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July 31, 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 Levels of Its Societal Benefits Clause ("SBC") Charges and Its Transportation Initiation Clause ("TIC") Charge
BPU Docket No. _____**

Dear Secretary Lewis:

Enclosed herewith is South Jersey Gas Company's Verified Petition to revise the levels of its Societal Benefits Clause charges and its Transportation Initiation Clause charge, 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 Orders dated March 19, 2020 and June 10, 2020 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 submitted,

A handwritten signature in cursive script, reading "Dominick DiRocco", written over a white rectangular redaction box.

Dominick DiRocco

DD:caj
Enclosures

cc: Service List (electronically)

**IN THE MATTER OF THE PETITION OF SOUTH JERSEY GAS COMPANY
FOR APPROVAL TO REVISE THE LEVELS OF ITS SOCIETAL
BENEFITS CLAUSE (“SBC”) CHARGES AND ITS TRANSPORTATION
INITIATION CLAUSE (“TIC”) CHARGE
BPU DOCKET NO. _____**

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

IN THE MATTER OF THE PETITION OF SOUTH JERSEY GAS COMPANY TO REVISE THE LEVELS OF ITS SOCIETAL BENEFITS CLAUSE (“SBC”) CHARGES AND ITS TRANSPORTATION INITIATION CLAUSE (“TIC”) CHARGE	: : : : : :	: BPU DOCKET NO. _____
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**CASE SUMMARY, VERIFIED PETITION, TESTIMONY, AND
SCHEDULES**

July 31, 2026

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

IN THE MATTER OF THE PETITION OF	:	DOCKET NO. _____
SOUTH JERSEY GAS COMPANY TO	:	
REVISE THE LEVELS OF ITS SOCIETAL	:	
BENEFITS CLAUSE (“SBC”) CHARGES	:	
AND ITS TRANSPORTATION INITIATION	:	CASE SUMMARY
CLAUSE (“TIC”) CHARGE		

By this Petition, South Jersey Gas Company (“South Jersey”) seeks authorization to decrease the overall annual revenue level of its Societal Benefits Clause (“SBC”) and Transportation Initiation Clause (“TIC”) charges by \$4.1 million, excluding taxes. Specifically, this Petition seeks an increase in South Jersey’s Remediation Adjustment Clause (“RAC”) rate and a decrease in its Clean Energy Program (“CLEP”) rate, both components of the SBC, and a decrease in the TIC rate. The rate changes proposed in this Petition would decrease the monthly bill of a residential heating customer using 100 therms by \$0.79 from \$203.74 to \$202.95, a decrease of 0.38%, as compared to rates in effect on July 1, 2026.

The Universal Service Fund and Lifeline components of the SBC have been addressed by the New Jersey Board of Public Utilities (“BPU”) in a separate proceeding in BPU Docket No. ER26060356. Therefore, South Jersey proposes no changes to these specific components of the SBC within this filing. The SBC and TIC provide no profit to South Jersey but rather allow South Jersey to pass through to its customers increases and decreases in the costs associated with these programs.

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

IN THE MATTER OF THE PETITION	: BPU DOCKET NO.
OF SOUTH JERSEY GAS COMPANY	:
TO REVISE THE LEVELS OF ITS	: VERIFIED PETITION
SOCIETAL BENEFITS CLAUSE (“SBC”)	:
CHARGES AND ITS TRANSPORTATION	:
INITIATION CLAUSE (“TIC”) CHARGE	:

TO THE HONORABLE COMMISSIONERS OF THE BOARD OF PUBLIC UTILITIES:

Petitioner, South Jersey Gas Company (“Petitioner”, “South Jersey” or “Company”), a public utility corporation of the State of New Jersey, with its principal office at One South Jersey Place, Atlantic City, New Jersey, hereby petitions this Honorable Board for authority to change the levels of its Societal Benefits Clause (“SBC”) and its Transportation Initiation Clause (“TIC”) charges. In support thereof, South Jersey states as follows:

I. INTRODUCTION

1. South Jersey is engaged in the transmission, distribution, transportation, and sale of natural gas within its defined service territory within the State of New Jersey. Said service territory includes all or portions of the following Counties: Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester and Salem. Within its service territory South Jersey serves approximately 429,800 customers.

2. By this Petition, South Jersey seeks authority to decrease the overall level of its annual SBC and TIC revenues by \$4.1 million, excluding taxes. Specifically, this Petition seeks to increase the level of a component of the Company’s SBC, the annual Remediation Adjustment Clause (“RAC”) charges, by \$2.9 million, excluding taxes, and to decrease the level of a second component of the Company’s SBC, the annual Clean Energy Program (“CLEP”) charges, by \$6.9

million, excluding taxes. In addition, this Petition seeks to decrease the level of South Jersey's annual TIC charges by \$0.1 million, excluding taxes.

3. The Universal Service Fund ("USF") and Lifeline components of the SBC are addressed in a separate proceeding in New Jersey Board of Public Utilities ("Board" or "BPU") Docket No. ER26060356 ¹. Therefore, South Jersey proposes no changes to these specific components of the SBC within this filing.

4. The SBC and TIC provide no profit to the Company. Rather, these clauses allow the Company to pass through to its customers increases and/or decreases in the costs associated with these programs.

5. The attached Direct Testimony of Cindy Capozzoli, Senior Director, Rates and accompanying schedules support South Jersey's request for the proposed rate changes.

6. The attached Schedule SBC/TIC-1 provides the actual and projected volumes for the period November 2025 through October 2027. The projected volumes in Schedule SBC/TIC-1 are provided for reference, as they are utilized in multiple schedules provided in support of this Petition. Refer to the Direct Testimony of Ms. Capozzoli for specific details on the derivation of projected volumes in Schedule SBC/TIC-1.

7. The proposed rate changes in this Petition will result in a decrease to the monthly bill of a residential heating customer using 100 therms of \$0.79, from \$203.74 to \$202.95, or approximately 0.38%, as compared to rates currently in effect on July 1, 2026. The attached Schedule SBC/TIC-2 demonstrates the total bill impact of the rates proposed in this Petition.

¹ In re *the Matter of the 2026/2027 Annual Compliance Filing for the Universal Service Fund and Lifeline Program Components Within the Societal Benefits Charge Rate Pursuant to N.J.S.A. 48:2-21 and N.J.S.A. 48:2-21.1*, Docket No. ER26060356.

II. SOCIETAL BENEFITS CLAUSE

8. The SBC was established pursuant to the provisions of Section 12 of the “Electric Discount and Energy Competition Act”, P.L. 1999, c.23. In addition, the Board’s March 2001 Order² authorized South Jersey to recover RAC, CLEP, USF, Lifeline and other costs determined by the Board to be recoverable through the SBC.

9. In accordance with the March 2001 Order, interest on SBC under-recoveries and over-recoveries shall be calculated by applying a rate that is adjusted each September 1 based on the seven (7) year constant maturity U.S. Treasury note rate, as shown in the Federal Reserve Statistical Release on or closest to August 31 of each year, plus sixty (60) basis points. By applying this methodology, the resulting interest rate is 4.52% for the period November 2025 through August 2026 in this filing. A projected interest rate of 4.90%, which reflects the June 30, 2026 seven (7) year constant maturity U.S. Treasury note rate of 4.30% plus sixty (60) basis points, is currently used for the period September 2026 through October 2027. In accordance with the Company’s tariff, the actual interest rate on or closest to August 31, 2026 will be used once it becomes available.

10. On July 31, 2025, the Company filed its 2025-2026 SBC/TIC filing in BPU Docket No. GR25070456³. By its April 2026 Order, the Board approved, as final, the Company’s RAC rate of \$0.061229 per therm, CLEP rate of \$0.039264 per therm, and TIC rate of \$0.000980 per therm, effective May 1, 2026⁴.

² In re *the Matter of the Rate Unbundling Filings by Gas Public Utilities Pursuant to Section 10, Subsection A of the Electronic Discount and Energy Competition Act of 1999 – SJG*, Docket No. GO99030125, Order dated March 30, 2001 (“March 2001 Order”).

³ In re *the Matter of the Petition of South Jersey Gas Company to Revise the Levels of Its Societal Benefits Clause (“SBC”) Charges and Its Transportation Initiation Clause (“TIC”) Charge*, Docket No. GR25070456, Order dated April 22, 2026 (“April 2026 Order”).

⁴ All rates quoted herein are inclusive of applicable taxes.

III. REMEDATION ADJUSTMENT CLAUSE

11. South Jersey's RAC was established by the Board's August 1992 Order ⁵ and thereafter amended by the Board's June 1996 Order ⁶. Pursuant thereto, the Company is required to submit status reports on general remediation activities and expenditure summaries (showing expenditures by vendor) for each former Manufactured Gas Plant ("MGP") site being remediated, as well as a site-by-site status report with each annual filing. A calculation of the proposed RAC level is also required. The Company's filing in this proceeding meets these requirements.

12. A "Remediation Year" is defined as August 1 to July 31 and a "Recovery Year" as November 1 to October 31. A Recovery Year is the period of time over which unamortized balances related to completed Remediation Years are recovered. Expenses incurred during any Remediation Year are amortized and recovered over the next seven (7) Recovery Years.

13. During the upcoming recovery year from November 1, 2026 through October 31, 2027 ("2026-27 Recovery Year"), South Jersey's customers will be credited with any deferred tax benefits which South Jersey recognizes by virtue of timing differences between the deduction of Remediation Costs for federal income tax purposes and the deduction of Remediation Costs for book purposes. These deferred tax benefits are given back to customers as a reduction of Remediation Costs to be recovered through the RAC.

14. Carrying costs on deferred taxes shall be based on the seven (7) year constant maturity U.S. Treasury note rate. For purposes of this filing, a projected interest rate of 4.90% is

⁵ In re *the Matter of the Petition of South Jersey Gas Company for Approval of Increased Base Tariff Rates and Charges for Gas Service*, Docket No. GR1071243J, Order dated August 10, 1992 (August 1992 Order").

⁶ In re *the Matter of the Petition of South Jersey Gas Company to Change the Level of its Remediation Adjustment Clause (RAC)*, Docket Nos. GR94070340 and GR95070340, Order dated June 20, 1996 ("June 1996 Order").

used for the period September 2026 through October 2027. This rate reflects the June 30, 2026 seven (7) year constant maturity U.S. Treasury note rate of 4.30% plus sixty (60) basis points. The actual August 31, 2026 rate will be used once it becomes available.

15. Pursuant to the August 1992 Order and the September 2014 Order ⁷, South Jersey's total annual charge for Remediation Costs during any Recovery Year shall not exceed five percent (5%) of the Company's total revenues from those firm gas sales and firm transportation sales that are related to the preceding Remediation Year ("5% Cap"). In this filing, the Company forecasts that its total recoverable expenses will exceed the 5% Cap during the 2026-27 Recovery Year. Refer to the Direct Testimony of Ms. Capozzoli for specific details on the calculations related to the 5% Cap.

16. According to the Company's approved Tariff, if there is any recoverable expense that is in excess of the 5% Cap, carrying costs shall accrue annually on such excess amount through the Recovery Year in which such amount, together with any accumulated carrying costs on the unamortized balance, is actually recoverable by the Company from its ratepayers. The carrying costs on the recoverable expenses that are in excess of the 5% Cap shall be calculated using the then current Before Tax Cost Rate as allowed in the Company's most recent base rate case.

17. Per the Board's April 2021 Order ⁸, beginning with the RAC Remediation Year commencing August 1, 2019, Natural Resource Damages ("NRD") related costs, as

⁷ In re the Matter of the Petition of South Jersey Gas Company for Approval of increased Base Tariff Rates and Charges for Service and other Tariff Revisions, Docket No. GO13111137, Order dated September 30, 2014 ("September 2014 Order").

⁸ In re the Matter of the Petition of South Jersey Gas Company to Revise the Levels of Its Societal Benefits Clause ("SBC") Charges and its Transportation Initiation Clause ("TIC") Charge, Docket No. GR20070504, Order dated April 27, 2021 ("April 2021 Order").

defined below, that are incurred by the Company will be deferred in a regulatory asset account with carrying costs until such time the Board addresses the recoverability of such NRD-related costs via the RAC mechanism. NRD-related costs are defined as compensation to the State of New Jersey for injury to its natural resources, above and beyond costs incurred to investigate, contain, or remediate former manufactured gas plant sites. NRD-related costs also include any administrative, legal or consulting costs incurred by the Company associated with NRD claims being investigated by the New Jersey Department of Environmental Protection as well as any amounts paid by the Company to resolve such claims.

ENVIRONMENTAL EXPENDITURES

18. The status of the environmental remediation and related expenditures for the first eleven (11) months of Remediation Year ending July 31, 2026 (“2025-26 Remediation Year), from August 1, 2025 through June 30, 2026, is summarized in the attached Direct Testimony of Margo Carr, Manager, Environmental and the accompanying schedules.

19. Actual expenditures for the period August 1, 2025 through June 30, 2026 are set forth on Schedule RAC MC-1. This Schedule provides a breakdown of the expenditures by MGP site and by vendor. Certain internal costs charged to specific MGP sites totaling (\$88,693) are also included. Schedule RAC MC-2 provides summaries of expenditures by type. Schedule RAC MC-3 provides a brief description of the type of service provided by each RAC vendor. Schedule RAC MC-4 provides a narrative response to certain minimum filing requirements (“MFRs”).

RATE PROPOSAL

20. As shown in Schedule RAC CLC-1, South Jersey is proposing that the RAC rate be increased from its current level of \$0.061229 per therm to \$0.066642 per therm. Schedules RAC CLC-1 through RAC CLC-4 support the calculation of this increase in the RAC rate. This

proposed RAC rate is based on eleven months actual data and one month forecasted data for the Remediation Year ending July 31, 2026. Additionally, Schedule RAC CLC-5 provides recovery projections for the 2026-27 Recovery Year.

