The CIP has enabled South Jersey to share the common goal of energy efficiency  
19 with its customers. For several years, the Company has focused resources on an  
20 effort to manage and develop energy conservation programs collaboratively with  
21 the BPU and other utilities. The Board's approval of the CIP has aligned the  
22 Company's interests with those of its customers, as the program has eliminated the

1 Company's financial disincentive to promote methods and opportunities for  
2 customers to reduce their natural gas consumption and their bills.

3 South Jersey tied together the themes of energy efficiency, comfort and  
4 savings and as a result, in 2016, the Company made the decision to create a separate  
5 and distinct Energy Efficiency Department, the purpose of which is to create a  
6 sustainable business model that will be applied to our various markets for years to  
7 come. To that point, in September 2020, the Company filed a petition in Docket  
8 No. GO20090618 seeking approval of a three (3) year \$166.9 million energy  
9 efficiency program ("EEP V"), targeting more aggressive energy efficiency  
10 programming for both residential and commercial customers<sup>3</sup>. The Board approved  
11 the Company's EEP V as a three (3) year \$133.3 million program, consisting of the  
12 following programs: (1) Efficient Products; (2) Existing Homes, Home  
13 Performance with Energy Star; (3) Commercial and Industrial with Direct install  
14 and Energy Solutions for Business: Prescriptive and Custom; (4) Multi-Family; (5)  
15 Utility led subprograms, Home Energy Reports, Quick Home Energy Checkup  
16 (QHEC), Existing Homes Moderate Income Weatherization; and (6) Commercial  
17 and Industrial, Engineered Solutions and Energy Management. The EEP V  
18 enabled South Jersey to promote energy efficiency through better technology,  
19 energy education, and sensible energy consumption patterns through targeted  
20 presentations and partnerships with public entities and nonprofit organizations.

---

<sup>3</sup> In re the Matter of the Implementation of L. 2018, c. 17 Regarding the Establishment of Energy Efficiency and Peak Demand Reduction Programs, BPU Docket No. QO19010040, and in re the Matter of the Petition of South Jersey Gas Company for Approval of New Energy Efficiency Programs and Associated Cost Recovery Pursuant to the Clean Energy Act, Docket No. GO20090618, Order dated April 7, 2021 ("April 2021 Order").

1           In response to the Board’s October 2023 Order<sup>4</sup>, the Company made a filing  
2           on November 20, 2023 proposing a six (6) month extension of its EEP V programs  
3           through December 31, 2024. By its April 2024 Order<sup>5</sup>, the Board approved the  
4           EEP V extension. Also in response to the Board’s October 2023 Order, the  
5           Company made a filing on December 1, 2023 proposing new Triennium 2  
6           Programs.<sup>6</sup> The Board approved South Jersey’s Triennium 2 Programs for a term  
7           of two-and-one half years starting January 1, 2025 and ending June 30, 2027  
8           comprised of four (4) residential, three (3) commercial and industrial (C&I), and  
9           one (1) multifamily sectors.

10           Relatedly, South Jersey remains committed to supporting the State’s energy  
11           efficiency goals and appreciate the key role that the Company plays in achieving  
12           the targets contained in the New Jersey Clean Energy Act of 2018 (the “Act”). The  
13           Company will continue to support programs that encourage energy efficiency in a  
14           manner consistent with the Act, which will help make energy bills more affordable  
15           for its customers.

---

<sup>4</sup> In re the Matter of the Petition of South Jersey Gas Company to Revise the level of Its Basic Gas Supply Service (“BGSS”) Charge and Conservation Incentive Program (“CIP”) Charge for the Year Ending September 30, 2023, Docket No. GR22060364, Order dated April 26, 2023 (“April 2023 Order”).

<sup>5</sup> In re the Matter of the Petition of South Jersey Gas Company for Approval of New Energy Efficiency Programs and Associated Cost Recovery Pursuant to The Clean Energy Act, BPU Docket No. GO20090618, Order dated April 30, 2024 (“April 2024 Order”).

<sup>6</sup> In re the Matter of the Petition of South Jersey Gas Company for Approval of Triennium 2 Clean energy Programs and Associated Cost Recovery Pursuant to The Clean Energy Act, BPU Docket No. QO23120870, Order dated October 30, 2024 (“October 2024 Order”).

1 **III. CURRENT PROGRAMS**

2 **Q. PLEASE PROVIDE A BRIEF OVERVIEW OF THE CURRENT**  
3 **PROGRAMS.**

4 **A.** The current CIP programs consist of the following Company initiatives:

5 **Public Outreach**

6 To help customers increase their energy efficiency participation, South Jersey  
7 engages customers through Conserve, a portfolio of energy efficiency programs  
8 and a free, online bank of articles designed to help viewers save energy and money.

9 The articles are conveniently located on South Jersey’s website. Topics include tips  
10 and information to help customers decrease their energy consumption, lower their  
11 energy bills, and reduce their impact on the environment. The Conserve site  
12 features new content monthly, with topic categories that focus generally on saving  
13 energy and money (Go Green & Save), home and family (Together at Home),  
14 community programs, including EmPowered Schools teacher features  
15 (Community), games, puzzles, and other content to engage children and families  
16 (Conserve Kids) and energy-saving products and services (Energy Efficiency  
17 Programs).

18 Conserve articles are developed based on trends, seasonality, and general  
19 consumer interest. Ongoing monitoring of article engagement informs future article  
20 topics. Seasonality topics include holidays and seasons (clean windows in spring  
21 and ways to celebrate the holidays with savings). This website location is  
22 [southjerseygas.com/conserv](http://southjerseygas.com/conserv).

1 To celebrate Earth Day on April 22, 2026 and promote conservation, South  
2 Jersey featured energy efficiency program information in a dedicated customer  
3 email, digital marketing and social media. In addition, Conserve was promoted  
4 throughout the year on transit buses, print, billboards, local radio, and digital  
5 advertising, including paid social media and local events. The Company also  
6 participated in the Cape May County Zoo Earth Day Celebration on April 18, 2026,  
7 and ACUA’s Earth Day Festival on April 26, 2026.

8 To create awareness of South Jersey’s energy efficiency programs and the  
9 Conserve website, the Company utilizes a multichannel approach including owned  
10 channels, website, social media, bill messaging, statement inserts, and advertising  
11 on local radio, on digital platforms (Google / Facebook / Instagram / Nextdoor),  
12 streaming television, and public transit placements.

13 **Sponsorships and Associations**

14 ***Sustainable Jersey***

15 Since 2013, the Company engaged with Sustainable Jersey and made a  
16 substantial contribution to foster its efforts to create a South Jersey Hub where  
17 multiple towns were able to come together to join Hubs throughout the state,  
18 including the Atlantic/Cape May Hub and Burlington/Camden/Gloucester Hub  
19 within our service territory. Sustainable Jersey is a network of municipalities,  
20 schools and school districts working collectively to bring about a sustainable New  
21 Jersey. Acting with state agencies, non-profit organizations, foundations, academia  
22 and industry, Sustainable Jersey research best practices for what communities could  
23 and should do to contribute to a sustainable future. The program culminates in a

1 prestigious certification award to municipalities and schools that have documented  
2 meeting a set of rigorous standards. South Jersey is also supporting the Sustainable  
3 Jersey Digital Schools program. This program’s focus is supporting schools in  
4 addressing the digital divide and preparing digital learning for the next school year.

5 Sustainable Jersey provides financial resources and support for  
6 sustainability programs and encourages participation in clean energy and energy  
7 efficiency programs. With South Jersey’s contribution, Sustainable Jersey has  
8 made considerable progress to advance initiatives throughout Southern New Jersey.

9 ***EmPowered Schools***

10 South Jersey has partnered with the Alliance to Save Energy’s EmPowered  
11 Schools program, which is a year-long, STEM-based curriculum program that  
12 teaches students about energy efficiency. The program also positions students to  
13 lead energy-saving campaigns in their schools, homes and communities. Through  
14 the South Jersey Gas and EmPowered Schools partnership, we provide support and  
15 resources to forty (40) schools across the Company’s service territory.

16 Funds are also expended for work with organizations that actively support  
17 energy conservation and energy efficiency, including breakthrough technologies  
18 that have the potential to provide significant savings for our customers.

19 **Q. DO ANY OF YOUR CIP INITIATIVES OR PROGRAMS COMPETE WITH**  
20 **THE OFFICE OF CLEAN ENERGY PROGRAMS?**

21 **A.** No. As directed by the June 2020 Order<sup>7</sup>, administration of the following programs  
22 transitioned from the Board’s Office of Clean Energy to the utilities: Efficient

---

<sup>7</sup> In re the Implementation of P.L. 2018, c. 17 Regarding the Establishment of Energy Efficiency and Peak Demand Reduction Programs, Docket No. QO19010040, Order dated June 10, 2020 (“June 2020 Order”).

1 Products, Home Performance with Energy, Multifamily, C&I Direct Install, C&I  
2 Prescriptive and Custom. The Office of Clean Energy continues to administer New  
3 Construction, Large Energy Users, Energy Savings Improvement Program, State  
4 Facilities Initiative, Local Government Audits and Combined Heat and Pump and  
5 Fuel Cell Programs. South Jersey also collaborates with the Board and other utilities  
6 on program coordination and implementation. In addition, the Company  
7 participates in the Board's monthly Energy Efficiency stakeholder meeting.

8 **Q. PURSUANT TO THE BOARD'S APRIL 2023 ORDER, THE COMPANY**  
9 **AGREED TO ANNUALLY REVIEW THE CIP PROGRAMS IT FUNDS,**  
10 **COMPARE THEM TO OTHER AVAILABLE PROGRAMS, AND MAKE**  
11 **CHANGES TO THE PROGRAMS IT CHOOSES TO FUND IF IT**  
12 **DETERMINES OTHER PROGRAMS ARE MORE EFFECTIVE IN**  
13 **ACHIEVING THE CIP OBJECTIVES. WHAT ARE THE RESULTS OF**  
14 **THIS REVIEW?**

15 **A.** Based on the requirements of the Board's April 2023 Order, the Company has  
16 reviewed the CIP programs it funds and determined that the programs are effective  
17 in achieving the CIP objectives of promoting energy-efficiency and conservation  
18 activities to aid customers in reducing their natural gas costs. The programs are  
19 outlined below.

20 1. The Conserve website is funded through the CIP and is a free resource to  
21 South Jersey's customers where customers can access information and  
22 articles designed to help save energy and money. Topics include tips and  
23 information to help customers decrease their energy consumption, lower

1 their energy bills and reduce their impact on the environment. The results  
2 show that this is a useful tool for customers and contractors. The Conserve  
3 website also develops and hosts various articles cultivated for seasonality  
4 and customer engagement throughout the year. Topics are refreshed  
5 monthly and typically focus on saving energy, home and family, games,  
6 community engagement, and content for families.

7 2. The CIP funds are also beneficial to sponsoring EmPowered Schools, an  
8 educational component of a larger nonprofit, the Alliance to Save Energy,  
9 which promotes energy efficiency worldwide to achieve a healthier  
10 economy, a cleaner environment and energy security. Focusing the school  
11 as a real-world learning laboratory, students engage in STEM-based lessons  
12 with hands-on applications that turn their knowledge into power. Program  
13 content focuses on energy efficiency, demand response, and renewable  
14 energy. With EmPowered Schools, Pre-K through 12th grade students  
15 become ambassadors for energy conservation in their schools, homes, and  
16 communities. South Jersey has forty (40) participating schools across its  
17 service territory. This allows the Company to spread energy efficiency  
18 awareness through students in the community. Empowered Schools has  
19 successfully implemented this program for over 25 years, including  
20 classroom and take-home resources for school students.

21 3. Through the CIP, the Company funds Sustainable Jersey, a network of  
22 municipalities, schools and school districts working collectively to bring  
23 about a sustainable New Jersey. Acting with state agencies, non-profit

1 organizations, foundations, academia and industry, Sustainable Jersey  
2 research best practices for what communities could and should do to  
3 contribute to a sustainable future. SJG also supports Sustainable Jersey  
4 Digital Schools program which addresses the digital divide and prepares  
5 digital learning in order to help students prepare for college and careers.  
6 This program shows the best results with direct impact to customers with  
7 83% of municipalities participation, and 67% of New Jersey public schools  
8 registered. Sustainable Jersey has been active for over 15 years, certifying  
9 a collective impact where 91% of the New Jersey population lives.

10 The Company has also funded community events. These events provide  
11 South Jersey with the opportunity to engage customers in the community  
12 and provide energy efficiency education. The Company directly reaches  
13 thousands of customers each year through traditional presentations, lunch  
14 and learn events, outreach tables at conferences and green fairs.

15 Based on our review, the Company intends to continue to fund the programs  
16 without any changes.

17 **Q. PURSUANT TO THE APRIL 2023 ORDER, THE COMPANY AGREED TO**  
18 **REVIEW AND UPDATE SOUTH JERSEY'S CONSERVE WEBSITE AT**  
19 **LEAST EVERY TWO MONTHS TO HELP ENSURE THAT THE**  
20 **CONTENT AND LINKS TO OTHER WEBSITES ARE CURRENT, AND**  
21 **ANNUALLY TO HELP ENSURE THAT THE CONTENT IS EFFECTIVE**  
22 **IN HELPING TO MEET THE CIP OBJECTIVES. WHAT IS THE**  
23 **COMPANY'S CONSERVE WEBSITE REVIEW PROCESS?**

1 A. South Jersey's Marketing team receives a monthly report and an annual report from  
2 the Web Manager that includes pageviews and visited pages within the Conserve  
3 site during the year. The most recent annual report insights included the following  
4 information:

- 5 • Visitors were primarily leveraging the main Conserve hub, followed  
6 by Conserve News and leveraging the search box within the site as  
7 the top visited pages. South Jersey Gas' Marketing team reviewed  
8 the activity for the period of October 1, 2024 through September 30,  
9 2025. These reports show that, for the period of October 1, 2024  
10 through September 30, 2025, there were 27,882 overall pageviews,  
11 17,179 unique pageviews, and 24 posted articles. Through March  
12 2026 of the 2025-2026 CIP year, there were 15,690 overall  
13 pageviews, 12,992 unique pageviews, and 16 posted articles. These  
14 metrics are used to evaluate trends related to website traffic.  
15 Schedule FV-3 provides further information with regards to  
16 Conserve data.

17  
18 **IV: CURRENT CIP YEAR PROGRAM EXPENSES**

19 **Q. PLEASE PROVIDE AN OVERVIEW OF THE CURRENT CIP YEAR**  
20 **PROGRAM EXPENSES.**

21 A. Quarterly expenses incurred for each of South Jersey's CIP programs are  
22 summarized in the Company's CIP Quarterly Reports. The current 2025-2026 CIP  
23 Year program expenses are attached hereto as Schedule FV-2. During the first half  
24 of the 2025-2026 CIP Year, which is from October 2025 to March 2026, South

1 Jersey invested \$236,745 in CIP programs. With the Company's enhanced  
2 involvement in Sustainable Jersey's increased targeted and cost-effective media  
3 promotions, South Jersey projects that it will spend approximately \$500,000 by the  
4 conclusion of the 2025-2026 CIP Year.

5  
6 **V: FUTURE CIP INITIATIVES**

7 **Q. DOES THE COMPANY HAVE PLANS FOR ADDITIONAL CIP**  
8 **INITIATIVES?**

9 **A.** South Jersey will continue to explore ideas for CIP programs, looking to identify  
10 new services and offers that complement existing programs administered by both  
11 the Company and the New Jersey Clean Energy Program.

12 **Q. PLEASE BRIEFLY SUMMARIZE YOUR TESTIMONY.**

13 **A.** My testimony has provided an overview of the programs in effect during the 2025-  
14 2026 CIP Year and their related expenditures. All of South Jersey's CIP programs  
15 are designed to complement current energy policies articulated by the Board and  
16 the State of New Jersey and are intended to motivate customers to efficiently use  
17 energy and reduce their costs.

18 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

19 **A.** Yes.

**Cindy Capozzoli**  
Senior Director, Rates

November 6, 2025

Stacy Peterson  
Division of Energy  
NJ Board of Public Utilities  
44 South Clinton Street  
Trenton, NJ 08625

Brian Lipman  
Division of Rate Counsel  
140 East Front Street, 4<sup>th</sup> Floor  
P.O. Box 003  
Trenton, NJ 08625

**Re: Conservation Incentive Program (“CIP”) Quarterly Report**

Dear Ms. Peterson and Mr. Lipman:

Pursuant to the New Jersey Board of Public Utilities’ (“Board”) Order dated December 12, 2006, in Docket No. GR05121019, South Jersey Gas Company is filing its CIP Quarterly Report for the quarter ending September 30, 2025. The report is comprised of the following two components:

- Status Report of CIP Programs – Exhibit 1
- Quarterly CIP Report of Expenses – Exhibit 2

In accordance with the Board’s March 19, 2020 and June 10, 2020 Orders issued in Docket No. EO20030254, hard copies are not being submitted at this time, but can be provided at a later time, if needed.

Please do not hesitate to contact me, should you have any questions.

Respectfully,



Cindy Capozzoli

CC:caj/f84  
Attachments

cc: M. Minkel  
M. Caroselli  
K. Forbes

**South Jersey Gas Company**  
**Status Report of Approved Conservation Incentive Programs (CIP)**  
**Docket No. GR05121019**

**Report of Quarterly Activities as of September 30, 2025**

**Public Sector Outreach Program**

South Jersey Gas (“SJG” or the “Company”) continues to promote energy efficiency through its own suite of programs approved in Docket No. Q023120870 (Triennium 2), as well as those offered by the Office of Clean Energy to our customers. SJG continues to support efforts to participated in outreach events to educate customers on energy conservation and create awareness of our energy efficiency programs.

We contend that all customers, who can take advantage of the Company’s and the State’s energy efficiency programs, are making a deliberate effort to reduce their energy usage. SJG offers a variety of educational information that allows customers to learn how to save energy and money. The company includes energy efficiency information on our website, on bill inserts, through trade ally training and by educating students through the EmPowered Schools partnership.

To help customers increase their energy efficiency engagement, we continue to engage customers through Conserve, a free, online Energy Efficiency resource conveniently located on the SJG website (<https://southjerseygas.com/consERVE>). Conserve offers tips and information to help customers decrease their energy consumption, lower their energy bills, and reduce their impact on the environment. Conserve will feature new content on an ongoing basis, within topic categories that focus generally on saving energy and

money (*Go Green & Save*), home and family (*Together at Home*), community programs and reader input (*Community*), tips and education for students (*Conserve Kids*) and energy-saving products and services (*Energy Efficiency Programs*). In addition to energy-saving tips, ideas and solutions, Conserve will provide games, puzzles, and other content to engage children and families. To create awareness of SJG's energy efficiency programs and the Conserve website, the Company includes bill messaging and advertisements in community newspapers, on local radio and in transit rail stations.

### **Sponsorships and Associations**

SJG continues to sponsor and support Sustainable Jersey and Alliance to Save Energy's EmPowered Schools program, formerly PowerSave Schools. Sustainable Jersey is a network of municipalities, schools and school districts working collectively to bring about a sustainable New Jersey. Acting with state agencies, non-profit organizations, foundations, academia and industry, Sustainable Jersey researches best practices for what communities could and should do to contribute to a sustainable future. The program culminates in a prestigious certification award to municipalities and schools that have documented meeting a set of rigorous standards. SJG is also supporting the Sustainable Jersey Digital Schools program. This program's focus is supporting schools in address the digital divide and preparing digital learning for the next school year.

SJG has continued to partner with the Alliance to Save Energy's EmPowered Schools program, which is a year-long, STEM-based curriculum program that teaches students about energy efficiency. The program also positions students to lead energy-saving campaigns in their schools, homes, and communities. Since the introduction of Alliance

to Save Energy's Empowered Schools program in February 2019, the Company has provided support and resources to forty schools across Atlantic, Camden, Cape May, Cumberland, Gloucester, and Salem Counties. SJG will support forty schools in our service area.

SJG has joined the Consortium for Energy Efficiency (CEE), a nonprofit organization that collaborates with energy efficiency program administrators on market strategies enabling new levels of energy reduction and environmental benefit.

**On-Going Energy Efficiency Messaging:**

The Company continues its efforts to leverage its partnership approach with the NJ Clean Energy Program, to offer customers, both residential and commercial, the most energy value available to them through our enhanced energy efficiency website at [www.southjerseygas.com/energyefficiencyprograms](http://www.southjerseygas.com/energyefficiencyprograms).

Exhibit 2

**South Jersey Gas Company  
Docket Number GR05121019**

**Quarterly CIP Report of Expenses**

Program Name	1st Quarter 10/01/24 - 12/31/24	2nd Quarter 1/1/25 -3/31/25	3rd Quarter 4/1/25 - 6/30/25	4th Quarter 7/1/25 - 9/30/25	Annual Total
Direct Mail Campaign					\$0
Public Sector Outreach	\$42,000	\$9,456	\$16,112	\$137,764	\$205,332
Training					\$0
Sponsorships & Associations	\$2,000	\$192,146	\$6,500	\$96,952	\$297,598
<b>Total CIP Expenses</b>	<b>\$44,000</b>	<b>\$201,602</b>	<b>\$22,612</b>	<b>\$234,716</b>	<b>\$502,930</b>



One South Jersey Place  
Atlantic City, NJ 08401

T: (856) 625-6618

[ccapozzoli@sjindustries.com](mailto:ccapozzoli@sjindustries.com)

**Cindy Capozzoli**  
Senior Director, Rates

May 5, 2026

Stacy Peterson  
Division of Energy  
NJ Board of Public Utilities  
44 South Clinton Street  
Trenton, NJ 08625

Brian Lipman  
Division of Rate Counsel  
140 East Front Street, 4<sup>th</sup> Floor  
P.O. Box 003  
Trenton, NJ 08625

**Re: Conservation Incentive Program (“CIP”) Quarterly Report**

Dear Ms. Peterson and Mr. Lipman:

Pursuant to the New Jersey Board of Public Utilities’ (“Board”) Order dated December 12, 2006, in Docket No. GR05121019, South Jersey Gas Company is filing its CIP Quarterly Report for the quarter ending March 31, 2026. The report is comprised of the following two components:

- Status Report of CIP Programs – Exhibit 1
- Quarterly CIP Report of Expenses – Exhibit 2

In accordance with the Board’s March 19, 2020 and June 10, 2020 Orders issued in Docket No. EO20030254, hard copies are not being submitted at this time, but can be provided at a later time, if needed.

Please do not hesitate to contact me, should you have any questions.

Respectfully,

A handwritten signature in blue ink that reads "Cindy Capozzoli".

Cindy Capozzoli

CC:caj/f84  
Attachments

cc: M. Minkel  
M. Caroselli  
K. Forbes

**Exhibit 1**

**South Jersey Gas Company  
Status Report of Approved Conservation Incentive Programs (CIP)  
Docket No. GR05121019**

**Report of Quarterly Activities as of March 31st, 2026**

**Public Sector Outreach Program**

South Jersey Gas (“SJG” or the “Company”) continues to promote energy efficiency through its own suite of programs approved in Docket No. Q023120870 (Triennium 2), as well as those offered by the Office of Clean Energy to our customers. SJG continues to support efforts to participate in outreach events to educate customers on energy conservation and create awareness of our energy efficiency programs.

We contend that all customers, who can take advantage of the Company’s and the State’s energy efficiency programs, are making a deliberate effort to reduce their energy usage. SJG offers a variety of educational information that allows customers to learn how to save energy and money. The company includes energy efficiency information on our website, on bill inserts, through trade ally training and by educating students through the EmPowered Schools partnership.

To help customers increase their energy efficiency engagement, we continue to engage customers through Conserve, a free, online Energy Efficiency resource conveniently located on the SJG website (<https://southjerseygas.com/consERVE>). Conserve offers tips and information to help customers decrease their energy consumption, lower their energy bills, and reduce their impact on the environment. Conserve will feature new content on an ongoing basis, within topic categories that focus generally on saving energy and

## **Exhibit 1**

money (*Go Green & Save*), home and family (*Together at Home*), community programs and reader input (*Community*), tips and education for students (*Conserve Kids*) and energy-saving products and services (*Energy Efficiency Programs*). In addition to energy-saving tips, ideas and solutions, Conserve will provide games, puzzles, and other content to engage children and families. To create awareness of SJG's energy efficiency programs and the Conserve website, the Company includes bill messaging and advertisements in community newspapers, on local radio and in transit rail stations.

### **Sponsorships and Associations**

SJG continues to sponsor and support Sustainable Jersey and Alliance to Save Energy's EmPowered Schools program, formerly PowerSave Schools. Sustainable Jersey is a network of municipalities, schools and school districts working collectively to bring about a sustainable New Jersey. Acting with state agencies, non-profit organizations, foundations, academia and industry, Sustainable Jersey researches best practices for what communities could and should do to contribute to a sustainable future. The program culminates in a prestigious certification award to municipalities and schools that have documented meeting a set of rigorous standards. SJG is also supporting the Sustainable Jersey Digital Schools program. This program's focus is supporting schools in addressing the digital divide and preparing digital learning for the next school year.

SJG has continued to partner with the Alliance to Save Energy's EmPowered Schools program, which is a year-long, STEM-based curriculum program that teaches students about energy efficiency. The program also positions students to lead energy-saving campaigns in their schools, homes, and communities. Since the introduction of Alliance

**Exhibit 1**

to Save Energy's Empowered Schools program in February 2019, the Company has provided support and resources to forty schools across Atlantic, Camden, Cape May, Cumberland, Gloucester, and Salem Counties. SJG will support forty schools in our service area.

SJG has joined the Consortium for Energy Efficiency (CEE), a nonprofit organization that collaborates with energy efficiency program administrators on market strategies enabling new levels of energy reduction and environmental benefit.

**On-Going Energy Efficiency Messaging:**

The Company continues its efforts to leverage its partnership approach with the NJ Clean Energy Program, to offer customers, both residential and commercial, the most energy value available to them through our enhanced energy efficiency website at [www.southjerseygas.com/energyefficiencyprograms](http://www.southjerseygas.com/energyefficiencyprograms).