21. The proposed RAC rate of \$0.066642 per therm will be applicable to South Jersey's Rate Schedules Residential Service ("RSG"), General Service ("GSG"), General Service-Large Volume ("GSG-LV"), Electric Generation Service ("EGS"), Firm Electric Service ("FES"), Electric Generation Service-Large Volume ("EGS-LV"), Comprehensive Transportation Service ("CTS"), Large Volume Service ("LVS"), Interruptible Gas Service ("IGS"), Interruptible Transportation Service ("ITS"), and Natural Gas Vehicle ("NGV").

IV. CLEAN ENERGY PROGRAM

22. South Jersey's CLEP component of the SBC, as approved by the Board's August 2001 Order ⁹, provides that the CLEP rate shall be calculated annually based upon the projected CLEP costs divided by projected therm sales. Any difference between the preceding year's costs and recoveries must be added to or deducted from the succeeding year's computation.

23. The Company proposes to recover CLEP costs of \$13,820,579 during the period November 2026 through October 2027 as shown on Schedule CLEP CLC-1. The components of total CLEP costs are calculated on Schedule CLEP CLC-2.

24. The calculation of the proposed CLEP rate is demonstrated on Schedule CLEP CLC-1. South Jersey is proposing that the CLEP rate be decreased from its current level of \$0.039264 per therm to \$0.026216 per therm. The proposed CLEP rate would be applicable to Rate Schedules RSG, GSG, GSG-LV, CTS, LVS, EGS, EGS-LV, FES, ITS and NGV.

⁹ In re *the Matter of the Petition of the Filings of the Comprehensive Resource Analysis of Energy Programs Pursuant to Section 12 of the Electronic Discount and Energy Competition Act of 1999 – South Jersey Gas*, Docket No. EX99050347, Order dated August 15, 2001 ("August 2001 Order").

V. TRANSPORTATION INITIATION CLAUSE

25. Pursuant to its March 1999 Order ¹⁰, the Board directed that Electronic Data Interchange (“EDI”) be implemented in the natural gas industry. By virtue of the Company’s Global Settlement approved by the Board’s July 2003 Order ¹¹, the Company’s TIC was approved. The TIC was designed to recover all EDI development and operating costs, including consulting and EDI transaction costs.

26. The Company proposes to recover TIC costs of \$257,936 during the period November 2026 through October 2027 as shown on Schedule TIC CLC-1. The components of total TIC costs are calculated on Schedule TIC CLC-2.

27. The calculation of the proposed TIC rate is demonstrated on Schedule TIC CLC-1, South Jersey is proposing that the TIC rate decrease from its current level of \$0.000980 per therm to \$0.000663 per therm. The TIC rate will be applicable to Rate Schedules RSG, GSG, and GSG-LV.

VI. MISCELLANEOUS

28. Attached hereto and incorporated herein is the Direct Testimony and supporting Schedules of:

Exhibit D: Cindy Capozzoli, Senior Director, Rates; and

Exhibit E: Margo Carr, Manager, Environmental.

29. A Schedule of RAC MFRs is also attached to this Petition as Exhibit A. Please note that MFRs 4, 7, 10 and 15 request the disclosure of expense documentation, the most recently completed audit report, bid evaluation reports, and remediation schedules for each MGP site,

¹⁰ In re the Matter of the Rate Unbundling Filings by Gas Public Utilities Pursuant to Section 10, Subsection A, of the Electric Discount and Energy Competition Act of 1999 – South Jersey Gas, Docket No. GX99030121, Order dated March 17, 1999 (“March 1999 Order”).

¹¹ In re the Matter of the Petition of South Jersey Gas Company to Implement its Transportation Initiation Charge (TIC), Docket No. GT02080625, Order dated July 15, 2003 (“July 2003 Order”).

respectively. The Company requests that such information be treated as confidential and will provide promptly upon receipt of a signed Non- Disclosure Agreement from Board Staff, the New Jersey Division of Rate Counsel, and their consultants.

30. South Jersey will give notice of the filing of this Petition for the SBC and TIC rate adjustments and modification of its Tariff to its customers through publication of a notice in newspapers of general circulation. A draft Notice of Filing and Public Notice is attached to this Petition as Exhibit B.

31. The municipalities and counties served by South Jersey will be notified of the filing of this Petition by letter to be mailed upon publication of the public notice.

32. Attached hereto as Exhibit C are proposed tariff sheets necessary to implement the rates proposed in this Petition. In addition, the CLEP tariff sheets include proposed housekeeping changes.

33. The Company is serving notice of this filing on the Director, Division of Rate Counsel, via electronic mail in lieu of providing hard copies. In accordance with the Board's Orders dated March 19, 2020 and June 10, 2020 in BPU Docket No. EO20030254, hard copies are not being submitted at this time, but can be provided at a later time, if needed.

34. Similarly, South Jersey has also served notice of the filing on the Department of Law and Public Safety via electronic mail in lieu of providing hard copies, but hard copies can be provided later, as needed.

WHEREFORE, Petitioner respectfully requests that the Board (1) accept Petitioner's filing, (2) allow the proposed RAC, CLEP and TIC rates to become effective October 1, 2026, and (3) grant such other relief as the Board may deem just and proper.

Respectfully Submitted,

SOUTH JERSEY GAS COMPANY



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

Dated: July 31, 2026

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in this case is to be sent to:

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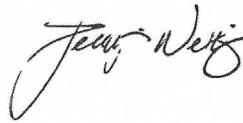
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VERIFICATION

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

1. I am Regulatory Affairs Counsel Intermediate 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.



Jennifer Weitz, Esq.
Regulatory Affairs Counsel Intermediate

Sworn to and subscribed
before me this 31st day
of July 2026



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

**In the Matter of the Petition of South Jersey Gas Company to Revise the Levels of Its Societal Benefits
Clause ("SBC") Charges and Its Transportation Initiation Clause ("TIC") Charge**

MINIMUM FILING REQUIREMENTS	LOCATION IN FILING
1. The Company currently provides a vendor summary as part of its annual RAC filing. This document provides a summary of the expenditures incurred by vendor by site for the twelve-month RAC period. Hereafter, the vendor summary will be supplemented with a general description of the services provided by each vendor. The data noting expenditures incurred through July 31st of each year will continue to be submitted with the Company's annual RAC filing.	RAC MC-1 RAC MC-3
2. Identify the three MGP sites with the highest level of expenditures during the prior RAC period. For each identified site, provide a copy of the latest work plan, remediation report, or major work product submitted to the NJDEP. The copies should include the narrative portion of the report or work plan but need not include the technical supporting work papers, charts, and tables.	RAC MC-4
3. For each of the same three MGP sites, provide all correspondence between the Company and the NJDEP concerning submissions for the site, reply comments, and other major items which have a material impact on remediation activities and associated costs incurred by the Company. The correspondence should span the twelve-months preceding July 31st of the most recent RAC period.	RAC MC-4
4. For each of the same three MGP sites, provide expense documentation for any contractor or supplier whose invoices for the RAC period exceed \$250,000 in aggregate. The expense documentation should include descriptions of services rendered, applicable invoices, and any tracking of invoiced charges vs. budgets. The expense detail need not include expense reports or time sheets, but it should include supporting documentation for any subcontractor and third-party expenses totaling \$100,000 or more for the period. CONFIDENTIAL	RAC MC-4
5. For each of the same three MGP sites, provide a narrative description and organization chart for that site, showing the vendors and project control structure for the remediation effort. The response should show what entities supervise all significant contractors and subcontractors and which Company personnel are involved in site and remediation supervision and control.	RAC MC-4
6. Provide a detailed narrative describing Company activities and any reimbursements related to insurance claims or potentially responsible parties' liabilities for all the Company's MGP sites. The narrative, with supporting documentation, should cover the prior RAC period.	RAC MC-4
7. Provide copies of any RAC audit reports or related materials prepared by the Board's Audit Staff, FERC, or the Company's internal or external auditors during the previous twelve months. To the degree applicable, please also provide any materials prepared in response to the audits or in compliance with any audit findings. CONFIDENTIAL	RAC MC-4
8. Provide a narrative concerning all material events, whether related to NJDEP mandates or not, which could have an impact on the Company's ultimate MGP remediation liability, with claimed confidential information provided pursuant to a confidentiality agreement. The narrative should encompass all sites, whether or not active remediation efforts on the site are under way.	RAC MC-4
9. Provide schedules and supporting work papers and documents, which show the reconciliation of the prior period RAC expenditures and recoveries as well as the derivation of the deferred tax credit and the interest accrual on any unamortized balances.	RAC CLC-1 RAC CLC-2 RAC CLC-3 RAC CLC-4
10. Provide the Company's bid evaluation studies, reports, work papers or other material related to the two largest MGP remediation contracts awarded during the previous RAC period. The response should include the criteria utilized for bid evaluation and the comparisons between the terms and conditions offered by the competitive bidders. CONFIDENTIAL	RAC MC-4

In the Matter of the Petition of South Jersey Gas Company to Revise the Levels of Its Societal Benefits Clause ("SBC") Charges and Its Transportation Initiation Clause ("TIC") Charge

MINIMUM FILING REQUIREMENTS	LOCATION IN FILING
11. Provide documentation relating to the two largest supplemental contract amendments authorized by the Company during the previous RAC period. The response should provide the contractor's request for supplemental funding, the reasons cited for the request, and the Company's evaluation and action taken concerning the request.	RAC MC-4
12. Provide documentation relating to any instances during the previous RAC period where the Company sought to modify, change, or eliminate the NJDEP site remediation requirements for any of its MGP sites. The response should provide copies of any such Company requests, the NJDEP responses, and the ultimate outcome concerning the requests.	RAC MC-4
13. Provide a calculation of the carrying costs that the Company seeks to recover in this filing, including work papers and supporting documentation.	RAC CLC-4
14. The Company currently provides a schedule that summarizes the expenditures incurred by major cost category by site on a quarterly basis. These data will be reported with its annual filing.	RAC MC-2
15. For each of the Company's MGP sites, provide a schedule showing the status of the remediation effort and estimated dates for the completion of remaining milestones. The Parties understand that the timeframes to complete the remediation efforts are subject to a great deal of uncertainty due to factors beyond the Company's control. Also, provide an update concerning the status of discussions with the NJDEP concerning its NRD initiative as well as any other NRD-related activities, with claimed confidential information provided pursuant to a confidentiality agreement. CONFIDENTIAL	RAC MC-4

NOTICE OF FILING AND PUBLIC HEARINGS

IN THE MATTER OF THE PETITION OF SOUTH JERSEY GAS COMPANY FOR APPROVAL TO REVISE THE LEVELS OF ITS SOCIETAL BENEFITS CLAUSE ("SBC") CHARGES AND ITS TRANSPORTATION INITIATION CLAUSE ("TIC") CHARGE BPU DOCKET NO. _____

PLEASE TAKE NOTICE that on July 31, 2026, South Jersey Gas Company ("South Jersey" or "Company") filed a petition with the New Jersey Board of Public Utilities ("Board") requesting a decrease in the overall level of its Societal Benefits Clause ("SBC") charges through an increase to its Remediation Adjustment Clause ("RAC") charge and a decrease to its Clean Energy Program ("CLEP") charge (both components of the SBC), as well as a decrease to its Transportation Initiation Clause ("TIC") charge. ("Petition")

The RAC recovers costs associated with remediating former manufactured gas plant sites, while the CLEP recovers costs associated with energy efficiency and renewable energy programs. The TIC recovers capital expenditures and operating costs, including consulting and transaction costs, associated with the Electronic Data Interchange. The SBC and TIC provide no profit to the Company. These clauses allow the Company to pass through to its customers only the costs incurred to conduct the related mandated programs.

Set forth below are the current versus proposed rates, all of which are inclusive of New Jersey Sales and Use Taxes, that will permit customers to determine the effect of the proposed decreased rates. Any assistance required by customers in understanding these rates will be furnished by the Company upon request.

The impact of the proposed changes to the monthly bill of a residential heating customer using 100 therms of natural gas is a decrease of \$0.79, from \$203.74 to \$202.95, a decrease of approximately 0.38%, as compared to rates in effect on July 1, 2026.

	<u>RAC</u>	<u>CLEP</u>	<u>TIC</u>	<u>TOTAL</u>
Current Rate	\$0.061229	\$0.039264	\$0.000980	\$0.101473
Proposed Rate	<u>\$0.066642</u>	<u>\$0.026216</u>	<u>\$0.000663</u>	<u>\$0.093521</u>
Rate (Decrease)/Increase	<u>\$0.005413</u>	<u>(\$0.013048)</u>	<u>(\$0.000317)</u>	<u>(\$0.007952)</u>
Dollar (Decrease)/Increase	\$0.54	(\$1.30)	(\$0.03)	(\$0.79)
Percentage (Decrease)/Increase	0.27%	(0.64)%	(0.01)%	(0.38)%

The Board has the statutory authority, pursuant to N.J.S.A. 48:2-21, to approve and establish the SBC and TIC charges at levels it finds just and reasonable as well as the effective date of such rates. Therefore, the Board may establish the SBC and TIC charges at levels other than those proposed by South Jersey.

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:

HEARING TIMES:

Join Microsoft Teams Meeting

Press Ctrl key + Click on this link:

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

Meeting ID:

Passcode:

-or-

Join by Phone

Dial In:

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

A copy of this Notice of Filing and Public Hearings is being served upon the clerk, executive or administrator of each municipality and county within the Company's service territory. The Petition is available to review online at the Company's website at <https://www.southjerseygas.com/about-us/regulatory> or on the Board's website at <https://publicaccess.bpu.state.nj.us>, by searching with the above-captioned docket number. The Petition and Board file may be reviewed at the Board located at 44 South Clinton Avenue, Trenton, NJ, with an appointment. To make an appointment, please call (609) 913-6298.

Representatives of the Company, Board Staff, and the New Jersey Division of 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 set forth above to express their views on the Petition. All comments will become part of the final record in this proceeding 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, forty-eight (48) hours prior to the above hearing to the Board Secretary at 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 at <https://publicaccess.bpu.state.nj.us/>. 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
New Jersey Board of Public Utilities
44 South Clinton Ave., 1st Floor
Trenton, NJ 08625-0350
Phone: 609-913-6241
Email: board.secretary@bpu.nj.gov

South Jersey Gas Company

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: ⁽¹⁾

Customer Charge: \$10.502563 per month

Delivery Charge:

(a) Residential Non-Heating Customers
Firm Sales Service and Firm Transportation Service \$1.~~445010~~437058 per therm

(b) Residential Heating Customers
Firm Sales Service and Firm Transportation Service \$1.~~344933~~336981 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.

⁽¹⁾ 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. 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: ⁽¹⁾

Customer Charge:

\$40.496175 per month

Delivery Charges:

Firm Sales Service and Firm Transportation Service

\$1.~~106610~~098658 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.

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

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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: ⁽¹⁾

Customer Charge:

\$264.003500 per month

Delivery Charges:

Firm Sales Service and Firm Transportation Service⁽²⁾

Demand Charge:

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

Volumetric Charge:

\$~~.711240~~ .703258 per therm

Basic Gas Supply Service ("BGSS") Charge:

All consumption for customers who elect
Firm Sales Service

See Rider "A" of this Tariff.

LINE LOSS:

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

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

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

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SOUTH JERSEY GAS COMPANY

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

**Eleventh Revised Sheet No. 18
Superseding Tenth Revised Sheet No. 18**

COMPREHENSIVE TRANSPORTATION SERVICE (CTS)

APPLICABLE TO USE OF SERVICE FOR:

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

CHARACTER OF SERVICE:

Firm Transportation Service and Limited Firm Transportation Service

MONTHLY RATE: ⁽¹⁾

Firm:

Customer Charge: \$874.996738 per month

Delivery Charges:

Demand Charge: D-1FT: \$37.000048 per Mcf of Contract Demand

Volumetric Charges:

All consumption for customers who elected to
transfer from Sales Service to Firm Transportation Service \$~~.295575~~ .287940
per therm

Limited Firm:

Customer Charge: \$533.125000per month

Delivery Charges:

Volumetric Charges:

All consumption for customers who elected to
transfer from Sales Service to Firm Transportation Service \$~~.251158~~ .243523
per therm

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

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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: ⁽¹⁾

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~~ .251450 per therm

Basic Gas Supply Service ("BGSS") Charge:

Demand Charge:

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

Volumetric Charge:

See Rider "A" of this Tariff.

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

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SOUTH JERSEY GAS COMPANY

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

**Eleventh Revised Sheet No. 26
Superseding Tenth Revised Sheet No. 26**

LARGE VOLUME SERVICE (LVS)
(Continued)

Limited Firm:

Customer Charge:

\$533.125000 per month

Delivery Charge:

Firm Sales Service and Firm Transportation

Volumetric Charge:

\$~~.352263~~ .344628 per therm

Basic Gas Supply Service ("BGSS") Charge:

Applicable to customers who elect Firm Sales Service

Volumetric Charge:

See Rider "A" of this Tariff.

PRICE TO COMPARE:

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

LINE LOSS:

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

MINIMUM BILL:

Sum of monthly Customer Charge and monthly Demand Charges, irrespective of use.

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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 ^{(1) (2)}

WINTER (November – March):

Demand Charge:

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

Volumetric Charge:

- C-1: \$.~~488858~~-181223 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 per Mcf of Daily Billing Determinant or \$0 for Firm Transportation customers

Volumetric Charge:

- C-1: \$.~~488858~~-181223 per therm of consumption
- C-2: FES Monthly Commodity Rate, pursuant to Rider "A" and Special Provision (x), OR Customer Owned Gas Clause, Rider "D"
- C-3: \$.173700 per therm of consumption
- C-4: Escalator Rate – Charge may change monthly pursuant to Standard Gas Service Addendum.

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

⁽²⁾ Please refer to Special Provision (p)

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 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: ⁽¹⁾⁽²⁾

Residential Customer Charge:

\$10.502563 per month

Residential Delivery Charge

Residential Volumetric Charge:

\$~~.456517~~448882 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 435750 per therm

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

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

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SOUTH JERSEY GAS COMPANY

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~~ 403762 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.

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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: ⁽¹⁾

Customer Charge:

\$874.996738 per month

FIRM:

Demand Charges: ⁽²⁾

D-1 \$29.441185 per Mcf of Firm Daily Contract Demand.

D-2 \$16.575946 per Mcf of Firm Daily Contract Demand or \$0 for Firm Transportation customers.

Volumetric Charge:

C-1: \$.~~489707~~-182072 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 \$8.247257 per Mcf of Limited Firm Daily Contract Demand or \$0 for Limited Firm Transportation customers

Volumetric Charge: ⁽²⁾

C-1: \$.~~488858~~-181223 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.¹

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

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

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

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SOUTH JERSEY GAS COMPANY

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

**Eleventh Revised Sheet No. 60
Superseding Tenth Revised Sheet No. 60**

NATURAL GAS VEHICLE (NGV)

APPLICABLE TO:

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

CHARACTER OF SERVICE:

Firm Sales Service or Firm Transportation Service

COMPRESSED NATURAL GAS VEHICLE SERVICE AT COMPANY OPERATED FUELING STATIONS

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

Rate for Monthly Consumption

Volumetric Charge

C-1: \$0.~~200739~~193104 per therm (\$0.~~250924~~241380 GGE*)

Distribution Charge: \$0.257866 per therm (\$0.322333 GGE*)

Compression Charge: \$0.700000 per therm (\$0.875000 GGE*)

Commodity Charges

All consumption for customers who elected Firm Sales Service

Basic Gas Supply Service ("BGSS") Charge:

See Rider "A" of this Tariff.

BGSS rate * GGE Factor 1.25 = GGE

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

Commodity charges do not include State of New Jersey Motor vehicle fuel tax and Federal Excise Tax. As of January 1, 2020 these taxes were \$0.105 and \$0.1830 per gallon, respectively and shall be charged at the prevailing rate when applicable. The Company is under no obligation to determine if a customer is exempt from taxation.

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SOUTH JERSEY GAS COMPANY

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

**Eleventh Revised Sheet No. 61
Superseding Tenth Revised Sheet No. 61**

**NATURAL GAS VEHICLE (NGV)
(Continued)**

NATURAL GAS VEHICLE SERVICE AT CUSTOMER OPERATED FUELING STATIONS

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

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

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

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

Rate for Monthly Consumption

Monthly Customer Charge

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

0-999 Cf/hour	\$39.984400
1,000-4,999 Cf/hour	\$79.968800
5,000-24,999 Cf/hour	\$258.000500
25,000 and greater Cf/hour	\$986.281250

Volumetric Charges

C-1: \$0.~~200739~~193104 per therm (\$0.~~250924~~241380 GGE)

Distribution Charge: \$0.257866 per therm (\$0.322333 GGE)

Basic Gas Supply Service ("BGSS") Charge:

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

Facilities Charge

All consumption for Customers that elect to have the Company construct Compressed Natural Gas ("CNG") fueling facilities located on Customer's property:

C-2: \$0.294445 (\$0.368056 GGE)

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

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SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 14 – GAS

**Eleventh Revised Sheet No. 62
Superseding Tenth Revised Sheet No. 62**

**NATURAL GAS VEHICLE (NGV)
(Continued)**

DELIVERY SERVICE FOR NATURAL GAS VEHICLES

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

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

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

Rate for Delivery Service

Monthly Customer Charge

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

0-999 Cf/hour	\$39.984400
1,000-4,999 Cf/hour	\$79.968800
5,000-24,999 Cf/hour	\$258.000500
25,000 and greater Cf/hour	\$986.281250

Volumetric Charge

C-1: \$0.~~200739~~193104 per therm (\$0.~~250924~~241380 GGE)

Distribution Charge: \$0.257866 per therm (\$0.322333 GGE)

Facilities Charge

All consumption for Customers that elect to have the Company construct CNG fueling facilities located on Customer's property:

C-2: \$0.294445 per therm (\$0.368056 GGE)

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

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

**Fifth Revised Sheet No. 71
Superseding Fourth Revised Sheet No. 71**

**RIDER "C"
TRANSPORTATION INITIATION CLAUSE (TIC)**

APPLICABLE TO:

Rate Schedule RSG	-	Residential Service
Rate Schedule GSG	-	General Service

This Rider "C" shall be known as the Transportation Initiation Clause (TIC) and will be charged to all RSG and GSG customers.

PURPOSE OF RIDER "C":

The purpose of the TIC is to enable the Company to recover both capital expenditures and operating costs associated with Electronic Data Interchange (EDI), including consulting costs and transaction costs.

ANNUAL TIC FILING:

On or about July 31 of each year, to be effective the next succeeding November 1, the Company shall file with the Board a proposed TIC rate. The TIC filing will be based upon the costs and expenditures incurred during the previous August 1 through July 31. The costs proposed for recovery will be subject to review for reasonableness, and to assure that they are costs associated with EDI, and not costs which would have been spent for computer upgrades, irrespective of the implementation of EDI.

TIC costs shall be calculated by utilizing the total capital expenditures and operating costs associated with the EDI process, including consulting and transaction costs, net of the TIC over or underrecovery balance, applying monthly carrying costs to the resulting amount using the interest rate applicable to the Company's SBC underrecoveries and overrecoveries. The resulting TIC costs shall be divided by the annual forecasted volumes for the rate classes set forth above. The resulting rate shall be adjusted for all applicable taxes and assessments.

The TIC shall be collected on a per therm basis and shall remain in effect until changed by order of the Board. The TIC charge will be:

\$0.~~000980~~-000663 per therm

The TIC will be recovered through the Delivery Charge of each of the rate schedules referred to above, and will subject to deferred accounting.

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B. Schomber, President

Effective with service rendered
on and after _____

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SOUTH JERSEY GAS COMPANY

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

Eighth Revised Sheet No. 75
Superseding Seventh Revised Sheet No. 75

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

UNIVERSAL SERVICE FUND:

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

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

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

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

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

<u>Rate Schedule and Appropriate Rate</u>	<u>RAC</u>	<u>CLEP</u>	<u>USF (Including Lifeline)</u>	<u>SBC</u>
Rate Schedule RSG	Delivery \$. 061229-066642	\$. 039264026216	\$.026200	\$. 126693119058
Rate Schedule GSG	Delivery \$. 061229-066642	\$. 039264026216	\$.026200	\$. 126693119058
Rate Schedule GSG-LV	Delivery \$. 061229066642	\$. 039264026216	\$.026200	\$. 126693119058
Rate Schedule EGS	Delivery \$. 061229066642	\$. 039264026216	\$.026200	\$. 126693119058

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. 76
Superseding Sixth Revised Sheet No. 76**

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

<u>Rate Schedule and Appropriate Rate</u>		<u>RAC</u>	<u>CLEP</u>	<u>USF (Including Lifeline)</u>	<u>SBC</u>
Rate Schedule EGS-LV	C-1	\$.061229066642	\$.039264026216	\$.026200 ⁽¹⁾	\$.126693-119058
Rate Schedule CTS	C-1FT	\$.061229066642	\$.039264026216	\$.026200	\$.126693-119058
Rate Schedule LVS	C-1/C-1FT	\$.061229066642	\$.039264026216	\$.026200	\$.126693-119058
Rate Schedule FES	C-1FT	\$.061229066642	\$.039264026216	\$.026200	\$.126693-119058
Rate Schedule IGS	Monthly Rate	\$.061229066642	N/A	\$.026200	\$.087429092842
Rate Schedule ITS	Monthly Rate	\$.061229066642	\$.039264026216	\$.026200	\$.126693-119058
Rate Schedule NGV	Delivery	\$.061229066642	\$.039264026216	\$.026200	\$.126693-119058

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

**Issued July 31, 2025
by South Jersey Gas Company,
B. Schomber, President**

**Effective with service rendered
on and after May 1, 2026**

**Filed pursuant to Order in Docket Nos. GR25070456 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

**Fifth Revised Sheet No. 83
Superseding Fourth Revised Sheet No. 83**

RIDER "G"
REMEDATION ADJUSTMENT CLAUSE (RAC)
(Continued)

- c) If the Company intends to sell a former manufactured gas plant site, it shall notify and provide the Board with details of any proposed sale at least sixty (60) days prior to any such sale.

II. Determination of the Remediation Adjustment

At least ninety (90) days prior to the commencement of each Recovery Year, the Company shall, among other material, file with the Board and serve upon Rate Counsel, and such other Parties as shall request the same, all bills and receipts relating to as well as a schedule depicting the particular purpose for the expenditure of the amount of any Remediation Costs incurred in the preceding Remediation Year for which it seeks to begin recovery in the upcoming Recovery Year, for each remediation site and a calculation of the proposed Remediation Adjustment Clause level. In that same filing, the Company shall include similar material and information to support any costs/expenses and/or recoveries resulting from Third Party Claims or sales of remediated gas manufacturing sites. The Company shall also submit in its annual filing a projection of Remediation Costs for the following Remediation Year. In addition, the Company will include a listing and status of applicable insurance policies for each site.