Exhibit 2

**South Jersey Gas Company  
Docket Number GR05121019**

**Quarterly CIP Report of Expenses**

Program Name	1st Quarter 10/01/25 - 12/31/25	2nd Quarter 1/1/26 -3/31/26	3rd Quarter 4/1/26 - 6/30/26	4th Quarter 7/1/26 - 9/30/26	Annual Total
Direct Mail Campaign					\$0
Public Sector Outreach	\$46,854	\$4,000			\$50,854
Training					\$0
Sponsorships & Associations		\$185,891			\$185,891
<b>Total CIP Expenses</b>	<b>\$46,854</b>	<b>\$189,891</b>	<b>\$0</b>	<b>\$0</b>	<b>\$236,745</b>

**South Jersey Gas Marketing Content Calendar  
2025-2026 CIP Year**

**Schedule FV-3**

<b>(2025) Month</b>	<b>October</b>	<b>November</b>	<b>December</b>
<b>Quarterly Theme</b>	<b>Take control Bills, Cold Weather, Community/Holidays, Festive &amp; Warm</b>		
<b>Theme</b>	Energy Efficiency Every Day!	Celebrate the season - Cook up your favorite recipes like a pro w/nat gas	Holidays - less sales, more feel good content
<b>Holidays</b>	Halloween; EE Day	Day Lights Saving, Verteran's Day, Thanksgiving	Winter Holidays; New Years Eve
<b>Conserve Articles</b>	Insulation 101: Attic, Basement, and Ductwork Get Your Home Ready for Fall: An Energy Check-Up for National Energy Awareness Month	Prep Your Workplace to Reduce Standby Energy Use Give Thanks and Save Energy with Smarter Cooking During the Holidays	The 12 Days of Energy Saving: A Family Challenge DIY Energy-Saving Crafts and Activities for the Family
<b>(2026) Month</b>	<b>January</b>	<b>February</b>	<b>March</b>
<b>Quarterly Theme</b>	<b>Have a Warm &amp; Efficient Winter Season Understanding your bill and taking control of energy costs; Utility Assistance; Energy Efficiency; Safety</b>		
<b>Theme</b>	Cold Weather Tips, Utility Bill Assistance, High Bills	Fall in Love with Gas. Cooking with Natural Gas for loved ones	Go Green, Focus on Conserve
<b>Holidays</b>	New Year's Day, Martin Luther King Jr Day	Black History Month, Groundhog's Day, Valentine's Day, President's Day	Women's History Month, St Patrick's Day, Daylight Saving
<b>Conserve Articles</b>	10 Ways to Cut Your Heating Bill This Winter New Year, Lower Bills: 4 Programs NJ Families Should Know for 2026	Energy Detectives at Home: A Fun Winter Activity for Kids That Saves Money 7 Late-Winter Home Fixes That Can Still Lower Energy Use and Improve Comfort	6 Smart Energy Investments Businesses Should Plan for Before Summer The Spring Energy Reset: Simple Changes That Add Up Over the Year
<b>(2026) Month</b>	<b>April</b>	<b>May</b>	<b>June</b>
<b>Quarterly Theme</b>	<b>Go Green with Blossoming Savings Earth Day, Spring Beginnings, Safety, Small Business Week, Damage Prevention/811; AC tune up &amp; savings</b>		
<b>Theme</b>	Earth Month, Safe Digging Month,	Get ready for an efficient summer	Have a Safe Summer, Summer cooking, cooking with gas grills
<b>Holidays</b>	Earth Day Conserve/Sustainability/Clean Energy Campaign	Mother's Day; Memorial Day; Small Business Week	Father's Day, Summer Starts
<b>Conserve Articles</b>	Energy Efficiency for Businesses: Which Improvements Actually Deliver Long-Term Value Quick and Easy Energy Actions Can Lead at Home This Earth Month	School's Almost Out: How Families Can Make Summer Energy Smarter Before You Turn on the AC: Energy Prep Steps That Improve Summer Comfort	TBD

**BEFORE THE  
NEW JERSEY BOARD OF PUBLIC UTILITIES**

**SOUTH JERSEY GAS COMPANY**

**Direct Testimony**

**of**

**Daniel P. Yardley,**

**Yardley Associates**

**On Behalf of  
South Jersey Gas Company**

1 **I. INTRODUCTION**

2 **Q. Please state your name, affiliation and business address.**

3 **A.** My name is Daniel P. Yardley. I am Principal, Yardley Associates and my business  
4 address is 2409 Providence Hills Drive, Matthews, NC 28105.

5 **Q. On whose behalf are you testifying?**

6 **A.** I am testifying on behalf of South Jersey Gas Company (“South Jersey Gas” or the  
7 “Company”).

8 **Q. Please summarize your professional and educational background.**

9 **A.** I have been employed as a consultant to the natural gas industry for thirty-five  
10 years. During this period, I have directed or participated in numerous consulting  
11 assignments. A number of these assignments involved the development of gas  
12 distribution company cost allocation, pricing, service unbundling, revenue  
13 decoupling and other tariff analyses. In addition to this work, I have performed  
14 interstate pipeline cost of service, rate design and service unbundling analyses; gas  
15 supply planning analyses; and financial evaluation analyses. I received a Bachelor  
16 of Science Degree in Electrical Engineering from the Massachusetts Institute of  
17 Technology in 1988.

18 **Q. Have you previously testified before the New Jersey Board of Public Utilities?**

19 **A.** Yes. I testified before the New Jersey Board of Public Utilities (the “Board”) on  
20 behalf of South Jersey Gas, Elizabethtown Gas Company and New Jersey Natural  
21 Gas Company (“NJNG”) in a number of different proceedings. I sponsored  
22 testimony in 2005 that supported the Company’s petition to implement an

1 innovative rate design that promoted customer conservation and energy efficiency,  
2 which led to the development of the Company’s Conservation Incentive Program  
3 (“CIP”), and in 2013 that supported continuation of the CIP. I have also testified  
4 or sponsored pre-filed testimony in proceedings before a number of other State  
5 utility regulatory commissions, the Federal Energy Regulatory Commission and the  
6 Canada Energy Regulator on matters pertaining to cost of service, cost allocation,  
7 rate design, revenue decoupling and upstream capacity planning.

8 **Q. What is the purpose of your testimony in this proceeding?**

9 **A.** The purpose of my testimony is to describe South Jersey Gas’ CIP and present the  
10 derivation of the associated tariff charges resulting from the operation of the  
11 program for the annual period ending September 30, 2026.

12 **Q. Are you sponsoring any exhibits that accompany your prepared direct**  
13 **testimony?**

14 **A.** Yes. I am sponsoring the following exhibits, each of which will be explained later  
15 in my testimony:

16 Schedule No. DPY-1: Comparison of 2024-25 Customer Usage to  
17 Baseline;

18 Schedule No. DPY-2: Comparison of 2025-26 Customer Usage to  
19 Baseline;

20 Schedule No. DPY-3: GSG and GSG-LV Large Customer Adjustment;

21 Schedule No. DPY-4: Determination of Weather-Related Component of  
22 CIP;

23 Schedule No. DPY-5: BGSS Savings Test;

24 Schedule No. DPY-6: Calculation of Over/(Under) Recovered CIP  
25 Balance;

1 Schedule No. DPY-7: Derivation of CIP Charge / Credit; and

2 Schedule No. DPY-8: Proposed Tariff Sheets.

3 **II. DESCRIPTION OF THE CIP**

4 **Q. How was the Company's CIP developed?**

5 **A.** Following a period of relatively low and stable prices throughout the 1990s, natural  
6 gas commodity prices experienced increased volatility and higher market clearing  
7 prices in the ensuing years as the growing demand for natural gas to fire electric  
8 generation contributed to a significant tightening of the supply-demand balance.  
9 Prices continued to rise following major hurricanes that damaged Gulf Coast  
10 production in the summer of 2005. South Jersey Gas, together with NJNG,  
11 developed and proposed an innovative program late in 2005 that would allow them  
12 to aggressively promote energy efficiency and conservation to customers. A  
13 necessary component of the proposal was the implementation of a tariff mechanism  
14 that eliminated the link between throughput and margin recoveries.

15 South Jersey Gas and NJNG, together with Board Staff and the New Jersey  
16 Division of Rate Counsel ("Rate Counsel"), worked diligently to agree on the terms  
17 of a pilot program. On October 12, 2006, the Board, in combined Docket Nos.  
18 GR05121019 and GR05121020, adopted a stipulation ("CIP Stipulation")  
19 implementing the CIP for South Jersey Gas on a three-year Pilot Program basis  
20 effective October 1, 2006. In January 2010, the Board extended the CIP for an  
21 additional three-to-four-year period. In May of 2014, the Board approved  
22 continuation of the CIP with limited modifications as agreed to by the Company,  
23 NJNG, Board Staff and Rate Counsel ("2014 CIP Stipulation").

1 **Q. How does the CIP promote energy efficiency and conservation?**

2 **A.** The CIP is comprised of customer-oriented conservation programs and an  
3 innovative tariff mechanism that normalizes South Jersey Gas' margin recoveries  
4 for the impact of conservation and other changes in customer use. The CIP tariff  
5 more appropriately aligns South Jersey Gas' interests with those of its customers as  
6 any customer savings from conservation do not contribute negatively to the  
7 Company's financial performance. Elimination of the disincentives to pursue  
8 customer conservation has enabled South Jersey Gas to implement new initiatives  
9 that capitalize on various channels for promoting conservation by its customers.

10 **Q. Is the CIP consistent with the current public policy direction in New Jersey?**

11 **A.** Yes. The CIP promotes cost-effective energy choices by consumers by equipping  
12 them with greater information concerning their consumption patterns. To the extent  
13 that South Jersey Gas customers participate in programs to install or upgrade  
14 existing equipment with high efficiency alternatives, the New Jersey economy and  
15 the environment benefit. The CIP contributes to economic benefits through the  
16 local jobs supported by the contractor activity and the lower cost of energy use to  
17 customers. The CIP also contributes to environmental benefits as higher efficiency  
18 equipment leads to reductions in greenhouse gas emissions. These benefits are  
19 consistent with New Jersey energy policy objectives.

20 **Q. Please summarize the important features of the CIP tariff.**

21 **A.** Details of the CIP mechanism are set forth as Rider M of South Jersey Gas' tariff.  
22 Rider M is applicable to all residential and general service customers. The CIP  
23 tariff establishes a baseline monthly usage for four different groups of South Jersey

1 Gas customers: (i) residential non-heating, (ii) residential heating, (iii) general  
2 service, and (iv) general service – large volume. Additionally, Rider M sets forth  
3 the calculation method for establishing the charge or credit for each applicable  
4 group based on a comparison of actual usage to the baseline usage and on class-  
5 specific margin factors. Rider M also reflects features that potentially limit the  
6 Company’s recoveries in a given year. These include limitations upon the recovery  
7 of the margin impact of non-weather related changes in use, and a requirement that  
8 total recoveries not contribute to the Company earning in excess of 9.60 percent  
9 return on equity.

10 **Q. Please describe the recovery limitations applicable to the non-weather related**  
11 **CIP amount.**

12 **A.** The CIP incorporates a recovery limitation specifically applicable to changes in  
13 average consumption that are not attributable to weather. This is referred to as the  
14 non-weather component of the CIP amount and is determined by subtracting the  
15 weather component from the total CIP amount. The non-weather component is  
16 subject to a recovery limitation determined through the application of a two-  
17 pronged test. The first prong of the recovery test limits recoveries of any amounts  
18 whereby Basic Gas Supply Service (“BGSS”) savings are less than 75 percent of  
19 the non-weather component. The second prong of the recovery test limits recoveries  
20 of any amounts by which the non-weather component exceeds 6.5 percent of  
21 variable margin revenues. The amount of the non-weather component that does not  
22 pass both of these recovery limits is deferred to the subsequent year and is included  
23 in the non-weather component subject to the two-pronged test at that time.

1 **Q. Please explain the source of BGSS savings that are relied upon for the BGSS**  
2 **savings test.**

3 **A.** BGSS savings result from gas supply contract restructurings, avoided costs or other  
4 purchasing practices that benefit customers by lowering BGSS costs. The 2014  
5 CIP Stipulation specifies the categories of BGSS savings as well as an initial level  
6 of verified BGSS savings. In the current filing, the Company is supporting total  
7 BGSS savings of \$19.7 million as further described in the testimony of Maria  
8 Mendoza. The \$19.7 million of BGSS savings includes \$2.2 million of permanent  
9 capacity release savings, \$16.8 million of additional capacity release savings and  
10 \$0.7 million of avoided cost BGSS savings.

11 **Q. What steps are necessary to calculate the annual CIP charge or credit?**

12 **A.** The calculation of the Rider M adjustment is performed for each of the four  
13 customer groups subject to the clause, resulting in a single credit or charge  
14 applicable to all customers within each grouping. The calculation begins by  
15 dividing the actual customers for each month into the actual booked volumes to  
16 establish an actual average use per customer. An adjustment to the number of  
17 general service and general service large volume customers is made to reflect any  
18 large customers that have been added to the system. Next, the monthly average use  
19 per customer value is compared to the baseline usage per customer for the  
20 corresponding customer group. This difference represents the average usage  
21 impact for all customers in the class for the month. In order to determine the total  
22 volume impact for the class, the monthly differences are multiplied by the  
23 corresponding actual number of customers. The margin impact is simply the usage

1 impact multiplied by the margin revenue factor for the customer group set forth in  
2 Rider M. The charge or credit for the group is the total margin adjustment divided  
3 by the forecasted sales for the recovery period. Since the charge or credit is derived  
4 based on projected throughput, any over or under-recovery from the prior recovery  
5 period is included in the calculation of the charge or credit for the current period.