The RAC factor shall be calculated by taking one seventh of the Actual Remediation Costs plus applicable Third Party Claims and Sale of Property allocations incurred each year, until fully amortized, less the Deferred Tax Benefit plus the prior years' RAC remediation adjustment. This amount is then divided by the Company's total volume of prospective sales for the upcoming recovery year.

All gas consumed under Rate Schedules RSG, GSG, GSG-LV, CTS, LVS, FES, EGS, EGS-LV, IGS, ITS and NGV shall recover Remediation Costs. The charge brought forward to Rider "E" for these Rate Schedules is as follows:

RSG, GSG, GSG-LV,
EGS, EGS-LV, LVS, FES
CTS, IGS, ITS and NGV

Average Cost per therm \$ 057425062501

Applicable NJ Sales Tax Factor 1.066250

RAC Per Therm with NJ Sales Tax \$ 061229066642

Issued _____
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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

**Fifth Revised Sheet No. 98
Superseding Fourth Revised Sheet No. 98**

**RIDER “K”
CLEAN ENERGY PROGRAM CLAUSE (CLEP)**

APPLICABLE TO:

Rider “E” - Societal Benefits Clause

~~In its annual Societal Benefits Clause Petition, the Company will include data necessary to compute its CLEP factor for the upcoming CLEP Year. The Company's CLEP Plan Year will be the 12 month period ended October 31 of each year.~~

~~The CLEP factor set forth in this Rider “K” is calculated annually based upon the projected CLEP costs and an amount that accounts for revenue erosion divided by the projected therm sales. Any difference between the preceding year's costs and recoveries will be added to or deducted from the succeeding year's computation.~~

The Company shall file annually with the NJBPU a proposed Clean Energy Program Clause (“CLEP”) factor concurrently with its Societal Benefits Charge (“SBC”) filing.

The annual CLEP recovery period shall extend from November 1 through October 31. Rates established under the CLEP are designed to recover eligible program costs incurred during the preceding CLEP program year ending June 30. The proposed factor shall be determined as follows:

- 1) The Company's funding obligation is based upon the most recently NJBPU approved NJ's Clean Energy Program.
- 2) The difference between the approved funding obligation for the prior recovery period and the actual recovery of CLEP costs, including applicable carrying charges.
- 3) An estimate of total forecast quantities for the applicable Customers in the Service classifications subject to the SBC for the twelve months (12) of the recovery year.
- 4) The total CLEP costs to be recovered, determined in accordance with paragraphs (1) through (2), shall be divided by the annual forecasted volumes described in paragraph (3). The resulting factor shall be calculated to six (6) decimal places and shall constitute the SJG Clean Energy Program factor.

The charge brought forward to Rider “E” is as follows:

RSG, GSG, GSG-LV,
CTS Firm, EGS, EGS-LV,
FES, LVS, ITS and NGV

Average Cost per Therm	<u>\$.024587036824</u>
Applicable NJ Sales Tax Factor	<u>1.066250</u>
CLEP per Therm with NJ Sales Tax	<u>\$.026216039264</u>

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

First Revised Sheet No. 98
Superseding Original Sheet No. 98

RIDER "K"
CLEAN ENERGY PROGRAM CLAUSE (CLEP)
(Continued)

The formula for calculating the CLEP rate is as follows:

$$\frac{CB + RE + [+RB]}{AS}$$

where:

CB = Approved CLEP costs.

RE = Cumulative annual revenue erosion from the date of effectiveness of the plan until the time that new base rates take effect. Annual erosion is determined by multiplying the projected measured annual decrease in firm sales attributable to implementation of the CLEP by the net margin revenue associated with that decrease in each affected service classification.

RB = Prior year recovery balance.

AS = Projected annual sales for all firm customers except YLS/SLS.

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

Page 1

RESIDENTIAL GAS SERVICE (RSG) - NONHEAT CUSTOMER					
	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<u>CUSTOMER CHARGE</u>		9.850000		0.652563	10.502563
<u>DELIVERY CHARGE (per therm):</u>					
Base Rate		0.897170		0.059438	0.956608
IIP	B	0.032202	0.000000	0.002133	0.034335
TIC	C	0.000622	0.000000	0.000041	0.000663
SBC:					
RAC	E, G	0.062501	0.000000	0.004141	0.066642
CLEP	E, K	0.024587	0.000000	0.001629	0.026216
USF	E	<u>0.024500</u>	<u>0.000000</u>	<u>0.001700</u>	<u>0.026200</u>
Total SBC		0.111588	0.000000	0.007470	0.119058
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	J	0.064322	0.000000	0.004261	0.068583
Balancing Service Charge BUY-OUT PRICE (Applicable to Transportation Customers Only)	J				Rate Set Monthly
TOTAL DELIVERY CHARGE		1.347696	0.000000	0.089362	1.437058
<u>BGSS: (Applicable To Sales Customers Only)</u>	A	0.550954	0.000000	0.036501	0.587455

SOUTH JERSEY GAS COMPANY
Schedule of Rate Components
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RESIDENTIAL GAS SERVICE (RSG) - HEAT CUSTOMER

	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<u>CUSTOMER CHARGE</u>		9.850000		0.652563	10.502563
<u>DELIVERY CHARGE (per therm):</u>					
Base Rate		0.897170		0.059438	0.956608
IIP	B	0.032202	0.000000	0.002133	0.034335
TIC	C	0.000622	0.000000	0.000041	0.000663
SBC:					
RAC	E, G	0.062501	0.000000	0.004141	0.066642
CLEP	E, K	0.024587	0.000000	0.001629	0.026216
USF	E	<u>0.024500</u>	<u>0.000000</u>	<u>0.001700</u>	<u>0.026200</u>
Total SBC		0.111588	0.000000	0.007470	0.119058
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	J	0.064322	0.000000	0.004261	0.068583
Balancing Service Charge BUY-OUT PRICE (Applicable to Transportation Customers Only)	J				Rate Set Monthly
Total Delivery Charge		1.253837	0.000000	0.083144	1.336981
<u>BGSS: (Applicable To Sales Customers Only)</u>	A	0.550954	0.000000	0.036501	0.587455

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

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GENERAL SERVICE (GSG)					
	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<u>CUSTOMER CHARGE</u>		37.980000		2.516175	40.496175
<u>DELIVERY CHARGE (per therm):</u>					
Base Rate		0.723187		0.047911	0.771098
IIP	B	0.025666	0.000000	0.001700	0.027366
TIC	C	0.000622	0.000000	0.000041	0.000663
SBC:					
RAC	E, G	0.062501	0.000000	0.004141	0.066642
CLEP	E, K	0.024587	0.000000	0.001629	0.026216
USF	E	<u>0.024500</u>	<u>0.000000</u>	<u>0.001700</u>	<u>0.026200</u>
Total SBC		0.111588	0.000000	0.007470	0.119058
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	J	0.064322	0.000000	0.004261	0.068583
Balancing Service Charge BUY-OUT PRICE (Applicable to Transportation Customers Only)	J				Rate Set Monthly
Total Delivery Charge		1.030322	0.000000	0.068336	1.098658
<u>BGSS: (Applicable To Sales Customers Only using less than 5,000 therms annually)</u>	A	0.550954	0.000000	0.036501	0.587455
<u>BGSS: (Applicable To Sales Customers Only using 5,000 therms annually or greater)</u>	A				RATE SET MONTHLY

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

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GENERAL SERVICE-LV (GSG-LV)					
	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
CUSTOMER CHARGE		247.600000		16.403500	264.003500
D-1 Demand Charge (Mcf)		13.317700		0.882298	14.199998
<u>DELIVERY CHARGE (per therm):</u>					
Base Rate		0.359109		0.023791	0.382900
IIP	B	0.014468	0.000000	0.000959	0.015427
TIC	C	0.000622	0.000000	0.000041	0.000663
SBC:					
RAC	E, G	0.062501	0.000000	0.004141	0.066642
CLEP	E, K	0.024587	0.000000	0.001629	0.026216
USF	E	<u>0.024500</u>	<u>0.000000</u>	<u>0.001700</u>	<u>0.026200</u>
Total SBC		0.111588	0.000000	0.007470	0.119058
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	J	0.064322	0.000000	0.004261	0.068583
Balancing Service Charge BUY-OUT PRICE (Applicable to Transportation Customers Only)	J				Rate Set Monthly
Total Delivery Charge		0.659489	0.000000	0.043769	0.703258
<u>BGSS: (Applicable Sales Customers Only)</u>	A				RATE SET MONTHLY

SOUTH JERSEY GAS COMPANY
Schedule of Rate Components
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COMPREHENSIVE TRANSPORTATION SERVICE (CTS)

	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
FIRM					
<u>CUSTOMER CHARGE</u>		820.630000		54.366738	874.996738
<u>D-1 Demand Charge (Mcf)</u>		34.701100		2.298948	37.000048
<u>DELIVERY CHARGE (per therm):</u>					
Base Rate		0.091136		0.006038	0.097174
IIP	B	0.008950	0.000000	0.000593	0.009543
SBC:					
RAC	E, G	0.062501	0.000000	0.004141	0.066642
CLEP	E, K	0.024587	0.000000	0.001629	0.026216
USF	E	<u>0.024500</u>	<u>0.000000</u>	<u>0.001700</u>	<u>0.026200</u>
Total SBC		0.111588	0.000000	0.007470	0.119058
EET	N	0.058302	0.000000	0.003863	0.062165
Total Delivery Charge		0.269976	0.000000	0.017964	0.287940
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
LIMITED FIRM					
<u>CUSTOMER CHARGE</u>		500.000000		33.125000	533.125000
<u>DELIVERY CHARGE (per therm):</u>					
Base Rate		0.058400		0.003900	0.062300
SBC:					
RAC	E, G	0.062501	0.000000	0.004141	0.066642
CLEP	E, K	0.024587	0.000000	0.001629	0.026216
USF	E	<u>0.024500</u>	<u>0.000000</u>	<u>0.001700</u>	<u>0.026200</u>
Total SBC		0.111588	0.000000	0.007470	0.119058
EET	N	0.058302	0.000000	0.003863	0.062165
Total Delivery Charge		0.228290	0.000000	0.015233	0.243523
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 _____

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LARGE VOLUME SERVICE (LVS)

	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
FIRM					
<u>CUSTOMER CHARGE</u>		1,148.890000		76.113963	1,225.003963
<u>D-1 Demand Charge (Mcf)</u>		20.633100		1.366943	22.000043
<u>D-2 DEMAND BGSS(Applicable to Sales Customers Only)</u>	A	15.469649	0.000000	1.024864	16.494513
<u>DELIVERY CHARGE (per therm):</u>					
Base Rate		0.061199		0.004054	0.065253
IIP	B	0.004665	0.000000	0.000309	0.004974
SBC:					
RAC	E, G	0.062501	0.000000	0.004141	0.066642
CLEP	E, K	0.024587	0.000000	0.001629	0.026216
USF	E	<u>0.024500</u>	<u>0.000000</u>	<u>0.001700</u>	<u>0.026200</u>
Total SBC		0.111588	0.000000	0.007470	0.119058
EET	N	0.058302	0.000000	0.003863	0.062165
Total Delivery Charge		0.235754	0.000000	0.015696	0.251450
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
<u>BGSS: (Applicable Sales Customers Only)</u>	A				RATE SET MONTHLY
LIMITED FIRM					
<u>CUSTOMER CHARGE</u>		500.000000		33.125000	533.125000
<u>DELIVERY CHARGE (per therm):</u>					
Base Rate		0.148587		0.009844	0.158431
IIP	B	0.004665	0.000000	0.000309	0.004974
SBC:					
RAC	E, G	0.062501	0.000000	0.004141	0.066642
CLEP	E, K	0.024587	0.000000	0.001629	0.026216
USF	E	<u>0.024500</u>	<u>0.000000</u>	<u>0.001700</u>	<u>0.026200</u>
Total SBC		0.111588	0.000000	0.007470	0.119058
EET	N	0.058302	0.000000	0.003863	0.062165
Total Delivery Charge		0.323142	0.000000	0.021486	0.344628
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
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FIRM ELECTRIC SALES (FES)					
	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<u>WINTER</u>					
<u>D-1 DEMAND (MCF) (Rate is negotiated. Shown here is the benchmark rate.)</u>		2.897200		0.191900	3.089100
<u>D-2 DEMAND BGSS(MCF) (Applicable to Sales Customers Only)</u>	A	7.734825	0.000000	0.512432	8.247257
<u>DELIVERY CHARGE (per therm):</u>					
SBC:					
RAC	E, G	0.062501	0.000000	0.004141	0.066642
CLEP	E, K	0.024587	0.000000	0.001629	0.026216
USF	E	<u>0.024500</u>	<u>0.000000</u>	<u>0.001700</u>	<u>0.026200</u>
Total SBC		0.111588	0.000000	0.007470	0.119058
EET	N	0.058302	0.000000	0.003863	0.062165
Total Delivery Charge		0.169890	0.000000	0.011333	0.181223
<u>C-3 All Therms (Rate is negotiated. Shown here is the benchmark rate.)</u>		0.162900		0.010800	0.173700
<u>C-4 Escalator Rate (To be determined as prescribed in the Company's Tariff)</u>					
RATE SET MONTHLY					
Balancing Service Charge CASH OUT CHARGE (CREDIT) (Applicable to Firm Transportatin Customers Only)	I				RATE SET MONTHLY
<u>BGSS: (Applicable To Sales Customers Only)</u>	A				RATE SET MONTHLY
<u>SUMMER</u>					
<u>D-1 DEMAND (MCF) (Rate is negotiated. Shown here is the benchmark rate.)</u>		2.897200		0.191900	3.089100
<u>D-2 DEMAND BGSS(MCF) (Applicable to Sales Customers Only)</u>	A	7.734825	0.000000	0.512432	8.247257
SBC:					
RAC	E, G	0.062501	0.000000	0.004141	0.066642
CLEP	E, K	0.024587	0.000000	0.001629	0.026216
USF	E	0.024500	0.000000	0.001700	0.026200
EET	N	0.058302	0.000000	0.003863	0.062165
Total Delivery Charge		0.169890	0.000000	0.011333	0.181223
<u>C-3 All Therms (Rate is negotiated. Shown here is the benchmark rate.)</u>		0.162900		0.010800	0.173700
<u>C-4 Escalator Rate (To be determined as prescribed in the Company's Tariff)</u>					
RATE SET MONTHLY					
Balancing Service Charge CASH OUT CHARGE (CREDIT) (Applicable to Firm Transportatin Customers Only)	I				RATE SET MONTHLY
<u>BGSS: (Applicable To Sales Customers Only)</u>	A				RATE SET MONTHLY

SOUTH JERSEY GAS COMPANY
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ELECTRIC GENERATION SERVICE (EGS) - RESIDENTIAL

	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<u>CUSTOMER CHARGE</u>		9.850000		0.652563	10.502563
<u>DELIVERY CHARGE (per therm):</u>					
Base Rate		0.180446		0.011955	0.192401
IIP	B	0.006260	0.000000	0.000415	0.006675
SBC:					
RAC	E, G	0.062501	0.000000	0.004141	0.066642
CLEP	E, K	0.024587	0.000000	0.001629	0.026216
USF	E	<u>0.024500</u>	<u>0.000000</u>	<u>0.001700</u>	<u>0.026200</u>
Total SBC		0.111588	0.000000	0.007470	0.119058
EET	N	0.058302	0.000000	0.003863	0.062165
Balancing Service Charge BS-1	J	0.064322	0.000000	0.004261	0.068583
Total Delivery Charge		0.420918	0.000000	0.027964	0.448882
<u>BGSS: (Applicable To Sales Customers Only)</u>	A	0.550954	0.000000	0.036501	0.587455

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<u>ELECTRIC GENERATION SERVICE (EGS) - COMMERCIAL/INDUSTRIAL</u>					
	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<u>CUSTOMER CHARGE</u>		86.280000		5.716050	91.996050
<u>D-1 DEMAND (MCF)</u>		9.144200		0.605803	9.750003
<u>DELIVERY CHARGE (per therm):</u>					
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	0.062501	0.000000	0.004141	0.066642
CLEP	E, K	0.024587	0.000000	0.001629	0.026216
USF	E	<u>0.024500</u>	<u>0.000000</u>	<u>0.001700</u>	<u>0.026200</u>
Total SBC		0.111588	0.000000	0.007470	0.119058
EET	N	0.058302	0.000000	0.003863	0.062165
Balancing Service Charge BS-1	J	0.064322	0.000000	0.004261	0.068583
Total Delivery Charge - Winter Season		0.408602	0.000000	0.027148	0.435750
Total Delivery Charge - Summer Season		0.378602	0.000000	0.025160	0.403762
<u>BGSS: (Applicable To Sales Customers Only)</u>	A				RATE SET MONTHLY

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<u>ELECTRIC GENERATION SERVICE-LV (EGS-LV)</u>					
	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<u>FIRM</u>					
<u>CUSTOMER CHARGE</u>		820.630000		54.366738	874.996738
<u>D-1 DEMAND (MCF) (Rate is negotiated. Shown here is the benchmark rate.)</u>		27.611897		1.829288	29.441185
<u>D-2 DEMAND BGSS (MCF) (Applicable to Sales Customers Only)</u>	A	15.546022	0.000000	1.029924	16.575946
<u>DELIVERY CHARGE (per therm):</u>					
IIP	B	0.000796	0.000000	0.000053	0.000849
SBC:					
RAC	E, G	0.062501	0.000000	0.004141	0.066642
CLEP	E, K	0.024587	0.000000	0.001629	0.026216
USF	E	<u>0.024500</u>	<u>0.000000</u>	<u>0.001700</u>	<u>0.026200</u>
		0.111588	0.000000	0.007470	0.119058
EET	N	0.058302	0.000000	0.003863	0.062165
Total Delivery Charge		0.170686	0.000000	0.011386	0.182072
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
<u>BGSS: (Applicable To Sales Customers Only)</u>	A				RATE SET MONTHLY
<u>LIMITED FIRM</u>					
<u>D-2 DEMAND BGSS(MCF) (Applicable to Sales Customers Only)</u>	A	7.734825	0.000000	0.512432	8.247257
<u>DELIVERY CHARGE (per therm):</u>					
SBC:					
RAC	E, K	0.062501	0.000000	0.004141	0.066642
CLEP	E, G	0.024587	0.000000	0.001629	0.026216
USF	E	<u>0.024500</u>	<u>0.000000</u>	<u>0.001700</u>	<u>0.026200</u>
		0.111588	0.000000	0.007470	0.119058
EET	N	0.058302	0.000000	0.003863	0.062165
Total Delivery Charge		0.169890	0.000000	0.011333	0.181223
<u>C-3 (Rate is negotiated. Shown here is the benchmark rate.)</u>		0.162900		0.010800	0.173700
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
<u>BGSS: (Applicable To Sales Customers Only)</u>	A				RATE SET MONTHLY

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<u>YARD LIGHTING SERVICE (YLS)</u>					
	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
MONTHLY CHARGE / INSTALL		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	0.062501	0.000000	0.004141	0.066642
USF	E	0.024500	0.000000	0.001700	0.026200
Total SBC:		0.087001	0.000000	0.005841	0.092842
EET	N	0.058302	0.000000	0.003863	0.062165

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<u>INTERRUPTIBLE TRANSPORTATION (ITS)</u>					
	<u>RIDER</u>	<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<u>CUSTOMER CHARGE</u>		500.000000		33.125000	533.125000
<u>TRANSPORTATION CHARGE A</u>		0.078400		0.005200	0.083600
SBC:					
RAC	E, K	0.062501	0.000000	0.004141	0.066642
CLEP	E, G	0.024587	0.000000	0.001629	0.026216
USF	E	<u>0.024500</u>	<u>0.000000</u>	<u>0.001700</u>	<u>0.026200</u>
Total SBC:		0.111588	0.000000	0.007470	0.119058
EET	N	0.058302	0.000000	0.003863	0.062165
<u>TRANSPORTATION CHARGE B</u>		0.143200		0.009500	0.152700
SBC:					
RAC	E, K	0.062501	0.000000	0.004141	0.066642
CLEP	E, G	0.024587	0.000000	0.001629	0.026216
USF	E	<u>0.024500</u>	<u>0.000000</u>	<u>0.001700</u>	<u>0.026200</u>
Total SBC:		0.111588	0.000000	0.007470	0.119058
EET	N	0.058302	0.000000	0.003863	0.062165
<u>TRANSPORTATION CHARGE C</u>		0.203200		0.013500	0.216700
SBC:					
RAC	E, K	0.062501	0.000000	0.004141	0.066642
CLEP	E, G	0.024587	0.000000	0.001629	0.026216
USF	E	<u>0.024500</u>	<u>0.000000</u>	<u>0.001700</u>	<u>0.026200</u>
Total SBC:		0.111588	0.000000	0.007470	0.119058
EET	N	0.058302	0.000000	0.003863	0.062165

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<u>NATURAL GAS VEHICLE (NGV)</u>					
		<u>RATE</u>	<u>PUA</u>	<u>NJ SALES TAX</u>	<u>TARIFF RATE</u>
<u>COMPANY OPERATED FUELING STATIONS</u>					
<u>DELIVERY CHARGE (per therm):</u>					
IIP	B	0.011143	0.000000	0.000738	0.011881
SBC					
RAC	E, K	0.062501	0.000000	0.004141	0.066642
CLEP	E, G	0.024587	0.000000	0.001629	0.026216
USF	E	<u>0.024500</u>	<u>0.000000</u>	<u>0.001700</u>	<u>0.026200</u>
Total SBC:		0.111588	0.000000	0.007470	0.119058
EET	N	0.058302	0.000000	0.003863	0.062165
Total Delivery Charge		0.181033	0.000000	0.012071	0.193104
<u>DISTRIBUTION CHARGE</u>		0.241844	0.000000	0.0160220	0.257866
<u>COMPRESSION CHARGE</u>		0.656506	0.000000	0.043494	0.700000
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
<u>BGSS: (Applicable To Sales Customers Only)</u>	A				RATE SET MONTHLY
<u>CUSTOMER OPERATED FUELING STATIONS</u>					
<u>CUSTOMER CHARGE</u>					
0 - 999 CF/hour		37.500000		2.484400	39.984400
1,000 - 4,999 CF/hour		75.000000		4.968800	79.968800
5,000 - 24,999 CF/hour		241.970000		16.030500	258.000500
25,000 or Greater CF/hour		925.000000		61.281250	986.281250
<u>DELIVERY CHARGE (per therm):</u>					
IIP	B	0.011143	0.000000	0.000738	0.011881
SBC					
RAC	E, K	0.062501	0.000000	0.004141	0.066642
CLEP	E, G	0.024587	0.000000	0.001629	0.026216
USF	E	<u>0.024500</u>	<u>0.000000</u>	<u>0.001700</u>	<u>0.026200</u>
Total SBC:		0.111588	0.000000	0.007470	0.119058
EET	N	0.058302	0.000000	0.003863	0.062165
Total Delivery Charge		0.181033	0.000000	0.012071	0.193104
<u>DISTRIBUTION CHARGE</u>		0.241844	0.000000	0.016022	0.257866
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
<u>BGSS: (Applicable To Sales Customers Only)</u>	A				RATE SET MONTHLY
<u>Facilities Charge (Applicable only to Customers that elect the Company construct Compressed Natural Gas ("CNG") fueling Facilities located on Customer's property)</u>		0.276150		0.018295	0.294445

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Heat Residential Rate Schedule:

	<i>RSG FSS</i>	<i>RSG-FTS</i>	<i>Difference</i>
BGSS	0.587455	0.000000	0.587455
Base Rate	0.956608	0.956608	0.000000
IIP	0.034335	0.034335	0.000000
CLEP	0.026216	0.026216	0.000000
RAC	0.066642	0.066642	0.000000
CIP	0.095569	0.095569	0.000000
USF	0.026200	0.026200	0.000000
TIC	0.000663	0.000663	0.000000
EET	0.062165	0.062165	0.000000
BSC "J" BS-1	0.068583	0.068583	0.000000
Price to Compare	1.924436	1.336981	0.587455

NonHeat Residential Rate Schedule:

	<i>RSG FSS</i>	<i>RSG-FTS</i>	<i>Difference</i>
BGSS	0.587455	0.000000	0.587455
CIP	0.195646	0.195646	0.000000
Base Rate	0.956608	0.956608	0.000000
IIP	0.034335	0.034335	0.000000
CLEP	0.026216	0.026216	0.000000
RAC	0.066642	0.066642	0.000000
USF	0.026200	0.026200	0.000000
TIC	0.000663	0.000663	0.000000
EET	0.062165	0.062165	0.000000
BSC "J" BS-1	0.068583	0.068583	0.000000
Price to Compare	2.024513	1.437058	0.587455

GSG
(Under 5,000 therms annually)

	<i>GSG FSS</i>	<i>GSG-FTS</i>	<i>Difference</i>
BGSS	0.587455	0.000000	0.587455
CIP	0.049725	0.049725	0.000000
Base Rates	0.771098	0.771098	0.000000
IIP	0.027366	0.027366	0.000000
CLEP	0.026216	0.026216	0.000000
RAC	0.066642	0.066642	0.000000
USF	0.026200	0.026200	0.000000
TIC	0.000663	0.000663	0.000000
EET	0.062165	0.062165	0.000000
BSC "J" BS-1	0.068583	0.068583	0.000000
Price to Compare	1.686113	1.098658	0.587455

GSG
(5,000 therms annually or greater)

	<i>GSG FSS</i>	<i>GSG-FTS</i>	<i>Difference</i>
BGSS	0.534402	0.000000	0.534402
CIP	0.049725	0.049725	0.000000
Base Rates	0.771098	0.771098	0.000000
IIP	0.027366	0.027366	0.000000
CLEP	0.026216	0.026216	0.000000
RAC	0.066642	0.066642	0.000000
USF	0.026200	0.026200	0.000000
TIC	0.000663	0.000663	0.000000
EET	0.062165	0.062165	0.000000
BSC "J" BS-1	0.068583	0.068583	0.000000
Price to Compare	1.633060	1.098658	0.534402

GSG-LV

	<i>Prior to 7/15/97</i>		
	<i>GSG-LV FSS</i>	<i>GSG-LV-FTS</i>	<i>Difference</i>
BGSS	0.534402	0.000000	0.534402
CIP	0.054462	0.054462	0.000000
Base Rates	0.382900	0.382900	0.000000
IIP	0.015427	0.015427	0.000000
CLEP	0.026216	0.026216	0.000000
RAC	0.066642	0.066642	0.000000
USF	0.026200	0.026200	0.000000
TIC	0.000663	0.000663	0.000000
EET	0.062165	0.062165	0.000000
BSC "J" BS-1	0.068583	0.068583	0.000000
Price to Compare	1.237660	0.703258	0.534402

Schedule SBC/TIC-1

South Jersey Gas Company
Period Volumes (Therms)