6 **Q. What time period is covered under this CIP filing?**

7 **A.** This filing addresses the annual period beginning October 1, 2025 through  
8 September 30, 2026 (“2025-26 CIP Year”). The schedules supporting this filing  
9 are based on seven (7) months of actual data and five (5) months of projected data  
10 for the period. The resulting charge or credit, including any over or under recovery  
11 for the prior period, is applied to customer bills beginning on October 1, 2026. The  
12 timing of the CIP rate adjustments was agreed to in order to synchronize them with  
13 the review and implementation of South Jersey Gas’ annual BGSS filing.

14 **Q. Have you prepared a summary of results for the prior year of the CIP program**  
15 **covering the twelve-month period ending September 30, 2025?**

16 **A.** Yes. Now that the annual period covered by the previous year of the CIP is  
17 complete, actual results for this time period can be calculated. Schedule No. DPY-  
18 1 provides the actual results for the 2024-25 CIP Year ending September 30, 2025  
19 for each of the four groups, which reflect a combined total of \$21.5 million margin  
20 revenue below the benchmark level, including both the weather and non-weather  
21 impacts.

1 **Q. Please provide a comparison of customer usage to the benchmark for the**  
2 **annual period beginning October 1, 2025.**

3 **A.** Actual average use per customer for October 2025 through April 2026 and  
4 projections through September 2026 are provided for each of the customer groups  
5 covered by the CIP tariff in Schedule No. DPY-2. Schedule No. DPY-2 also  
6 provides a comparison of the actual values shown in column (d) to the baseline  
7 values set forth in Rider M and shown in column (e). The margin impact of the  
8 difference in average use per customer is calculated by multiplying the change in  
9 average use per customer times the actual number of customers times the margin  
10 revenue factor. The margin revenue factor for each customer group is also set forth  
11 in Rider M. The total impact of changes in average use per customer for the period  
12 results in a forecasted margin of \$3.6 million above the benchmark level.

13 **Q. Does the comparison reflected in Schedule No. DPY-2 reflect the large**  
14 **customer adjustment as provided for in Rider M?**

15 **A.** Yes. The actual number of customers for the general service and general service  
16 large volume customer groups shown in column (c) of Schedule No. DPY-2 reflects  
17 an adjustment for large customer additions to South Jersey Gas' system. As  
18 specified in Rider M, an adjustment is made for any incremental general service  
19 customer that exceeds 1,200 cubic feet per hour of connected load and any general  
20 service large volume customer that exceeds 50,000 cubic feet per hour of connected  
21 load. The incremental load for these customers is converted into an equivalent  
22 number of additional customers to be included in the Rider M calculations going  
23 forward. This removes any potential disincentive to connecting beneficial, large

1 customer loads. The level of the monthly large customer adjustment applicable to  
2 the 202526 CIP Year is provided as Schedule No. DPY-3.

3 **Q. Have you performed the dual pronged eligibility test applicable to the non-**  
4 **weather component of the CIP for the current year?**

5 **A.** Yes. I determined the weather-related component of the CIP by calculating the  
6 margin impact of weather consistent with the terms of South Jersey Gas'  
7 Temperature Adjustment Clause. The calculation of the weather-related  
8 component for each customer group is provided in Schedule No. DPY-4. The total  
9 weather-related component, which equals \$9.0 million of revenue excess, is netted  
10 from the total CIP revenue excess of \$3.6 million to establish the non-weather-  
11 related component for the current period, which is a revenue deficiency of \$5.4  
12 million as shown in on Page 1 of Schedule No. DPY-5. The modified BGSS  
13 Savings test and the variable margin revenue test are shown on Exhibit No. DPY-  
14 5. The full non-weather revenue deficiency of \$5.4 million passes both the BGSS  
15 Savings test and the Variable Margin Revenue test and is recoverable through the  
16 CIP.

17 **Q. Do the calculations reflected on Schedule DPY-5 reflect a carry-forward from**  
18 **the 2024-2025 CIP Year?**

19 **A.** Yes. \$5.7 million of non-weather CIP impacts that did not pass the BGSS Savings  
20 test for the 2024-2025 CIP Year are carried forward to the current filing. The excess  
21 BGSS Savings for the current year cover all of the the non-weather impacts carried  
22 forward from the prior year.

1 **Q. Please provide the derivation of the CIP charge or credit to be effective**  
2 **October 1, 2026.**

3 **A.** The current CIP amount to be credited to customers through Rider M is the  
4 combination of the recoverable weather and non-weather-related margin impacts,  
5 or 3.6 million. In addition, \$5.7 million of prior year non-weather CIP deficiency  
6 is recovered from customers in the current CIP. The weather and non-weather-  
7 related CIP amounts are collected through customer group-specific charges based  
8 on projected throughput for the annual period beginning October 1, 2026. The  
9 throughput forecast is the same as that proposed to be utilized to establish the  
10 Periodic BGSS Rate effective October 1, 2026. In addition to the CIP amount for  
11 the current year, the calculated charges also include the net over-collection of the  
12 CIP for the recovery period ending September 30, 2026 of \$1.9 million, which is  
13 shown in Schedule No. DPY-6. The derivation of the resulting CIP charges is set  
14 forth in Schedule No. DPY-7. This schedule also shows the application of state  
15 taxes in order to establish rates billed to customers.

16 **Q. Is the Company proposing to modify the manner in which the CIP is calculated**  
17 **for residential customers?**

18 **A.** Yes, South Jersey Gas is proposing to combine Residential Heating and Residential  
19 Non-heating CIP amounts for recovery purposes into a single residential rate. Cessor  
20 to a single residential rate mitigates the potential for significant swings in the  
21 residential non-heating CIP rate that can occur due to low volumes. Recovering  
22 residential CIP amounts through a single rate is consistent with the Company's  
23 Temperature Adjustment Clause, which was replaced by the CIP. Since the

1 implementation of the CIP, the Company has experienced a steady decline in  
2 residential non-heating volumes, due in large part to the conversion of many non-heat  
3 customers to heating. Schedule DPY-7 reflects the derivation of the combined  
4 Residential Heating and Residential Non-heating CIP rate of \$0.002833 per therm,  
5 inclusive of taxes.

6 **Q. Are you sponsoring revised tariff sheets that implement these charges?**

7 **A.** Yes. Schedule No. DPY-8 provides proposed tariff sheets that reflect the CIP  
8 charges to be effective October 1, 2026.

9 **Q. Given that the CIP charge or credit is based in part on projected data, how**  
10 **will these projections be trued up in the future?**

11 **A.** The actual CIP recoveries or credits to customers will be trued up in future filings.  
12 The first element of the true-up will reflect any adjustment to the recoverable  
13 amount based on actual data for the period May 1, 2026 through September 30,  
14 2026, which represents the final five (5) months of the current year of the CIP. The  
15 second element of the true-up relates to differences between actual and projected  
16 throughput for the annual period beginning October 1, 2026, which is the period  
17 over which the CIP charge or credit is collected. The true-up of these elements for  
18 actual experience will be reflected in the docket addressing the Company's CIP  
19 filing to be made on or before June 1, 2027.

20 **Q. Does this conclude your prepared direct testimony?**

21 **A.** Yes, it does.









South Jersey Gas Company  
2026-27 Conservation Incentive Program Filing

GSG and GSG-LV Large Customer Adjustment

Line No.	Month	Customers Above 1,200 CFH		Equivalent GSG Customers		Monthly Adjustment	Cumulative Large Customer Adjustment
		Count	CFH	Avg. CFH	Customers		
	(a)	(b)	(c)	(d)	(e) = (c) / (d)	(f) = (e) - (b)	(g)
1							
2	Starting Point						1,125
3							
4							
5	Actual October-25	25	87,638	600	146	121	1,246
6	Actual November-25	7	25,633	600	43	36	1,282
7	Actual December-25	32	60,228	600	100	68	1,350
8	Actual January-26	9	23,690	600	39	30	1,380
9	Actual February-26	0	0	600	0	0	1,380
10	Actual March-26	4	8,914	600	15	11	1,391
11	Actual April-26	12	41,373	600	69	57	1,448
12	Projected May-26			600	0	0	1,448
13	Projected June-26			600	0	0	1,448
14	Projected July-26			600	0	0	1,448
15	Projected August-26			600	0	0	1,448
16	Projected September-26			600	0	0	1,448
17							
18							
19							
20							
21							
22							
23							
24							
25							
26							
27							
28	Starting Point						0
29							
30							
31	Actual October-25	0	0	25,000	0	0	0
32	Actual November-25	0	0	25,000	0	0	0
33	Actual December-25	0	0	25,000	0	0	0
34	Actual January-26	0	0	25,000	0	0	0
35	Actual February-26	0	0	25,000	0	0	0
36	Actual March-26	0	0	25,000	0	0	0
37	Actual April-26	0	0	25,000	0	0	0
38	Projected May-26	0	0	25,000	0	0	0
39	Projected June-26	0	0	25,000	0	0	0
40	Projected July-26	0	0	25,000	0	0	0
41	Projected August-26	0	0	25,000	0	0	0
42	Projected September-26	0	0	25,000	0	0	0



South Jersey Gas Company  
2026-27 Conservation Incentive Program Filing

Determination of Weather-Related Component of CIP

Line No.	Month (a)	Actual October-25 (b)	Actual November-25 (c)	Actual December-25 (d)	Actual January-26 (e)	Actual February-26 (f)	Actual March-26 (g)	Actual April-26 (h)	Projected May-26 (i)	Total (j)
1										
2	<u>481.31 GSG Com Heat Sales</u>									
3										
4	Therms	2,867,756	5,668,442	10,746,928	12,778,041	11,695,571	6,953,007	3,583,083	2,585,374	56,878,203
5										
6	Customers	20,894	21,148	21,428	21,539	21,601	21,531	21,408	21,479	21,378
7	Base Load / Customer	81.78	81.78	81.78	81.78	81.78	81.78	81.78	81.78	81.8
8	Total Baseload	1,708,726	1,729,498	1,752,397	1,761,475	1,766,545	1,760,820	1,750,761	1,756,547	13,986,771
9										
10	Heat Load	1,159,030	3,938,944	8,994,531	11,016,566	9,929,026	5,192,186	1,832,321	828,827	42,891,432
11										
12	Actual Degree Days	201	526	928	1,043	898	528	284	122	4,530
13	Normal Degree Days	232	513	792	958	816	656	340	122	4,429
14	Difference	(31)	13	136	85	82	(128)	(56)	-	101
15										
16	Actual Heat Use per Degree Day	5,766.00	7,488.00	9,692.00	10,562.00	11,057.00	9,834.00	6,452.00	6,794.00	9,468.00
17										
18	Weather Impact - Therms	(178,746)	97,344	1,318,112	897,770	906,674	(1,258,752)	(361,312)	-	1,421,090
19										
20	Margin Revenue Factor	0.740318	0.740318	0.748853	0.748853	0.748853	0.748853	0.748853	0.748853	
21										
22	Weather Impact - Dollars	\$ (132,329)	\$ 72,066	\$ 987,072	\$ 672,298	\$ 678,966	\$ (942,620)	\$ (270,570)	\$ -	\$ 1,064,883
23										
24										
25										
26	<u>481.32 GSG Ind Heat Sales</u>									
27										
28	Therms	71,862	223,599	463,099	566,059	506,808	275,980	134,868	39,612	2,281,886
29										
30	Customers	262	267	269	270	270	271	269	270	269
31	Base Load / Customer	116.91	116.91	116.91	116.91	116.91	116.91	116.91	116.91	116.9
32	Total Baseload	30,631	31,216	31,450	31,567	31,567	31,683	31,450	31,567	251,130
33										
34	Heat Load	41,231	192,383	431,650	534,493	475,241	244,296	103,418	8,045	2,030,757
35										
36	Actual Degree Days	201	526	928	1,043	898	528	284	122	4,530
37	Normal Degree Days	232	513	792	958	816	656	340	122	4,429
38	Difference	(31)	13	136	85	82	(128)	(56)	-	101
39										
40	Actual Heat Use per Degree Day	205.00	366.00	465.00	512.00	529.00	463.00	364.00	66.00	448.00
41										
42	Weather Impact - Therms	(6,355)	4,758	63,240	43,520	43,378	(59,264)	(20,384)	-	68,893
43										
44	Margin Revenue Factor	0.740318	0.740318	0.748853	0.748853	0.748853	0.748853	0.748853	0.748853	
45										
46	Weather Impact - Dollars	\$ (4,705)	\$ 3,522	\$ 47,357	\$ 32,590	\$ 32,484	\$ (44,380)	\$ (15,265)	\$ -	\$ 51,603