Line #		Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Projected	Projected	Projected	Projected	
1	Volumes:	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26	Total
2														
3	Rate Schedule RSG	16,509,041	39,245,124	57,234,356	63,900,793	43,294,143	23,753,766	12,355,016	7,364,899	4,811,959	4,612,078	5,393,448	4,380,376	282,854,998
4	Rate Schedule RSG-FT	113,702	1,054,578	1,473,352	1,642,812	1,067,935	606,820	323,529	187,535	130,724	124,590	140,076	117,073	6,982,726
5	Rate Schedule GSG/GSG-LV	4,669,460	10,181,003	14,544,494	16,851,751	12,322,163	7,133,033	4,058,337	2,815,536	2,416,808	2,108,394	2,794,490	2,496,315	82,391,783
6	Rate Schedule GSG-FT/GSG-LV-FT	3,803,818	6,843,860	9,673,088	10,639,274	7,817,167	5,540,256	3,247,254	2,358,901	2,657,226	1,955,623	2,609,331	2,059,438	59,205,235
7	Rate Schedule EGS - Ltd Firm	97,037	78,851	47,788	28,813	108,265	100,951	99,433	141,971	52,587	80,590	26,065	46,552	908,904
8	Rate Schedule LVS -FS	0	0	0	0	0	0	0	0	0	0	0	0	0
9	Rate Schedule LVS -FT	5,142,071	7,842,638	6,563,104	6,092,933	6,388,047	5,712,541	5,474,460	5,040,851	5,153,110	5,055,870	4,929,408	4,809,659	68,204,692
10	Rate Schedule CTS	3,226,429	5,228,243	4,012,838	4,233,750	4,295,202	3,576,152	3,322,142	3,149,679	2,434,888	2,479,794	2,283,093	2,644,947	40,887,155
11	Rate Schedule FES	0	0	0	0.1	0	0	0	0.1	-	-	-	-	0
12	Rate Schedule ITS	113,535	145,984	131,510	229,706	195,154	209,554	149,029	160,161	599,311	801,294	753,933	833,088	4,322,259
13	Rate Schedule EGS-LV/EGS LV-FT	1,441,332	2,691,523	2,682,096	2,903,217	1,921,382	1,857,668	2,210,298	2,311,011	2,562,710	3,096,910	2,692,172	2,714,207	29,084,525
14	Rate Schedules IGS	0	0	0	0	0	0	0	0	0	0	0	0	0
15	Rate Schedules NGV	241,977	238,589	225,900	178,227	208,461	210,482	196,073	258,790	214,608	319,373	270,346	207,246	2,770,071
16	Total	35,358,402	73,550,392	96,588,525	106,701,274	77,617,920	48,701,222	31,435,570	23,789,333	21,033,932	20,634,516	21,892,362	20,308,900	577,612,348
17														
18														
19	Volumes:	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Total
20		Nov-26	Dec-26	Jan-27	Feb-27	Mar-27	Apr-27	May-27	Jun-27	Jul-27	Aug-27	Sep-27	Oct-27	
21	Rate Schedule RSG	7,115,329	38,969,054	54,633,535	55,786,438	45,481,538	29,539,130	12,157,957	6,612,323	4,869,333	4,661,450	5,458,977	4,433,700	269,718,764
22	Rate Schedule RSG-FT	229,906	1,014,302	1,402,843	1,426,212	1,173,682	746,794	314,889	158,641	131,965	125,433	141,722	118,333	6,984,722
23	Rate Schedule GSG/GSG-LV	2,702,582	9,154,983	12,192,740	13,056,230	10,908,742	7,746,317	3,841,606	2,855,164	2,442,407	2,139,523	2,824,449	2,524,558	72,389,302
24	Rate Schedule GSG-FT/GSG-LV-FT	3,550,320	8,042,306	11,313,011	11,208,276	9,476,050	6,634,356	3,688,252	2,208,530	2,676,700	1,980,809	2,632,563	2,075,033	65,486,206
25	Rate Schedule EGS - Ltd Firm	31,703	49,915	34,995	29,260	21,120	45,151	35,610	86,450	52,587	80,590	26,065	46,552	540,000
26	Rate Schedule LVS -FS	0	0	0	0	0	0	0	0	0	0	0	0	0
27	Rate Schedule LVS -FT	4,976,740	5,588,953	5,928,764	5,586,782	6,044,873	5,945,203	5,628,476	5,035,458	5,153,110	5,055,870	4,929,408	4,809,659	64,683,298
28	Rate Schedule CTS	2,853,906	3,361,705	3,589,341	3,395,594	3,268,790	2,892,150	2,481,519	2,272,061	2,434,888	2,479,794	2,283,093	2,644,947	33,957,786
29	Rate Schedule FES	0	0	0	0	0	0	0	0	0	0	0	0	0
30	Rate Schedule ITS	819,474	1,185,446	945,882	1,116,653	1,233,653	1,090,950	681,651	653,204	599,311	801,294	753,933	833,088	10,714,537
31	Rate Schedule EGS-LV/EGS LV-FT	2,886,000	3,213,334	3,296,576	2,989,044	3,191,702	2,509,607	2,538,273	2,779,215	2,562,710	3,096,910	2,692,172	2,714,207	34,469,750
32	Rate Schedules IGS	0	0	0	0	0	0	0	0	0	0	0	0	0
33	Rate Schedules NGV	296,083	225,351	334,261	244,976	234,773	238,730	207,718	365,855	214,608	319,373	270,346	207,246	3,159,320
34	Total	25,462,044	70,805,348	93,671,948	94,839,463	81,034,923	57,388,387	31,575,951	23,026,902	21,137,620	20,741,047	22,012,729	20,407,323	562,103,684

South Jersey Gas Company
Societal Benefits Charge (SBC) & Transportation Initiation Charge (TIC)

Residential Heat Customer Impact

Based on 100 Therms:

	<u>7/1/2026</u>	<u>RAC Proposed Bill</u>	<u>CLEP Proposed Bill</u>	<u>TIC Proposed Bill</u>	<u>Total Proposed Bill</u>
Cost of Service	\$ 0.956608	\$ 0.956608	\$ 0.956608	\$ 0.956608	\$ 0.956608
IIP	\$ 0.034335	\$ 0.034335	\$ 0.034335	\$ 0.034335	\$ 0.034335
Balancing Charge	\$ 0.068583	\$ 0.068583	\$ 0.068583	\$ 0.068583	\$ 0.068583
 BGSS	 \$ 0.587455	 \$ 0.587455	 \$ 0.587455	 \$ 0.587455	 \$ 0.587455
CIP	\$ 0.095569	\$ 0.095569	\$ 0.095569	\$ 0.095569	\$ 0.095569
EET	\$ 0.062165	\$ 0.062165	\$ 0.062165	\$ 0.062165	\$ 0.062165
 SBC:					
RAC Rate per Therm	\$ 0.061229	\$ 0.066642	\$ 0.061229	\$ 0.061229	\$ 0.066642
CLEP Rate per Therm	\$ 0.039264	\$ 0.039264	\$ 0.026216	\$ 0.039264	\$ 0.026216
USF Rate per Therm	\$ 0.026200	\$ 0.026200	\$ 0.026200	\$ 0.026200	\$ 0.026200
TIC Rate per Therm	\$ 0.000980	\$ 0.000980	\$ 0.000980	\$ 0.000663	\$ 0.000663
Total Rate per Therm	\$ 1.932388	\$ 1.937801	\$ 1.919340	\$ 1.932071	\$ 1.924436
 Applicable Therms	 100	 100	 100	 100	 100
 Total per Therm Charge	 \$ 193.24	 \$ 193.78	 \$ 191.93	 \$ 193.21	 \$ 192.44
Customer Service Charge	10.50	10.50	10.50	10.50	10.50
 Total RSG Bill	 \$ 203.74	 \$ 204.28	 \$ 202.44	 \$ 203.71	 \$ 202.95 (a)
 Dollar(Decrease)/Increase		\$ 0.54	\$ (1.30)	\$ (0.03)	\$ (0.79)
 Percentage (Decrease)/Increase		0.27%	(0.64)%	(0.01)%	(0.38)%

(a) Due to rounding in the Company's billing system. The Total per Therm Charge and Customer Service Charge are calculated to 6 decimal places. The billing system then sums these two amounts and rounds to 2 decimal places.

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

**DIRECT TESTIMONY
OF
CINDY L. CAPOZZOLI
Senior Director, Rates
SJI Utilities, Inc.**

**On Behalf of
South Jersey Gas Company**

Exhibit D

July 31, 2026

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, Rate for SJI Utilities (“SJIU”).
4 My business address is One South Jersey Place, Atlantic City, New Jersey 08401.

5 **Q. Please summarize your educational background and industry related experience.**

6 **A.** I received a Bachelor of Science Degree in Accounting and Finance from Drexel
7 University in 1991 and obtained a Masters in Business Administration Degree with a
8 concentration in Financial Management from Drexel University in 2000. In February
9 2021, I joined SJIU as Director, Rates and was promoted to my current position of Senior
10 Director, Rates in 2025.

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

19 Prior to my employment at SJIU, I worked for Debt Compliance Services. I also
20 have three decades of experience in corporate finance and held accounting, treasury,
21 financial planning, and other finance related positions at Innovairre, Campbell Soup
22 Company and J.P. Morgan as well as roles in rates and financial reporting for SJG from
23 1994 to 1999. I am a Certified Public Accountant licensed in New Jersey since 1991 (status

is currently “Inactive”) and am a Certified Treasury Professional certificated by the Association for Financial Professionals since July 2012 (status is currently “Inactive”). Also, I am a member of the New Jersey Utilities Association.

II. PURPOSE OF TESTIMONY

Q. What is the purpose of your testimony in this proceeding?

A. The purpose of my testimony in this proceeding is to provide support for the Company’s proposed 2026-27 Societal Benefits Clause (“SBC”) rate, which is comprised of, *inter alia*, the Remediation Adjustment Clause (“RAC”) rate and the Clean Energy Program (“CLEP”) rate. In addition, I am also providing support for the Company’s proposed 2026-27 Transportation Initiation Clause (“TIC”) rate.

III. PROPOSED RAC RATE

Q. Please state the proposed RAC rate and explain the basis for the RAC rate calculation.

A. For purposes of my RAC testimony, a “Remediation Year” is defined as August 1 to July 31 and a “Recovery Year” as November 1 to October 31. A Recovery Year is the period over which expenses incurred during the just completed Remediation Year are recovered.

As shown in Schedule RAC CLC-1, South Jersey is proposing that the RAC rate increase from its current level of \$0.061229 per therm to \$0.066642 per therm¹. Schedule RAC CLC-1 provides a summary of the proposed rate calculation. While the total Company recoverable expenses are \$67,510,289 (Line 37), the value of allowable

¹ All rates quoted herein are inclusive of applicable taxes.

recoverable expenses cannot exceed five (5) percent of the Company's total revenues from firm gas sales and firm transportation sales recognized during the prior Remediation Year ("5% Cap") in accordance with the August 1992 Order². Line 43 indicates that allowable recoverable expenses are capped at \$35,131,797 for the Recovery Year ending October 31, 2027 ("2026-27 Recovery Year"). The remaining recoverable expenses in excess of the 5% cap of \$32,378,492 (Line 45) will be deferred for recovery in a subsequent Recovery Year.

The RAC rate is derived by dividing the allowable recoverable expenses of \$35,131,797 (line 43) by the total therm sales projected for the 2026-27 Recovery Year of 562,103,684 (CLC-1, line 63) per Schedule SBC/TIC-1, deriving a proposed RAC rate of \$0.066642 per therm.

Q. How is the net amortization component of total recoverable costs on Schedule RAC CLC-1 calculated?

A. Schedule RAC CLC-2 details the calculation of the RAC expense amortization for the seven years ending July 31, 2026. For the Remediation Year ending July 31, 2026, projected remediation expenditures are approximately \$18,586,076, based on eleven (11) months of actual data and one (1) month of forecasted data. For the seven years ending July 31, 2026, projected remediation expenditures total \$112,552,511. Line 19, Recoverable Cost, identifies that \$60,217,755 of the \$112,552,511 remains to be amortized. Of this amount, \$16,078,929 of Amortization Recoverable Cost (Line 30) are forecasted to be amortized during the 2026-27 Recovery Year. This amount is reduced by

² In re *the Matter of the Petition of South Jersey Gas Company to Revise the Levels of its Societal Benefits Clause ("SBC") Charges and its Transportation Initiation Clause ("TIC") Charge*, Docket No. GR91071243J, Order dated August 10, 1992 ("August 1992 Order").

the annual Deferred Tax Benefit (Line 45) of \$829,434 to provide a net projected amount of \$15,249,495 of expenses to be amortized (Line 47) during the 2026-27 Recovery Year.

Q. How are carrying costs on unamortized balances calculated?

A. Carrying costs on unamortized balances as reflected on Schedule RAC CLC-1 (line 13) are calculated on Schedule RAC CLC-3 which is discussed further in my testimony below.

Q. How are carrying costs on deferred balances calculated?

A. Schedule RAC CLC-1 (line 22) shows that the cumulative deferred recoverable expenses from the Company's 2025-26 RAC Recovery Year totaled \$52,243,293. Schedule RAC CLC-1 (lines 23-30) shows the portion of this total attributable to the previous RAC recovery years of 2018-19, 2019-20, 2020-21, 2021-22, 2022-23, 2023-24, 2024-25, and 2025-26. Based on the negative amount on Schedule RAC CLC-1 (line 31), the Company projects that there will be no additional amounts above the 5% cap projected to be deferred in the 2026-27 Recovery Year to which carrying costs should be applied.