South Jersey Gas Company  
2026-27 Conservation Incentive Program Filing

BGSS Savings Test

Line No.	<u>Description</u> (a)	<u>Margin Excess/(Deficiency)</u>			<u>Amount</u> (b)
1	<b><u>Step 1: Determine Weather and Non-Weather CIP Impacts</u></b>				
2		<u>Weather</u> <u>Non-Weather</u> <u>Total</u>			
3	CIP RSG Non-Heat	\$ -	\$ (404,926)	\$ (404,926)	
4	CIP RSG Heat	\$ 7,240,825	\$ (5,620,292)	\$ 1,620,533	
5	CIP GSG	\$ 1,575,099	\$ 362,474	\$ 1,937,573	
6	CIP GSG Large Volume	\$ 136,460	\$ 288,901	\$ 425,361	
7		\$ 8,952,384	\$ (5,373,843)	\$ 3,578,541	
8					
9					
10					
11					
12					
13					
14					
15	<b><u>Step 2: Apply Modified BGSS Savings Test</u></b>				
16					
17					
18	<b><u>A. Non-weather Impact Subject to Modified BGSS Savings Test</u></b>				
19	Non-Weather Deficiency			\$ 5,373,843	
20	75% Factor			75%	
21	Subtotal			\$ 4,030,382	
22					
23	Prior Year Carry-Forward (Modified BGSS Savings Test)			\$ 5,655,198	
24	75% Factor			75%	
25	Subtotal			\$ 4,241,398	
26					
27	Non-weather Impact Subject to Test			\$ 8,271,780	
28					
29					
30	<b><u>B. BGSS Savings</u></b>				
31	Permanent Capacity Savings			\$ 2,243,369	
32	Additional Capacity BGSS Savings			\$ 16,829,558	
33	Avoided Cost BGSS Savings			\$ 641,999	
34	Total BGSS Savings			\$ 19,714,926	
35					
36					
37	<b><u>C. Results</u></b>				
38	Non-Weather Impacts Passing Test (current accrual)			\$ 5,373,843	
39	Non-Weather Impacts Passing Test (prior year carry-forward)			\$ 5,655,198	
40	Non-Weather Impacts Exceeding Test			\$ -	

South Jersey Gas Company  
2026-27 Conservation Incentive Program Filing

Line No.	<u>Description</u> (a)	BGSS Savings Test	<u>Amount</u> (b)
1	<b><u>Step 3: Apply Variable Margin Revenue Test</u></b>		
2			
3			
4	<b><u>A. Non-weather Impact Subject to Variable Margin Revenue Test</u></b>		
5	Non-Weather Impact		\$ 5,373,843
6			
7	Prior Year Carry-Forward (Variable Margin Revenue Test)		\$ -
8			
9	Non-weather Impact Subject to Test		\$ 5,373,843
10			
11			
12	<b><u>B. Variable Margin Revenues</u></b>		
13	Variable Margin Revenues applicable to 6.5% Fixed Recovery Cap		\$ 361,246,477
14	6.5% Factor		<u>6.5%</u>
15	Subtotal		<u>\$ 23,481,021</u>
16			
17	Total Fixed Recovery Cap		<b>\$ 23,481,021</b>
18			
19			
20	<b><u>C. Results</u></b>		
21	Non-Weather Impacts Passing Test (current accrual)		<b>\$ 5,373,843</b>
22	Non-Weather Impacts Passing Test (prior year carry-forward)		<b>\$ -</b>
23	Non-Weather Impacts Exceeding Test		<b>\$ -</b>
24			
25			
26	Notes:		
27	(1) Variable margin revenues equal to the actual number of customers multiplied by the Benchmark UPC		
28	and multiplied by the margin revenue factor.		
29			
30			
31			
32	<b><u>Step 4: Determine Recoverable Non-Weather CIP Impacts</u></b>		
33			
34			
35	<b><u>A. Current Year Accrual Recoverable Non-Weather Impacts</u></b>		
36	Amount Passing Modified BGSS Savings Test		\$ 5,373,843
37			
38	Amount Passing Variable Margin Revenue Test		\$ 5,373,843
39			
40	Recoverable Amount		<b>\$ 5,373,843</b>
41			
42			
43	<b><u>B. Previous Carry-Forward Recoverable Amounts</u></b>		
44	Total Unrecoverable Amount From Prior Year		<b>\$ 5,655,198</b>
45			
46	Prior Year Subject to Modified BGSS Savings Test		\$ 5,655,198
47	Prior Year Passing Modified BGSS Savings Test		<u>\$ 5,655,198</u>
48	Remaining Unrecoverable Amount		\$0
49			
50	Prior Year Subject to Variable Margin Revenue Test		\$ -
51	Prior Year Passing Variable Margin Revenue Test		<u>\$ -</u>
52	Remaining Unrecoverable Amount		\$0
53			
54	Non-Recoverable Prior Year Carry-Forward		\$ -
55			
56	Recoverable Amount From Prior Year		<b>\$ 5,655,198</b>
57			
58			
59			
60	<b>Total Non-Weather Recoverable CIP Amount</b>		<b><u>\$ 11,029,040</u></b>
61			
62	<b>CIP Non-Weather Amount Carried Forward to Next Year</b>		<b><u>\$ -</u></b>

South Jersey Gas Company  
2026-27 Conservation Incentive Program Filing

Calculation of Over/(Under) Recovered CIP Balance

Line No.	Category	RSG Non-Heating	RSG Heating	GSG	GSG-LV	Total (f) = (b) + (c) + (d) + (e)
	(a)	(b)	(c)	(d)	(e)	
1						
2						
3						
4	Actual October-25	\$ 1,095	\$ 803,633	\$ 275,587	\$ 56,971	\$ 1,137,287
5	Actual November-25	\$ 1,787	\$ 2,004,207	\$ 460,004	\$ 94,674	\$ 2,560,672
6	Actual December-25	\$ 21,669	\$ 4,228,428	\$ 825,357	\$ 160,895	\$ 5,236,350
7	Actual January-26	\$ 47,414	\$ 5,242,397	\$ 899,716	\$ 249,729	\$ 6,439,257
8	Actual February-26	\$ 53,218	\$ 5,850,475	\$ 1,031,449	\$ 277,689	\$ 7,212,831
9	Actual March-26	\$ 40,917	\$ 3,957,395	\$ 752,029	\$ 205,680	\$ 4,956,022
10	Actual April-26	\$ 24,565	\$ 2,172,728	\$ 439,816	\$ 164,589	\$ 2,801,698
11	Projected May-26	\$ 11,101	\$ 1,067,653	\$ 268,008	\$ 87,275	\$ 1,434,038
12	Projected June-26	\$ 6,436	\$ 632,985	\$ 179,890	\$ 58,871	\$ 878,182
13	Projected July-26	\$ 9,661	\$ 438,298	\$ 174,791	\$ 67,727	\$ 690,478
14	Projected August-26	\$ 11,906	\$ 418,736	\$ 141,981	\$ 52,074	\$ 624,698
15	Projected September-26	\$ 10,244	\$ 490,971	\$ 189,680	\$ 68,265	\$ 759,160
16						
17						
18						
19						
20						
21						
22	<b>Total Recoveries</b>	<b>\$ 240,013</b>	<b>\$ 27,307,908</b>	<b>\$ 5,638,310</b>	<b>\$ 1,544,441</b>	<b>\$ 34,730,671</b>
23						
24	<b>Prior Period Adjustment</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
25						
26						
27						
28						
29	<b>Recoverable CIP Amounts</b>					
30	Final from 2024-2025 CIP Year (Excess)/Deficiency	\$ 447,048	\$ 24,793,436	\$ 6,064,020	\$ 1,487,658	\$ 32,792,162
31						
32	<b>Total Recoverable CIP</b>	<b>\$ 447,048</b>	<b>\$ 24,793,436</b>	<b>\$ 6,064,020</b>	<b>\$ 1,487,658</b>	<b>\$ 32,792,162</b>
33						
34						
35						
36	<b>Over / (Under) Recovery</b>	<b>\$ (207,035)</b>	<b>\$ 2,514,471</b>	<b>\$ (425,710)</b>	<b>\$ 56,783</b>	<b>\$ 1,938,509</b>

(Credited to Ratepayer)/Owed to SJG

South Jersey Gas Company  
2026-27 Conservation Incentive Program Filing

Derivation of CIP Charge / Credit

Line No.	Description (a)	Margin Excess / (Deficiency) (b)	2026-27 Throughput Therms (c)	Charge / (Credit) (d) = (-b) / (c)	Taxes (e)	Total Charge / (Credit) (f) = (d) + (e)
1	<b>Residential</b>					
2						
3	<u>RSG Non-Heating</u>					
4	Weather-Related	\$ -				
5	Non Weather-Related	\$ (404,926)				
6	Total CIP	\$ (404,926)				
7						
8	Prior Year Amounts					
9	Prior Year Carry-Over	\$ -				
10	Prior Year Over/(Under) Recovery	\$ (207,035)				
11						
12	Total CIP Including Prior Year	\$ (611,961)				
13						
14						
15						
16						
17	<u>RSG Heating</u>					
18	Weather-Related	\$ 7,240,825				
19	Non Weather-Related	\$ (5,620,292)				
20	Total CIP	\$ 1,620,533				
21						
22	Prior Year Amounts					
23	Prior Year Carry-Over	\$ (4,258,186)				
24	Prior Year Over/(Under) Recovery	\$ 2,514,471				
25						
26	Total CIP Including Prior Year	\$ (123,182)				
27						
28						
29						
30						
31	Net Charge/(Credit)		276,648,902	\$ 0.002657		
32						
33	NJ State Sales Tax				\$ 0.000176	
34	Total Including Sales Tax					\$ 0.002833

South Jersey Gas Company  
2026-27 Conservation Incentive Program Filing

Derivation of CIP Charge / Credit

Line No.	Description (a)	Margin Excess / (Deficiency) (b)	2026-27 Throughput Therms (c)	Charge / (Credit) (d) = (-b) / (c)	Taxes (e)	Total Charge / (Credit) (f) = (d) + (e)
1	<b>GSG</b>					
2						
3	Weather-Related	\$ 1,575,099				
4	Non Weather-Related	\$ 362,474				
5	Total CIP	\$ 1,937,573				
6						
7	Prior Year Amounts					
8	Prior Year Carry-Over	\$ (1,144,172)				
9	Prior Year Over/(Under) Recovery	\$ (425,710)				
10	Total CIP Including Prior Year	\$ 367,691				
11	Net Charge/(Credit)		107,541,399	\$ (0.003419)		
12						
13	NJ State Sales Tax				\$ (0.000227)	
14	Total Including Sales Tax					\$ (0.003646)
15						
16						
17						
18	<b>GSG Large Volume</b>					
19						
20	Weather-Related	\$ 136,460				
21	Non Weather-Related	\$ 288,901				
22	Total CIP	\$ 425,361				
23						
24	Prior Year Amounts					
25	Prior Year Carry-Over	\$ (252,840)				
26	Prior Year Over/(Under) Recovery	\$ 56,783				
27	Total CIP Including Prior Year	\$ 229,304				
28	Net Charge/(Credit)		30,290,270	\$ (0.007570)		
29						
30	NJ State Sales Tax				\$ (0.000502)	
31	Total Including Sales Tax					\$ (0.008072)

**SOUTH JERSEY GAS COMPANY**

**B.P.U.N.J. No. 14 - GAS**

**Thirteenth Revised Sheet No. 6  
Superseding Twelfth 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:** <sup>(1)</sup>

**Customer Charge:** \$10.502563 per month

**Delivery Charge:**

(a) Residential Non-Heating Customers  
Firm Sales Service and Firm Transportation Service ~~\$1.445010~~1.252197 per therm

(b) Residential Heating Customers  
Firm Sales Service and Firm Transportation Service ~~\$1.344933~~1.252197 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.
Infrastructure Investment Program	The rates set forth above have been adjusted, as is appropriate, pursuant to Rider "B" 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.

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

---

**Issued** \_\_\_\_\_ **Effective with service rendered**  
**by South Jersey Gas Company,** **on and after** \_\_\_\_\_  
**B. Schomber, President**

**Filed pursuant to Order in Docket No. \_\_\_\_\_ of the Board of**  
**Public Utilities, State of New Jersey, dated \_\_\_\_\_**

**SOUTH JERSEY GAS COMPANY**

**B.P.U.N.J. No. 14 - GAS**

**Thirteenth Revised Sheet No. 10  
Superseding Twelfth 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: <sup>(1)</sup>**

**Customer Charge:**

\$40.496175 per month

**Delivery Charges:**

Firm Sales Service and Firm Transportation Service

~~\$1.1066101~~ 0.053239 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.
Infrastructure Investment Program	The rates set forth above have been adjusted, as is appropriate, pursuant to Rider "B" 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.

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

Issued \_\_\_\_\_  
by South Jersey Gas Company,  
B. Schomber, President

Effective with service rendered  
on and after \_\_\_\_\_

Filed pursuant to Order in Docket No. \_\_\_\_\_ of the Board of  
Public Utilities, State of New Jersey, dated \_\_\_\_\_

**SOUTH JERSEY GAS COMPANY**

**B.P.U.N.J. No. 14 - GAS**

**Thirteenth Revised Sheet No. 14  
Superseding Twelfth 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: <sup>(1)</sup>**

**Customer Charge:**

\$264.003500 per month

**Delivery Charges:**

Firm Sales Service and Firm Transportation Service<sup>(2)</sup>

Demand Charge:

D-1FT: \$14.199998 per Mcf of Contract Demand

Volumetric Charge:

~~\$.711210~~ 648676 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).

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

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

Issued \_\_\_\_\_  
by South Jersey Gas Company,  
B. Schomber, President

Effective with service rendered  
on and after \_\_\_\_\_

Filed pursuant to Order in Docket No. \_\_\_\_\_ of the Board of  
Public Utilities, State of New Jersey, dated \_\_\_\_\_

**SOUTH JERSEY GAS COMPANY**

**First Revised Sheet No. 101  
Superseding Original Sheet No. 101**

**B.P.U.N.J. No. 14 - GAS**

**RIDER “M”  
CONSERVATION INCENTIVE PROGRAM (“CIP”)**

**APPLICABLE TO:**

- Rate Schedule RSG - Residential Service
- Rate Schedule GSG - General Service
- Rate Schedule GSG-LV - General Service – Large Volume

- (a) This Rider “M” shall be known as the Conservation Incentive Program (“CIP”). It shall be utilized to adjust the Company’s revenues in cases wherein Actual Usage per Customer experienced during an Annual Period varies from the Baseline Usage per Customer (“BUC”). This adjustment will be effectuated through a credit or surcharge applied to customers’ bills during the Adjustment Period. The credit or surcharge will also be adjusted to reflect prior year under recoveries or over recoveries pursuant to this CIP.
- (b) The BUC in therms for each Customer Class Group by month is as follows:

<u>Month</u>	<u>Group I: RSG Non-Heating</u>	<u>Group II: RSG Heating</u>	<u>Group III: GSG</u>	<u>Group IV: GSG-LV</u>
Oct.	13.6	33.2	181.9	9,871.9
Nov.	22.9	72.0	338.5	19,424.5
Dec.	27.5	118.2	524.2	17,494.6
Jan.	35.7	150.2	693.4	32,153.1
Feb.	38.0	123.0	577.8	21,291.2
Mar.	25.1	97.7	491.6	22,463.0
Apr.	16.5	50.4	286.9	15,655.6
May	13.9	29.0	190.8	9,494.2
Jun.	9.7	13.4	112.0	5,206.3
Jul.	10.3	13.6	110.18	4,652.4
Aug.	9.3	15.5	123.3	6,225.3
Sep.	<u>11.4</u>	<u>14.5</u>	<u>108.7</u>	<u>5,874.5</u>
Total Annual	233.9	730.7	3,739.2	169,806.6

The BUC shall be reset each time new base rates are placed into effect as the result of a base rate case proceeding.

- (c) At the end of the Annual Period, a calculation shall be made that determines for each Customer Class Group the deficiency (“Deficiency”) or excess (“Excess”) to be surcharged or credited to customers pursuant to the CIP

Issued \_\_\_\_\_  
by South Jersey Gas Company,  
B. Schomber, President

Effective with service rendered  
on and after \_\_\_\_\_

Filed pursuant to Order in Docket No. \_\_\_\_\_ of the Board of  
Public Utilities, State of New Jersey, dated \_\_\_\_\_

**SOUTH JERSEY GAS COMPANY**

**B.P.U.N.J. No. 14 - GAS**

**Seventh Revised Sheet No. 102  
Superseding Sixth 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 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 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:

	<del>Group I: RSG Non-Heating</del>	<del>Group II: RSG Heating-RSG</del>	<del>Group III: GSG</del>	<del>Group IV: GSG-LV</del>
CIP Factors Per Therm	<del>—\$0.183490</del>	<del>\$0.089634002</del>	<del>(\$0.046635003 419)</del>	<del>(\$0.0510780075 70)</del>
Applicable NJ Sales Tax Factor	<del>—1.066250</del>	<del>1.066250</del>	<del>1.066250</del>	<del>1.066250</del>
CIP Factors Per Therm with NJ Sales Tax	<del><u>\$0.195646</u></del>	<del><u>\$0.09556900283</u> 3</del>	<del><u>(\$0.049725003</u> 646)</del>	<del><u>(\$0.0544620080</u> 72)</del>

- (g) Cost recovery under the CIP is contingent on an earnings test. If the product of the earnings test calculation exceeds the Company's most recently approved ROE by fifty (50) basis points or more, cost recovery under the CIP shall not be allowed.

The Company's rate of return on common equity shall be calculated by dividing the Company's regulated jurisdictional net income for the annual period by the Company's average jurisdictional common equity balance for such annual period. The average jurisdictional common equity balance will be derived by multiplying the average of the Company's beginning and ending net rate base for the annual period by the Board-approved equity ratio in the Company's most recent rate case. The Company's regulated jurisdictional net income shall be calculated by subtracting from total net income the CIP booked margin revenue accruals and 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; and (6) the Energy Efficiency Tracker.

- (h) As used in this Rider "M", the following terms shall have the meanings ascribed to them herein:

**Issued May 30, 2025  
by South Jersey Gas Company,  
B. Schomber, President**

**Effective with service rendered  
on and after April 29, 2026**

**Filed pursuant to Order in Docket No. GR25050316 of the  
Board of Public Utilities, State of New Jersey, dated April 22, 2026**

SOUTH JERSEY GAS COMPANY

**B.P.U.N.J. No. 14 - GAS**

**First Revised Sheet No. 103  
Superseding Original Sheet No. 103**

**RIDER "M"**  
**CONSERVATION INCENTIVE PROGRAM (CIP)**  
(Continued)

- (i) **Actual Number of Customers** – the Actual Number of Customers (“ANC”) shall be determined on a monthly basis for each of the Customer Class Groups to which the CIP Clause applies. The ANC shall equal the aggregate actual booked number of customers for the month as recorded on the Company’s books, plus any Incremental Large Customer Count Adjustment for the Customer Class Group.
- (ii) **Actual Usage per Customer** – the Actual Usage per Customer (“AUC”) shall be determined in terms on a monthly basis for each of the Customer Class Groups to which the CIP applies. The AUC shall equal the aggregate actual booked sales for the month as recorded on the Company’s books divided by the Actual Number of Customers for the corresponding month.
- (iii) **Adjustment Period** – shall be the year beginning immediately following the conclusion of the Annual Period.
- (iv) **Annual Period** – shall be the twelve consecutive months from October 1 of one calendar year through September 30 of the following calendar year.
- (v) **Baseline Usage per Customer** – the Baseline Usage per Customer (“BUC”) shall be the average normalized consumption per customer by month derived from the Company’s most recent base rate case, and stated in terms on a monthly basis for each Customer Class Group to which the CIP applies. The BUC shall be rounded to the nearest one tenth of one therm.
- (vi) **Customer Class Group** – For purposes of determining and applying the CIP, customers shall be aggregated into ~~four~~three separate recovery class groups. The Customer Class Groups shall be as follows:
  - ~~Group I: RSG (non heating customers only)~~
  - ~~Group II: RSG customers (heating customers only)~~
  - ~~Group III: GSG customers~~
  - ~~Group IV: GSG-LV customers~~
- (vii) **Forecast Annual Usage** – the Forecast Annual Usage (“FAU”) shall be the projected total annual throughput for all customers within the applicable Customer Class Group. The FAU shall be estimated based on normal weather.
- (viii) **Incremental Large Customer Count Adjustment** – the Company shall maintain a list of incremental commercial and industrial customers added to its system on or after September 1, 2017 whose connected load is greater than that typical for the Company’s average commercial and industrial customer in the GSG or GSG-LV rate schedules. For purposes of the CIP, large incremental customers shall be those GSG customers whose connected load exceeds 1,200 cubic feet per hour (“CFH”) and those GSG-LV customers whose connected load exceeds 50,000 CFH. A new customer at an existing location previously connected to the Company’s facilities shall not be considered an incremental customer. The Actual Number of Customers for the Customer Class Group shall be adjusted to reflect the impact of all such incremental commercial or industrial customers. Specifically, the Incremental Large Customer Count Adjustment for the GSG customer class for the applicable month shall equal the aggregate connected load for all new active customers that exceed the 1,200 CFH threshold divided by 600 CFH,

Issued \_\_\_\_\_  
by South Jersey Gas Company,  
B. Schomber, President

Effective with service rendered  
on and after \_\_\_\_\_

Filed pursuant to Order in Docket No. \_\_\_\_\_ of the Board of  
Public Utilities, State of New Jersey, dated \_\_\_\_\_

**SOUTH JERSEY GAS COMPANY**

**B.P.U.N.J. No. 14 - GAS**

**Fourth Revised Sheet No. 104  
Superseding Third Revised Sheet No. 104**

**RIDER "M"  
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.

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

<del>Group I (RSG non heating):</del>	<del>\$0.929372 per therm</del>
Group II (RSG heating):	\$0.929372 per therm
Group III (GSG):	\$0.748853 per therm
Group IV (GSG-LV):	\$0.373577 per therm

- (i) The annual filing for the adjustment to the CIP rate shall be concurrent with the annual filing for BGSS. The CIP 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.

Issued \_\_\_\_\_  
by South Jersey Gas Company,  
B. Schomber, President

Effective with service rendered  
on and after \_\_\_\_\_

Filed pursuant to Order in Docket No. \_\_\_\_\_ of the Board of  
Public Utilities, State of New Jersey, dated \_\_\_\_\_

SOUTH JERSEY GAS COMPANY  
Schedule of Rate Components  
Appendix A - Effective \_\_\_\_\_

<b>RESIDENTIAL GAS SERVICE (RSG) - NONHEAT CUSTOMER</b>					
	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<b>CUSTOMER CHARGE</b>		9.850000		0.652563	<b>10.502563</b>
<b>DELIVERY CHARGE (per therm):</b>					
Base Rate		0.897170		0.059438	0.956608
IIP	B	0.032202	0.000000	0.002133	0.034335
TIC	C	0.000919	0.000000	0.000061	0.000980
SBC:					
RAC	E, G	0.057425	0.000000	0.003804	0.061229
CLEP	E, K	0.036824	0.000000	0.002440	0.039264
USF	E	<u>0.024500</u>	<u>0.000000</u>	<u>0.001700</u>	<u>0.026200</u>
Total SBC		<u>0.118749</u>	0.000000	0.007944	<u>0.126693</u>
CIP	M	0.002657	0.000000	0.000176	0.002833
EET	N	0.058302	0.000000	0.003863	0.062165
Balancing Service Charge BS-1	J	0.064322	0.000000	0.004261	0.068583
Balancing Service Charge BUY-OUT PRICE (Applicable to Transportation Customers Only)	J				Rate Set Monthly
<b>TOTAL DELIVERY CHARGE</b>		1.174321	0.000000	0.077876	<b>1.252197</b>
<b>BGSS: (Applicable To Sales Customers Only)</b>	A	0.550954	0.000000	0.036501	<b>0.587455</b>

SOUTH JERSEY GAS COMPANY  
Schedule of Rate Components  
Appendix A - Effective \_\_\_\_\_

<b>RESIDENTIAL GAS SERVICE (RSG) - HEAT CUSTOMER</b>					
	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<b>CUSTOMER CHARGE</b>		9.850000		0.652563	<b>10.502563</b>
<b>DELIVERY CHARGE (per therm):</b>					
Base Rate		0.897170		0.059438	0.956608
IIP	B	0.032202	0.000000	0.002133	0.034335
TIC	C	0.000919	0.000000	0.000061	0.000980
SBC:					
RAC	E, G	0.057425	0.000000	0.003804	0.061229
CLEP	E, K	0.036824	0.000000	0.002440	0.039264
USF	E	<u>0.024500</u>	<u>0.000000</u>	<u>0.001700</u>	<u>0.026200</u>
Total SBC		0.118749	0.000000	0.007944	0.126693
CIP	M	0.002657	0.000000	0.000176	0.002833
EET	N	0.058302	0.000000	0.003863	0.062165
Balancing Service Charge BS-1	J	0.064322	0.000000	0.004261	0.068583
Balancing Service Charge BUY-OUT PRICE (Applicable to Transportation Customers Only)	J				Rate Set Monthly
<b>Total Delivery Charge</b>		1.174321	0.000000	0.077876	<b>1.252197</b>
<b>BGSS: (Applicable To Sales Customers Only)</b>	A	0.550954	0.000000	0.036501	<b>0.587455</b>

SOUTH JERSEY GAS COMPANY  
Schedule of Rate Components  
Appendix A - Effective \_\_\_\_\_

<b>GENERAL SERVICE (GSG)</b>					
	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<b>CUSTOMER CHARGE</b>		37.980000		2.516175	<b>40.496175</b>
<b>DELIVERY CHARGE (per therm):</b>					
Base Rate		0.723187		0.047911	0.771098
IIP	B	0.025666	0.000000	0.001700	0.027366
TIC	C	0.000919	0.000000	0.000061	0.000980
SBC:					
RAC	E, G	0.057425	0.000000	0.003804	0.061229
CLEP	E, K	0.036824	0.000000	0.002440	0.039264
USF	E	<u>0.024500</u>	<u>0.000000</u>	<u>0.001700</u>	<u>0.026200</u>
Total SBC		0.118749	0.000000	0.007944	0.126693
CIP	M	(0.003419)	0.000000	(0.000227)	(0.003646)
EET	N	0.058302	0.000000	0.003863	0.062165
Balancing Service Charge BS-1	J	0.064322	0.000000	0.004261	0.068583
Balancing Service Charge BUY-OUT PRICE (Applicable to Transportation Customers Only)	J				Rate Set Monthly
<b>Total Delivery Charge</b>		0.987726	0.000000	0.065513	<b>1.053239</b>
<b>BGSS: (Applicable To Sales Customers Only using less than 5,000 therms annually)</b>	A	0.550954	0.000000	0.036501	<b>0.587455</b>
<b>BGSS: (Applicable To Sales Customers Only using 5,000 therms annually or greater)</b>	A				<b>RATE SET MONTHLY</b>