Carrying costs on deferred balances resulting from recoverable expenses that are in excess of the 5% Cap are calculated using the Company's current Before Tax Cost Rate of 8.96% made effective January 1, 2023 by the Board's December 2022 Order ³. Additionally, the carrying costs on deferred balances will continue to accrue annually and will be included in each subsequent Recovery Year calculation of recoverable expenses, until such time that the Company is authorized to recover the deferred expense pursuant to its approved Tariff.

³ 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").

Q. Are Natural Resource Damages (“NRD”) related costs included in recoverable costs?

A. No. Beginning with the RAC Remediation Year commencing August 1, 2019, Natural Resource Damages (“NRD”) related costs, as defined below, that are incurred by the Company are deferred in a regulatory asset account with carrying costs per the Board’s April 2021 Order ⁴, pending a decision by the Board as to whether such costs are recoverable through the RAC. As of June 30, 2026, the life-to-date NRD-related deferred costs for the Company are \$819,618 along with \$112,055 of carrying costs for a total of \$931,673.

NRD-related costs are defined as compensation to the State of New Jersey for injury to its natural resources, above and beyond costs incurred to investigate, contain or remediate former manufactured gas plant sites. NRD-related costs also include any administrative, legal or consulting costs incurred by the Company associated with NRD claims being investigated by the New Jersey Department of Environmental Protection, as well as any amounts paid by the Company to resolve such claims.

Q. What is the methodology used to project firm sales and services shown in Schedule SBC/TIC-1 in order to derive the Company’s proposed RAC rate?

A. The methodology used to derive the projected normalized volumes on Schedule SBC/TIC-1 is the same as that used in developing the demand forecast that supported South Jersey’s Basic Gas Supply Service rate filing dated June 1, 2026. An adjustment was also made to increase projected Rate Schedule Electric Generation Service-Large Volume (“EGS-LV”)

⁴ In re *the Matter of the Petition of South Jersey Gas Company To Change The Levels of Its Societal Benefits Clause (“SBC”) And Its Transportation Initiation Clause (“TIC”)*, Docket No. GR20070504, Order dated April 27, 2021 (“April 2021 Order”).

1 volumes for a new customer which began transportation service with the Company in Q4
2 2025.

3 **Q. Please explain Schedules RAC CLC-3 through RAC CLC-5.**

4 **A.** Schedule RAC CLC-3 provides the monthly detail for the unamortized balances, expenses
5 and net recoveries for the period November 2025 through October 2027. A projected
6 interest rate of 4.90% is used for the period September 2026 through October 2027 for
7 purposes of calculating carrying costs. This rate reflects the June 30, 2026 seven (7) year
8 constant maturity U.S. Treasury Note rate of 4.30% plus sixty (60) basis points. In
9 accordance with the Company's tariff, the rate on or closest to August 31, 2026 will be
10 used once it becomes available.

11 Schedule RAC CLC-4 provides a reconciliation of the Recovery Year ending
12 October 31, 2026 ("2025-26 Recovery Year"). The Company began the year with an
13 under-recovery of \$59,564,093 at October 31, 2025. Anticipated recoveries during the
14 period are \$34,872,104. The recoveries are netted against allowable recoveries of
15 amortized expenses and carrying costs of \$23,478,903 to derive the projected over-
16 recovery for the period of \$11,393,201. Deferred tax benefits for the period are projected
17 to be \$761,316. The under-recovered balance at October 31, 2025 is netted with the
18 projected over-recovered amounts and deferred tax benefits for the 2025-26 Recovery Year
19 to derive the projected under-recovered balance of \$47,409,576 as of October 31, 2026.
20 This amount is carried forward to line 18 Schedule RAC CLC-1.

21 Schedule RAC CLC-5 derives recovery projections by customer class for the 2026-
22 27 Recovery Year by multiplying the projected terms shown in Schedule SBC/TIC-1 by
23 the proposed rate calculated on Schedule RAC CLC-1.
24

1 **Q. Which rate schedules are subject to the proposed RAC rate?**

2 **A.** The proposed RAC rate of \$0.066642 per therm is applicable to the following Rate
 3 Schedules: Residential Service (“RSG”), General Service (“GSG”), General Service-Large
 4 Volume (“GSG-LV”), Electric Generation Service (“EGS”), Firm Electric Service
 5 (“FES”), EGS-LV, Comprehensive Transportation Service (“CTS”), Large Volume
 6 Service (“LVS”), Interruptible Gas Service (“IGS”), Interruptible Transportation Service
 7 (“ITS”), and Natural Gas Vehicle (“NGV”).

8
 9 **IV. PROPOSED CLEP RATE**

10 **Q. Please state the proposed CLEP rate and explain the basis for the CLEP rate**
 11 **calculation.**

12 **A.** As shown in Schedule CLEP CLC-1, South Jersey is proposing that the CLEP rate decrease
 13 from its current level of \$0.039264 per therm to \$0.026216 per therm. South Jersey’s
 14 CLEP cost recovery component, as approved by the Board’s August 2001 Order⁵, provides
 15 that the CLEP rate shall be calculated annually based on the projected CLEP costs divided
 16 by projected therm sales. Any difference between the preceding year’s costs and recoveries
 17 will be added to or deducted from the succeeding year’s computation.

18 By its June 2025 Order⁶, the Board approved the New Jersey Clean Energy
 19 Program’s 2026 Fiscal Year programs and budget through June 30, 2026. By its June 2026

⁵ In re *the Matter of the Petition of the Filings of the Comprehensive Resource Analysis of Energy Programs Pursuant to Section 12 of the Electronic Discount and Energy Competition Act of 1999 – South Jersey Gas*, Docket No. EX99050347, Order dated August 15, 2001 (“August 2001 Order”).

⁶ In re *the Matter of The Comprehensive Energy Efficiency and Renewable Energy Resource Analysis For Fiscal Year 2026 Clean Energy Program*, Docket No. QO25040205, Order Dated June 30, 2025 (“June 2025 Order”).

1 Order ⁷, the Board approved the New Jersey Clean Energy Program's 2027 Fiscal Year
2 programs and budget through June 30, 2027. The costs included in this filing are based
3 upon the Board's approved payment schedules per these Orders less the costs the Company
4 incurs managing the statewide Comfort Partners Program costs.

5 The CLEP rate calculation as shown on Schedule CLEP CLC-1 begins with the
6 projected over-recovered balance as of October 31, 2026 of \$1,901,188 (Line 3). South
7 Jersey projects that it will incur \$15,829,314 (Line 5) of CLEP costs for the period from
8 November 1, 2026 through October 31, 2027. These CLEP costs are added to the projected
9 over-recovered balance as of October 31, 2026 as well as projected carrying costs of
10 \$107,547 (Line 7) for the year ending October 31, 2027 to derive the total CLEP costs to
11 be recovered of \$13,820,579 (Line 9). Total CLEP costs are divided by the therm sales
12 projections for the 2026-27 Recovery Year per Schedule SBC/TIC-1 to derive the proposed
13 CLEP rate. A description of the derivation of the therm sales projections is included in my
14 testimony above.

15 Schedule CLEP CLC-2 supports Schedule CLEP CLC-1 by providing the monthly
16 detail for the over/under recovered balances, expenses, net recoveries and carrying costs.

17 **Q. Which rate schedules are subject to the proposed CLEP rate?**

18 **A.** The proposed CLEP rate of \$0.026216 per therm is applicable to Rate Schedules RSG,
19 GSG, GSG-LV, EGS, FES, EGS-LV, CTS, LVS, ITS, and NGV.
20
21

⁷ In re the Matter Of The Comprehensive Energy Efficiency and Renewable Energy Resource Analysis For Fiscal Year 2027 Clean Energy Program, Docket No. QO26040123, Order Dated June 30, 2026 ("June 2026 Order").

V. **PROPOSED TIC RATE**

Q. **Please state the proposed TIC rate and explain the basis for the TIC rate calculation.**

A. As shown in Schedule TIC CLC-1, South Jersey is proposing that the TIC rate be decreased from its current level of \$0.000980 per therm to \$0.000663 per therm.

The Company proposes to recover \$257,936 (Line 7) of TIC costs during the 2026-27 Recovery Year. The TIC is designed to recover expenditures related to the Electronic Data Interchange ("EDI") for the year ending July 31st plus projected carrying costs incurred during the upcoming Recovery Year (November 1st to October 31st). The TIC recovery amount is calculated based on the Company's projected under-recovered TIC balance as of October 31, 2026 of \$320,172 (Line 1) less \$77,700 (Line 3) of projected expenses to be incurred during the three months of August 2026 through October 2026, plus projected carrying costs of \$15,464 (Line 5) forecasted to be incurred during the recovery year from November 2026 through October 2027. Total TIC costs of \$257,936 are divided by the therm sales projections for the 2026-27 Recovery Year per Schedule SBC/TIC-1 to derive the proposed TIC rate. A description of the derivation of the therm sales projections is included in my testimony above.

Schedule TIC CLC-2 provides the monthly detail for the over/under recovered balances, expenses, net recoveries and carrying costs.

Q. **Which rate schedules are subject to the proposed TIC rate?**

A. The proposed TIC rate of \$0.000663 per therm is applicable to Rate Schedules RSG, GSG, and GSG-LV.

VI. **PROPOSED BILL IMPACT**

Q. Please provide the bill impact of all proposed rates in this filing to the monthly bill of a typical residential heating customer using 100 therms of natural gas.

A. Schedule SBC/TIC-2 illustrates a comparison of current rates at the time of this filing to the proposed rates in this filing. The total impact of the proposed rate changes on the monthly bill of a typical residential heating customer utilizing 100 therms of natural gas is a decrease of \$0.79, from \$203.74 to \$202.95, or a decrease of 0.38%, as compared to the Company's currently effective rates as of July 1, 2026.

Q. Does this conclude your prepared direct testimony?

A. Yes, it does.

RAC CLC-1

**SOUTH JERSEY GAS COMPANY
REMEDATION ADJUSTMENT CLAUSE
SUMMARY AND RATE CALCULATION**

<u>REMEDATION YEAR</u>	Actual/Projected Aug '25 - July '26
1 AMORTIZATION OF RECOVERABLE COST (RAC CLC-2)	\$16,078,929
2	
3 LESS: DEFERRED TAX BENEFIT (RAC CLC-2)	\$829,434
4	
5 NET AMORTIZATION (RAC CLC-2)	\$15,249,495
6	
7	
8	
<u>RECOVERY YEAR</u>	Projected Nov '26 - Oct '27
10	
11 AMORTIZATION (RAC CLC-2)	\$15,249,495
12	
13 CARRYING COST (RAC CLC-3)	\$4,851,217
14	
15 SUBTOTAL	\$20,100,712
16	
17	
18 PRIOR YEAR RECONCILIATION - UNDER RECOVERY (RAC CLC-4)	\$47,409,576
19	
20	
21 <u>DEFERRAL OF RECOVERABLE EXPENSES IN EXCESS OF 5% CAP</u>	
22 PROJECTED CUMULATIVE RECOVERABLE EXPENSE DEFERRAL FROM 2025-2026 RAC RECOVERY YEAR	\$52,243,293
23 LESS: EXPENSE DEFERRAL FROM 2018-2019 RAC RECOVERY YEAR	(\$10,563,392)
24 LESS: EXPENSE DEFERRAL FROM 2019-2020 RAC RECOVERY YEAR	(\$11,005,586)
25 LESS: EXPENSE DEFERRAL FROM 2020-2021 RAC RECOVERY YEAR	(\$5,201,920)
26 LESS: EXPENSE DEFERRAL FROM 2021-2022 RAC RECOVERY YEAR	(\$10,759,321)
27 LESS: EXPENSE DEFERRAL FROM 2022-2023 RAC RECOVERY YEAR	(\$8,038,488)
28 LESS: EXPENSE DEFERRAL FROM 2023-2024 RAC RECOVERY YEAR	(\$7,461,967)
29 LESS: EXPENSE DEFERRAL FROM 2024-2025 RAC RECOVERY YEAR	(\$5,994,811)
30 LESS: EXPENSE DEFERRAL FROM 2025-2026 RAC RECOVERY YEAR	\$494,064
31 NET PROJECTED RECOVERABLE EXPENSES IN EXCESS OF 5% CAP - DEFERRED	(\$6,288,128)
32	
33 BEFORE TAX COST RATE ON DEFERRED COSTS	8.96%
34	
35 CARRYING COSTS ON DEFERRED COSTS	\$0
36	
37 TOTAL RECOVERABLE EXPENSES (LINES 15, 18, 35)	\$67,510,289
38	
39 TOTAL COMPANY FIRM REVENUES - (AUGUST 1, 2024 - JULY 31, 2025)	\$702,635,939
40	
41 RECOVERABLE EXPENSES AS A % OF PRECEDING YEAR REVENUES	9.61%
42	
43 TOTAL ALLOWABLE EXPENSES (5% OF COMPANY REVENUE)	5.00%
44	
45 RECOVERABLE EXPENSES IN EXCESS OF 5% CAP (Line 37 less Line 43)	\$32,378,492
46 (DEFERRED TO SUBSEQUENT RAC RECOVERY YEAR)	
47	
48	
49	
<u>THERM SALES PROJECTION - RECOVERY YEAR (SBC/TIC-1)</u>	Projected Nov '26 - Oct '27
51	
52 RSG	269,718,764
53 GSG & GSG-LV	72,389,302
54 EGS	540,000
55 RSG-FT	6,984,722
56 GSG-FT & GSG-LV-FT	65,486,206
57 LVS-FT	64,683,298
58 CTS	33,957,786
59 LVS-FS	0
60 FES & EGS-LV	34,469,750
61 ITS & IGS	10,714,537
62 NGV	3,159,320
63 TOTAL THERM SALES	562,103,684
64	
65	
66	
67 RATE PER THERM (Excluding SUT)	\$ 0.062501
68	
69 RATE PER THERM (Including SUT)	\$ 0.066642