SOUTH JERSEY GAS COMPANY  
Schedule of Rate Components  
Appendix A - Effective \_\_\_\_\_

<b>GENERAL SERVICE-LV (GSG-LV)</b>					
	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<b>CUSTOMER CHARGE</b>		247.600000		16.403500	<b>264.003500</b>
<b>D-1 Demand Charge (Mcf)</b>		13.317700		0.882298	<b>14.199998</b>
<b>DELIVERY CHARGE (per therm):</b>					
Base Rate		0.359109		0.023791	0.382900
IIP	B	0.014468	0.000000	0.000959	0.015427
TIC	C	0.000919	0.000000	0.000061	0.000980
SBC:					
RAC	E, G	0.057425	0.000000	0.003804	0.061229
CLEP	E, K	0.036824	0.000000	0.002440	0.039264
USF	E	<u>0.024500</u>	<u>0.000000</u>	<u>0.001700</u>	<u>0.026200</u>
Total SBC		0.118749	0.000000	0.007944	0.126693
CIP	M	(0.007570)	0.000000	(0.000502)	(0.008072)
EET	N	0.058302	0.000000	0.003863	0.062165
Balancing Service Charge BS-1	J	0.064322	0.000000	0.004261	0.068583
Balancing Service Charge BUY-OUT PRICE (Applicable to Transportation Customers Only)	J				Rate Set Monthly
<b>Total Delivery Charge</b>		0.608299	0.000000	0.040377	<b>0.648676</b>
<b>BGSS: (Applicable Sales Customers Only)</b>	A				<b>RATE SET MONTHLY</b>

SOUTH JERSEY GAS COMPANY  
Schedule of Rate Components  
Appendix A - Effective \_\_\_\_\_

<b>COMPREHENSIVE TRANSPORTATION SERVICE (CTS)</b>					
	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<b>FIRM</b>					
<b>CUSTOMER CHARGE</b>		820.630000		54.366738	<b>874.996738</b>
<b>D-1 Demand Charge (Mcf)</b>		34.701100		2.298948	<b>37.000048</b>
<b>DELIVERY CHARGE (per therm):</b>					
Base Rate		0.091136		0.006038	0.097174
IIP	B	0.008950	0.000000	0.000593	0.009543
SBC:					
RAC	E, G	0.057425	0.000000	0.003804	0.061229
CLEP	E, K	0.036824	0.000000	0.002440	0.039264
USF	E	<u>0.024500</u>	<u>0.000000</u>	<u>0.001700</u>	<u>0.026200</u>
Total SBC		0.118749	0.000000	0.007944	0.126693
EET	N	0.058302	0.000000	0.003863	0.062165
<b>Total Delivery Charge</b>		0.277137	0.000000	0.018438	<b>0.295575</b>
Balancing Service Charge BS-1	I	0.064322	0.000000	0.004261	0.068583
Balancing Service Charge BS-1 (Opt Out Provision)	I	0.002276	0.000000	0.000151	0.002427
BUY-OUT PRICE					RATE SET MONTHLY
<b>LIMITED FIRM</b>					
<b>CUSTOMER CHARGE</b>		500.000000		33.125000	<b>533.125000</b>
<b>DELIVERY CHARGE (per therm):</b>					
Base Rate		0.058400		0.003900	0.062300
SBC:					
RAC	E, G	0.057425	0.000000	0.003804	0.061229
CLEP	E, K	0.036824	0.000000	0.002440	0.039264
USF	E	<u>0.024500</u>	<u>0.000000</u>	<u>0.001700</u>	<u>0.026200</u>
Total SBC		0.118749	0.000000	0.007944	0.126693
EET	N	0.058302	0.000000	0.003863	0.062165
<b>Total Delivery Charge</b>		0.235451	0.000000	0.015707	<b>0.251158</b>
Balancing Service Charge BS-1	I	0.064322	0.000000	0.004261	0.068583
Balancing Service Charge BS-1 (Opt Out Provision)	I	0.002276	0.000000	0.000151	0.002427
BUY-OUT PRICE					RATE SET MONTHLY

SOUTH JERSEY GAS COMPANY  
Schedule of Rate Components  
Appendix A - Effective \_\_\_\_\_

<b>LARGE VOLUME SERVICE (LVS)</b>					
	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<b>FIRM</b>					
<b><u>CUSTOMER CHARGE</u></b>		1,148.890000		76.113963	<b>1,225.003963</b>
<b><u>D-1 Demand Charge (Mcf)</u></b>		20.633100		1.366943	<b>22.000043</b>
<b><u>D-2 DEMAND BGSS(Applicable to Sales Customers Only)</u></b>	A	15.469649	0.000000	1.024864	<b>16.494513</b>
<b><u>DELIVERY CHARGE (per therm):</u></b>					
Base Rate		0.061199		0.004054	0.065253
IIP	B	0.004665	0.000000	0.000309	0.004974
SBC:					
RAC	E, G	0.057425	0.000000	0.003804	0.061229
CLEP	E, K	0.036824	0.000000	0.002440	0.039264
USF	E	<u>0.024500</u>	<u>0.000000</u>	<u>0.001700</u>	<u>0.026200</u>
Total SBC		0.118749	0.000000	0.007944	0.126693
EET	N	0.058302	0.000000	0.003863	0.062165
<b>Total Delivery Charge</b>		<b>0.242915</b>	<b>0.000000</b>	<b>0.016170</b>	<b>0.259085</b>
Balancing Service Charge BS-1	I	0.064322	0.000000	0.004261	0.068583
Balancing Service Charge BS-1 (Opt Out Provision) (Applicable to Transportation Customers Only)	I	0.002276	0.000000	0.000151	0.002427
Balancing Service Charge CASH OUT CHARGE (CREDIT) (Applicable Transportaton Customers Only)	I				RATE SET MONTHLY
<b><u>BGSS: (Applicable Sales Customers Only)</u></b>	A				<b>RATE SET MONTHLY</b>
<b>LIMITED FIRM</b>					
<b><u>CUSTOMER CHARGE</u></b>		500.000000		33.125000	<b>533.125000</b>
<b><u>DELIVERY CHARGE (per therm):</u></b>					
Base Rate		0.148587		0.009844	0.158431
IIP	B	0.004665	0.000000	0.000309	0.004974
SBC:					
RAC	E, G	0.057425	0.000000	0.003804	0.061229
CLEP	E, K	0.036824	0.000000	0.002440	0.039264
USF	E	<u>0.024500</u>	<u>0.000000</u>	<u>0.001700</u>	<u>0.026200</u>
Total SBC		0.118749	0.000000	0.007944	0.126693
EET	N	0.058302	0.000000	0.003863	0.062165
<b>Total Delivery Charge</b>		<b>0.330303</b>	<b>0.000000</b>	<b>0.021960</b>	<b>0.352263</b>
Balancing Service Charge BS-1	I	0.064322	0.000000	0.004261	0.068583
Balancing Service Charge BS-1 (Opt Out Provision) (Applicable to Transportation Customers Only)	I	0.002276	0.000000	0.000151	0.002427
BUY-OUT PRICE	I				RATE SET MONTHLY

SOUTH JERSEY GAS COMPANY  
Schedule of Rate Components  
Appendix A - Effective \_\_\_\_\_

<b>FIRM ELECTRIC SALES (FES)</b>					
	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<b>WINTER</b>					
<b>D-1 DEMAND (MCF) (Rate is negotiated. Shown here is the benchmark rate.)</b>		2.897200		0.191900	<b>3.089100</b>
<b>D-2 DEMAND BGSS(MCF) (Applicable to Sales Customers Only)</b>	A	7.734825	0.000000	0.512432	<b>8.247257</b>
<b>DELIVERY CHARGE (per therm):</b>					
SBC:					
RAC	E, G	0.057425	0.000000	0.003804	0.061229
CLEP	E, K	0.036824	0.000000	0.002440	0.039264
USF	E	<u>0.024500</u>	<u>0.000000</u>	<u>0.001700</u>	<u>0.026200</u>
Total SBC		0.118749	0.000000	0.007944	0.126693
EET	N	0.058302	0.000000	0.003863	0.062165
Total Delivery Charge		0.177051	0.000000	0.011807	<b>0.188858</b>
<b>C-3 All Therms (Rate is negotiated. Shown here is the benchmark rate.)</b>		0.162900		0.010800	<b>0.173700</b>
<b>C-4 Escalator Rate (To be determined as prescribed in the Company's Tariff)</b>					<b>RATE SET MONTHLY</b>
Balancing Service Charge CASH OUT CHARGE (CREDIT) (Applicable to Firm Transportatin Customers Only)	I				RATE SET MONTHLY
<b>BGSS: (Applicable To Sales Customers Only)</b>	A				<b>RATE SET MONTHLY</b>
<b>SUMMER</b>					
<b>D-1 DEMAND (MCF) (Rate is negotiated. Shown here is the benchmark rate.)</b>		2.897200		0.191900	<b>3.089100</b>
<b>D-2 DEMAND BGSS(MCF) (Applicable to Sales Customers Only)</b>	A	7.734825	0.000000	0.512432	<b>8.247257</b>
SBC:					
RAC	E, G	0.057425	0.000000	0.003804	0.061229
CLEP	E, K	0.036824	0.000000	0.002440	0.039264
USF	E	0.024500	0.000000	0.001700	0.026200
EET	N	0.058302	0.000000	0.003863	0.062165
Total Delivery Charge		0.177051	0.000000	0.011807	<b>0.188858</b>
<b>C-3 All Therms (Rate is negotiated. Shown here is the benchmark rate.)</b>		0.162900		0.010800	<b>0.173700</b>
<b>C-4 Escalator Rate (To be determined as prescribed in the Company's Tariff)</b>					<b>RATE SET MONTHLY</b>
Balancing Service Charge CASH OUT CHARGE (CREDIT) (Applicable to Firm Transportatin Customers Only)	I				RATE SET MONTHLY
<b>BGSS: (Applicable To Sales Customers Only)</b>	A				<b>RATE SET MONTHLY</b>

SOUTH JERSEY GAS COMPANY  
Schedule of Rate Components  
Appendix A - Effective \_\_\_\_\_

<b><u>ELECTRIC GENERATION SERVICE (EGS) - RESIDENTIAL</u></b>					
	<b><u>RIDER</u></b>	<b><u>RATE</u></b>	<b><u>PUA</u></b>	<b><u>NJ SALES TAX</u></b>	<b><u>TARIFF RATE</u></b>
<b><u>CUSTOMER CHARGE</u></b>		9.850000		0.652563	<b>10.502563</b>
<b><u>DELIVERY CHARGE (per therm):</u></b>					
Base Rate		0.180446		0.011955	0.192401
IIP	B	0.006260	0.000000	0.000415	0.006675
SBC:					
RAC	E, G	0.057425	0.000000	0.003804	0.061229
CLEP	E, K	0.036824	0.000000	0.002440	0.039264
USF	E	<u>0.024500</u>	<u>0.000000</u>	<u>0.001700</u>	<u>0.026200</u>
	Total SBC	0.118749	0.000000	0.007944	0.126693
EET	N	0.058302	0.000000	0.003863	0.062165
Balancing Service Charge BS-1	J	0.064322	0.000000	0.004261	0.068583
	<b>Total Delivery Charge</b>	0.428079	0.000000	0.028438	<b>0.456517</b>
<b><u>BGSS: (Applicable To Sales Customers Only)</u></b>	A	0.550954	0.000000	0.036501	<b>0.587455</b>

SOUTH JERSEY GAS COMPANY  
Schedule of Rate Components  
Appendix A - Effective \_\_\_\_\_

<b>ELECTRIC GENERATION SERVICE (EGS) - COMMERCIAL/INDUSTRIAL</b>					
	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<b>CUSTOMER CHARGE</b>		86.280000		5.716050	<b>91.996050</b>
<b>D-1 DEMAND (MCF)</b>		9.144200		0.605803	<b>9.750003</b>
<b>DELIVERY CHARGE (per therm):</b>					
Base Rate - Winter Season (Nov - Mar)		0.168130		0.011139	0.179269
Base Rate - Summer Season (Apr - Oct)		0.138130		0.009151	0.147281
IIP	B	0.006260	0.000000	0.000415	0.006675
SBC:					
RAC	E, G	0.057425	0.000000	0.003804	0.061229
CLEP	E, K	0.036824	0.000000	0.002440	0.039264
USF	E	<u>0.024500</u>	<u>0.000000</u>	<u>0.001700</u>	<u>0.026200</u>
Total SBC		0.118749	0.000000	0.007944	0.126693
EET	N	0.058302	0.000000	0.003863	0.062165
Balancing Service Charge BS-1	J	0.064322	0.000000	0.004261	0.068583
<b>Total Delivery Charge - Winter Season</b>		0.415763	0.000000	0.027622	<b>0.443385</b>
<b>Total Delivery Charge - Summer Season</b>		0.385763	0.000000	0.025634	<b>0.411397</b>
<b>BGSS: (Applicable To Sales Customers Only)</b>	A				<b>RATE SET MONTHLY</b>

SOUTH JERSEY GAS COMPANY  
Schedule of Rate Components  
Appendix A - Effective \_\_\_\_\_

<b>ELECTRIC GENERATION SERVICE-LV (EGS-LV)</b>					
	<b>RIDER</b>	<b>RATE</b>	<b>PUA</b>	<b>NJ SALES TAX</b>	<b>TARIFF RATE</b>
<b>FIRM</b>					
<b>CUSTOMER CHARGE</b>		820.630000		54.366738	<b>874.996738</b>
<b>D-1 DEMAND (MCF) (Rate is negotiated. Shown here is the benchmark rate.)</b>		27.611897		1.829288	<b>29.441185</b>
<b>D-2 DEMAND BGSS (MCF) (Applicable to Sales Customers Only)</b>	A	15.546022	0.000000	1.029924	<b>16.575946</b>
<b>DELIVERY CHARGE (per therm):</b>					
IIP	B	0.000796	0.000000	0.000053	0.000849
SBC:					
RAC	E, G	0.057425	0.000000	0.003804	0.061229
CLEP	E, K	0.036824	0.000000	0.002440	0.039264
USF	E	<u>0.024500</u>	<u>0.000000</u>	<u>0.001700</u>	<u>0.026200</u>
		0.118749	0.000000	0.007944	0.126693
EET	N	0.058302	0.000000	0.003863	0.062165
<b>Total Delivery Charge</b>		0.177847	0.000000	0.011860	<b>0.189707</b>
Balancing Service Charge BS-1	I	0.064322	0.000000	0.004261	0.068583
Balancing Service Charge BS-1 (Opt Out Provision)	I	0.002276	0.000000	0.000151	0.002427
Balancing Service Charge CASH OUT CHARGE (CREDIT) (Applicable to Firm Transportatin Customers Only)	I				RATE SET MONTHLY
<b>BGSS: (Applicable To Sales Customers Only)</b>	A				<b>RATE SET MONTHLY</b>
<b>LIMITED FIRM</b>					
<b>D-2 DEMAND BGSS(MCF) (Applicable to Sales Customers Only)</b>	A	7.734825	0.000000	0.512432	<b>8.247257</b>
<b>DELIVERY CHARGE (per therm):</b>					
SBC:					
RAC	E, K	0.057425	0.000000	0.003804	0.061229
CLEP	E, G	0.036824	0.000000	0.002440	0.039264
USF	E	<u>0.024500</u>	<u>0.000000</u>	<u>0.001700</u>	<u>0.026200</u>
		0.118749	0.000000	0.007944	0.126693
EET	N	0.058302	0.000000	0.003863	0.062165
<b>Total Delivery Charge</b>		0.177051	0.000000	0.011807	<b>0.188858</b>
<b>C-3 (Rate is negotiated. Shown here is the benchmark rate.)</b>		0.162900		0.010800	<b>0.173700</b>
Balancing Service Charge BS-1	I	0.064322	0.000000	0.004261	0.068583
Balancing Service Charge BS-1 (Opt Out Provision)	I	0.002276	0.000000	0.000151	0.002427
Balancing Service Charge CASH OUT CHARGE (CREDIT) (Applicable to Firm Transportatin Customers Only)	I				RATE SET MONTHLY
<b>BGSS: (Applicable To Sales Customers Only)</b>	A				<b>RATE SET MONTHLY</b>

SOUTH JERSEY GAS COMPANY  
Schedule of Rate Components  
Appendix A - Effective \_\_\_\_\_

<b><u>YARD LIGHTING SERVICE (YLS)</u></b>					
	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
MONTHLY CHARGE / INSTALL		16.021480		1.061423	17.082903
<b><u>STREET LIGHTING SERVICE (SLS)</u></b>					
MONTHLY CHARGE / INSTALL		19.228041		1.273858	20.501899
<b><u>INTERRUPTIBLE GAS SALES (IGS)</u></b>					
Commodity					Rate Set Monthly
SBC:					
RAC	E, K	0.057425	0.000000	0.003804	0.061229
USF	E	0.024500	0.000000	0.001700	0.026200
Total SBC:		0.081925	0.000000	0.005504	0.087429
EET	N	0.058302	0.000000	0.003863	0.062165

SOUTH JERSEY GAS COMPANY  
Schedule of Rate Components  
Appendix A - Effective \_\_\_\_\_

<b>INTERRUPTIBLE TRANSPORTATION (ITS)</b>		<b>RIDER</b>	<b>RATE</b>	<b>PUA</b>	<b>NJ SALES TAX</b>	<b>TARIFF RATE</b>
<b>CUSTOMER CHARGE</b>			<b>500.000000</b>		<b>33.125000</b>	<b>533.125000</b>
<b>TRANSPORTATION CHARGE A</b>			<b>0.078400</b>		<b>0.005200</b>	<b>0.083600</b>
SBC:						
RAC		E, K	0.057425	0.000000	0.003804	0.061229
CLEP		E, G	0.036824	0.000000	0.002440	0.039264
USF		E	<u>0.024500</u>	<u>0.000000</u>	<u>0.001700</u>	<u>0.026200</u>
	Total SBC:		0.118749	0.000000	0.007944	0.126693
EET		N	0.058302	0.000000	0.003863	0.062165
<b>TRANSPORTATION CHARGE B</b>			<b>0.143200</b>		<b>0.009500</b>	<b>0.152700</b>
SBC:						
RAC		E, K	0.057425	0.000000	0.003804	0.061229
CLEP		E, G	0.036824	0.000000	0.002440	0.039264
USF		E	<u>0.024500</u>	<u>0.000000</u>	<u>0.001700</u>	<u>0.026200</u>
	Total SBC:		0.118749	0.000000	0.007944	0.126693
EET		N	0.058302	0.000000	0.003863	0.062165
<b>TRANSPORTATION CHARGE C</b>			<b>0.203200</b>		<b>0.013500</b>	<b>0.216700</b>
SBC:						
RAC		E, K	0.057425	0.000000	0.003804	0.061229
CLEP		E, G	0.036824	0.000000	0.002440	0.039264
USF		E	<u>0.024500</u>	<u>0.000000</u>	<u>0.001700</u>	<u>0.026200</u>
	Total SBC:		0.118749	0.000000	0.007944	0.126693
EET		N	0.058302	0.000000	0.003863	0.062165

SOUTH JERSEY GAS COMPANY  
Schedule of Rate Components  
Appendix A - Effective \_\_\_\_\_

<b>NATURAL GAS VEHICLE (NGV)</b>		<b>RATE</b>	<b>PUA</b>	<b>NJ SALES TAX</b>	<b>TARIFF RATE</b>
<b>COMPANY OPERATED FUELING STATIONS</b>					
<b>DELIVERY CHARGE (per therm):</b>					
IIP	B	0.011143	0.000000	0.000738	0.011881
SBC					
RAC	E, K	0.057425	0.000000	0.003804	0.061229
CLEP	E, G	0.036824	0.000000	0.002440	0.039264
USF	E	<u>0.024500</u>	<u>0.000000</u>	<u>0.001700</u>	<u>0.026200</u>
	Total SBC:	0.118749	0.000000	0.007944	0.126693
EET	N	0.058302	0.000000	0.003863	0.062165
	<b>Total Delivery Charge</b>	0.188194	0.000000	0.012545	<b>0.200739</b>
	<b>DISTRIBUTION CHARGE</b>	0.241844	0.000000	0.0160220	<b>0.257866</b>
	<b>COMPRESSION CHARGE</b>	0.656506	0.000000	0.043494	<b>0.700000</b>
Balancing Service Charge BS-1	I	0.064322	0.000000	0.004261	0.068583
Balancing Service Charge BS-1 (Opt Out Provision) (Applicable for Transportation Customers Only)	I	0.002276	0.000000	0.000151	0.002427
Balancing Service Charge BS-1	J	0.064322	0.000000	0.004261	0.068583
<b>BGSS: (Applicable To Sales Customers Only)</b>	A				<b>RATE SET MONTHLY</b>
<b>CUSTOMER OPERATED FUELING STATIONS</b>					
<b>CUSTOMER CHARGE</b>					
		0 - 999 CF/hour	37.500000	2.484400	<b>39.984400</b>
		1,000 - 4,999 CF/hour	75.000000	4.968800	<b>79.968800</b>
		5,000 - 24,999 CF/hour	241.970000	16.030500	<b>258.000500</b>
		25,000 or Greater CF/hour	925.000000	61.281250	<b>986.281250</b>
<b>DELIVERY CHARGE (per therm):</b>					
IIP	B	0.011143	0.000000	0.000738	0.011881
SBC					
RAC	E, K	0.057425	0.000000	0.003804	0.061229
CLEP	E, G	0.036824	0.000000	0.002440	0.039264
USF	E	<u>0.024500</u>	<u>0.000000</u>	<u>0.001700</u>	<u>0.026200</u>
	Total SBC:	0.118749	0.000000	0.007944	0.126693
EET	N	0.058302	0.000000	0.003863	0.062165
	<b>Total Delivery Charge</b>	0.188194	0.000000	0.012545	<b>0.200739</b>
	<b>DISTRIBUTION CHARGE</b>	0.241844	0.000000	0.016022	<b>0.257866</b>
Balancing Service Charge BS-1	I	0.064322	0.000000	0.004261	0.068583
Balancing Service Charge BS-1 (Opt Out Provision) (Applicable for Transportation Customers Only)	I	0.002276	0.000000	0.000151	0.002427
Balancing Service Charge BS-1	J	0.064322	0.000000	0.004261	0.068583
<b>BGSS: (Applicable To Sales Customers Only)</b>	A				<b>RATE SET MONTHLY</b>
<b>Facilities Charge (Applicable only to Customers that elect the Company construct Compressed Natural Gas ("CNG") fueling Facilities located on Customer's property)</b>		0.276150		0.018295	<b>0.294445</b>

SOUTH JERSEY GAS COMPANY  
Appendix A - Effective

**Heat Residential Rate Schedule:**

	RSG FSS	RSG-FTS	Difference
BGSS	0.587455	0.000000	0.587455
Base Rate	0.956608	0.956608	0.000000
IIP	0.034335	0.034335	0.000000
CLEP	0.039264	0.039264	0.000000
RAC	0.061229	0.061229	0.000000
CIP	0.002833	0.002833	0.000000
USF	0.026200	0.026200	0.000000
TIC	0.000980	0.000980	0.000000
EET	0.062165	0.062165	0.000000
BSC "J" BS-1	0.068583	0.068583	0.000000
<b>Price to Compare</b>	<b>1.839652</b>	<b>1.252197</b>	<b>0.587455</b>

**NonHeat Residential Rate Schedule:**

	RSG FSS	RSG-FTS	Difference
BGSS	0.587455	0.000000	0.587455
CIP	0.002833	0.002833	0.000000
Base Rate	0.956608	0.956608	0.000000
IIP	0.034335	0.034335	0.000000
CLEP	0.039264	0.039264	0.000000
RAC	0.061229	0.061229	0.000000
USF	0.026200	0.026200	0.000000
TIC	0.000980	0.000980	0.000000
EET	0.062165	0.062165	0.000000
BSC "J" BS-1	0.068583	0.068583	0.000000
<b>Price to Compare</b>	<b>1.839652</b>	<b>1.252197</b>	<b>0.587455</b>

**GSG**

(Under 5,000 therms annually)

	GSG FSS	GSG-FTS	Difference
BGSS	0.587455	0.000000	0.587455
CIP	(0.003646)	(0.003646)	0.000000
Base Rates	0.771098	0.771098	0.000000
IIP	0.027366	0.027366	0.000000
CLEP	0.039264	0.039264	0.000000
RAC	0.061229	0.061229	0.000000
USF	0.026200	0.026200	0.000000
TIC	0.000980	0.000980	0.000000
EET	0.062165	0.062165	0.000000
BSC "J" BS-1	0.068583	0.068583	0.000000
<b>Price to Compare</b>	<b>1.640694</b>	<b>1.053239</b>	<b>0.587455</b>

**GSG**

(5,000 therms annually or greater)

	GSG FSS	GSG-FTS	Difference
BGSS	0.536171	0.000000	0.536171
CIP	(0.003646)	(0.003646)	0.000000
Base Rates	0.771098	0.771098	0.000000
IIP	0.027366	0.027366	0.000000
CLEP	0.039264	0.039264	0.000000
RAC	0.061229	0.061229	0.000000
USF	0.026200	0.026200	0.000000
TIC	0.000980	0.000980	0.000000
EET	0.062165	0.062165	0.000000
BSC "J" BS-1	0.068583	0.068583	0.000000
<b>Price to Compare</b>	<b>1.589410</b>	<b>1.053239</b>	<b>0.536171</b>

**GSG-LV**

Prior to 7/15/97

	GSG-LV FSS	GSG-LV-FTS	Difference
BGSS	0.536171	0.000000	0.536171
CIP	(0.008072)	(0.008072)	0.000000
Base Rates	0.382900	0.382900	0.000000
IIP	0.015427	0.015427	0.000000
CLEP	0.039264	0.039264	0.000000
RAC	0.061229	0.061229	0.000000
USF	0.026200	0.026200	0.000000
TIC	0.000980	0.000980	0.000000
EET	0.062165	0.062165	0.000000
BSC "J" BS-1	0.068583	0.068583	0.000000
<b>Price to Compare</b>	<b>1.184847</b>	<b>0.648676</b>	<b>0.536171</b>