RAC CLC-2

SOUTH JERSEY GAS COMPANY
REMEDATION ADJUSTMENT CLAUSE
AMORTIZATION RECOVERY YEAR 2025-2026

	YE 7/31/20	YE 7/31/21	YE 7/31/22	YE 7/31/23	YE 7/31/24	YE 7/31/25	YE 7/31/26	Total
11 RECOVERABLE COST	\$26,127,347	\$12,118,095	\$19,534,824	\$11,561,930	\$11,539,409	\$13,084,830	\$18,586,076	\$112,552,511
12 LESS RECOVERED COST Y/E 10/31/20	(\$3,732,478)	\$0	\$0	\$0	\$0	\$0	\$0	(\$3,732,478)
13 LESS RECOVERED COST Y/E 10/31/21	(\$3,732,478)	(\$1,731,156)	\$0	\$0	\$0	\$0	\$0	(\$5,463,634)
14 LESS RECOVERED COST Y/E 10/31/22	(\$3,732,478)	(\$1,731,156)	(\$2,790,689)	\$0	\$0	\$0	\$0	(\$8,254,324)
15 LESS RECOVERED COST Y/E 10/31/23	(\$3,732,478)	(\$1,731,156)	(\$2,790,689)	(\$1,651,704)	\$0	\$0	\$0	(\$9,906,028)
16 LESS RECOVERED COST Y/E 10/31/24	(\$3,732,478)	(\$1,731,156)	(\$2,790,689)	(\$1,651,704)	(\$1,648,487)	\$0	\$0	(\$11,554,515)
17 LESS RECOVERED COST Y/E 10/31/25	(\$3,732,478)	(\$1,731,156)	(\$2,790,689)	(\$1,651,704)	(\$1,648,487)	(\$1,869,261)	\$0	(\$13,423,776)
19 RECOVERABLE COST (Summation of Lines 11 - 17)	\$3,732,478	\$3,462,313	\$8,372,068	\$6,606,817	\$8,242,435	\$11,215,569	\$18,586,076	\$60,217,755
22 7TH REMEDIATION YEAR AMORTIZATION (L19/1)	\$3,732,478							\$3,732,478
23 6TH REMEDIATION YEAR AMORTIZATION (L19/2)		\$1,731,156						\$1,731,156
24 5TH REMEDIATION YEAR AMORTIZATION (L19/3)			\$2,790,689					\$2,790,689
25 4TH REMEDIATION YEAR AMORTIZATION (L19/4)				\$1,651,704				\$1,651,704
26 3RD REMEDIATION YEAR AMORTIZATION (L19/5)					\$1,648,487			\$1,648,487
27 2ND REMEDIATION YEAR AMORTIZATION (L19/6)						\$1,869,261		\$1,869,261
28 1ST REMEDIATION YEAR AMORTIZATION (L19/7)							\$2,655,154	\$2,655,154
30 AMORTIZATION RECOVERABLE COST (Summation of Lines 22 - 28)	\$3,732,478	\$1,731,156	\$2,790,689	\$1,651,704	\$1,648,487	\$1,869,261	\$2,655,154	\$16,078,929
32 DEFERRED TAX CALCULATION :								
34 UNAMORTIZED RECOVERABLE COSTS (L19)	\$3,732,478	\$3,462,313	\$8,372,068	\$6,606,817	\$8,242,435	\$11,215,569	\$18,586,076	
36 TAX RATE	28.11%	28.11%	28.11%	28.11%	28.11%	28.11%	28.11%	
38 DEFERRED TAXES ON UNAMORTIZED RECOVER. COSTS (L34 * L36)	\$1,049,200	\$973,256	\$2,353,388	\$1,857,176	\$2,316,948	\$3,152,696	\$5,224,546	
43 SBC Carrying Cost Rate *	4.90%	4.90%	4.90%	4.90%	4.90%	4.90%	4.90%	
45 DEFERRED TAX BENEFIT (L38 * L43)	(\$51,411)	(\$47,690)	(\$115,316)	(\$91,002)	(\$113,530)	(\$154,482)	(\$256,003)	(\$829,434)
47 AMORTIZATION OF EXPENSES	\$3,681,067	\$1,683,466	\$2,675,373	\$1,560,702	\$1,534,957	\$1,714,779	\$2,399,151	\$15,249,495

* Effective September 1, 2026, the carrying cost rate of 4.90% is being utilized based on the 7 year constant maturity U.S. Treasury note as of June 30, 2026 of 4.30% plus 60 basis points.
In accordance with the Company's tariff, the rate on or closest to August 31st will be used once it becomes available.

* Effective September 1, 2025 the carrying cost rate of 4.52% is being utilized based on 7 year constant maturity U.S. Treasury note as of August 31, 2025 of 3.92 plus 60 basis points.

* Effective September 1, 2026, the carrying cost rate of 4.90% is being utilized based on the 7 year constant maturity U.S. Treasury note as of June 30, 2026 of 4.30% plus 60 basis points.

In accordance with the Company's tariff, the rate on or closest to August 31st will be used once it becomes available.

RAC CLC-4

SOUTH JERSEY GAS COMPANY REMEDATION ADJUSTMENT CLAUSE RECOVERY YEAR 2025-2026

1	Actual October 2025 Over/(Under) Recovered Balance		\$ (59,564,093)
2			
3	Projected RAC Recoveries November 2025 - October 2026	\$ 34,872,104	
4			
5	Less Allowable Recoveries of Amortized Expenses & Carrying Costs	\$ (23,478,903)	
6			
7	Projected Over Recovery For Period		\$ 11,393,201
8			
9	Deferred Tax Benefit		\$ 761,316
10			
11	Total Projected October 2026 Over/(Under) Recovered Balance		<u>\$ (47,409,576)</u>

SOUTH JERSEY GAS COMPANY
Remediation Adjustment Clause

Projected 2026-2027 Recoveries

	Projected Nov-26	Projected Dec-26	Projected Jan-27	Projected Feb-27	Projected Mar-27	Projected Apr-27	Projected May-27	Projected Jun-27	Projected Jul-27	Projected Aug-27	Projected Sep-27	Projected Oct-27	Total
1 Total Projected Volumes	25,462,044	70,805,348	93,671,948	94,839,463	81,034,923	57,388,387	31,575,951	23,026,902	21,137,620	20,741,047	22,012,729	20,407,323	
2 Proposed RAC Rate Excluding Taxes	\$ 0.062501	\$ 0.062501	\$ 0.062501	\$ 0.062501	\$ 0.062501	\$ 0.062501	\$ 0.062501	\$ 0.062501	\$ 0.062501	\$ 0.062501	\$ 0.062501	\$ 0.062501	
3 Total Projected Recoveries	\$ 1,591,403	\$ 4,425,405	\$ 5,854,590	\$ 5,927,561	\$ 5,064,764	\$ 3,586,832	\$ 1,973,529	\$ 1,439,204	\$ 1,321,122	\$ 1,296,336	\$ 1,375,818	\$ 1,275,478	\$ 35,132,042
4													
5													
6 RSG	\$444,715	\$2,435,605	\$3,414,651	\$3,486,708	\$2,842,642	\$1,846,225	\$759,884	\$413,277	\$304,338	\$291,345	\$341,192	\$277,111	\$16,857,692
7													
8 GSG & GSG-LV	\$168,914	\$572,196	\$762,058	\$816,027	\$681,807	\$484,153	\$240,104	\$178,451	\$152,653	\$133,722	\$176,531	\$157,787	\$4,524,404
9													
10 EGS	\$1,981	\$3,120	\$2,187	\$1,829	\$1,320	\$2,822	\$2,226	\$5,403	\$3,287	\$5,037	\$1,629	\$2,910	\$33,751
11													
12 GSG-FT & GSG-LV-FT	\$221,899	\$502,652	\$707,075	\$700,528	\$592,263	\$414,654	\$230,519	\$138,035	\$167,296	\$123,803	\$164,538	\$129,692	\$4,092,953
13													
14 RSG-FT	\$14,369	\$63,395	\$87,679	\$89,140	\$73,356	\$46,675	\$19,681	\$9,915	\$8,248	\$7,840	\$8,858	\$7,396	\$436,552
15													
16 LVS-FT	\$311,051	\$349,315	\$370,554	\$349,179	\$377,811	\$371,581	\$351,785	\$314,721	\$322,075	\$315,997	\$308,093	\$300,609	\$4,042,771
17													
18 CTS	\$178,372	\$210,110	\$224,337	\$212,228	\$204,303	\$180,762	\$155,097	\$142,006	\$152,183	\$154,990	\$142,696	\$165,312	\$2,122,396
19													
20 LVS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
29													
30 EGS-LV	\$180,378	\$200,837	\$206,039	\$186,818	\$199,485	\$156,853	\$158,645	\$173,704	\$160,172	\$193,560	\$168,263	\$169,641	\$2,154,394
31													
32 FES	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
33													
34 NGV	\$18,505	\$14,085	\$20,892	\$15,311	\$14,674	\$14,921	\$12,983	\$22,866	\$13,413	\$19,961	\$16,897	\$12,953	\$197,461
35													
36 ITS & IGS Recovery	\$51,218	\$74,092	\$59,119	\$69,792	\$77,105	\$68,185	\$42,604	\$40,826	\$37,458	\$50,082	\$47,122	\$52,069	\$669,669
37													
38 TOTAL	\$1,591,403	\$4,425,405	\$5,854,590	\$5,927,561	\$5,064,764	\$3,586,832	\$1,973,529	\$1,439,204	\$1,321,122	\$1,296,336	\$1,375,818	\$1,275,478	\$35,132,042

**South Jersey Gas Company
Clean Energy Program Clause (CLEP)
Calculation of 2026 - 2027 Recovery Rate**

1 Rate Calculation:

2			
3	Projected Over-Recovered Balance as of October 31, 2026	\$	(1,901,188) (CLEP CLC-2, Line 10)
4			
5	Plus: November 2026 - October 2027 Expenses	\$	15,829,314 (CLEP CLC-2, Line 21)
6			
7	Carrying Costs	\$	(107,547) (CLEP CLC-2, Line 27)
8			
9	Total CLEP Cost	\$	<u>13,820,579</u>

10

11

12

13

14

15 Therm Sales Projection (SBC/TIC-1):

16

17 RSG

18 RSG FT

19 GSG & GSG-LV

20 GSG FT & GSG-LV FT

21 EGS

22 LVS FT

23 CTS

24 FES/EGS-LV

25 ITS

26 NGV

27

28 Total

29

30 CLEP Rate Per Therm (Excluding SUT)

31

32 CLEP Rate Per Therm (Including SUT)

**Projected
Nov '26 - Oct '27**

269,718,764
6,984,722
72,389,302
65,486,206
540,000
64,683,298
33,957,786
34,469,750
10,714,537
<u>3,159,320</u>

562,103,684

\$ 0.024587

\$ 0.026216

SOUTH JERSEY GAS COMPANY
Clean Energy Program Clause (CLEP)

		Actual Nov-25	Actual Dec-25	Actual Jan-26	Actual Feb-26	Actual Mar-26	Actual Apr-26	Actual May-26	Actual Jun-26	Projected Jul-26	Projected Aug-26	Projected Sep-26	Projected Oct-26	Total
Under/(Over) Recovered Beginning Balance		\$ 5,987,905	\$ 5,464,180	\$ 4,190,337	\$ 2,634,445	\$ 754,124	\$ (298,802)	\$ (885,783)	\$ (1,315,885)	\$ (1,642,032)	\$ (1,462,310)	\$ (1,512,117)	\$ (1,673,537)	\$ 5,987,905
Net Expenses		\$ 848,121	\$ 1,593,182	\$ 2,220,750	\$ 2,297,626	\$ 1,988,872	\$ 1,324,517	\$ 758,833	\$ 555,839	\$ 960,122	\$ 715,641	\$ 651,248	\$ 527,503	\$ 14,442,253
Recoveries		\$ (1,371,847)	\$ (2,867,024)	\$ (3,776,643)	\$ (4,177,947)	\$ (3,041,799)	\$ (1,911,498)	\$ (1,188,936)	\$ (881,985)	\$ (780,401)	\$ (765,447)	\$ (812,668)	\$ (755,153)	\$ (22,331,346)
Net Activity		\$ (523,725)	\$ (1,273,843)	\$ (1,555,893)	\$ (1,880,321)	\$ (1,052,926)	\$ (586,981)	\$ (430,103)	\$ (326,147)	\$ 179,722	\$ (49,807)	\$ (161,421)	\$ (227,650)	\$ (7,889,094)
Under/(Over) Recovered Ending Balance		\$ 5,464,180	\$ 4,190,337	\$ 2,634,445	\$ 754,124	\$ (298,802)	\$ (885,783)	\$ (1,315,885)	\$ (1,642,032)	\$ (1,462,310)	\$ (1,512,117)	\$ (1,673,537)	\$ (1,901,188)	\$ (1,901,188)
Carrying Costs *	4.52%	\$ 21,568	\$ 18,183	\$ 12,512	\$ 6,723	\$ 858	\$ (2,231)	\$ (4,146)	\$ (5,571)	\$ (5,847)	\$ (5,602)	\$ (6,504)	\$ (7,298)	\$ 22,645
		Projected Nov-26	Projected Dec-26	Projected Jan-27	Projected Feb-27	Projected Mar-27	Projected Apr-27	Projected May-27	Projected Jun-27	Projected Jul-27	Projected Aug-27	Projected Sep-27	Projected Oct-27	Total
Under/(Over) Recovered Beginning Balance		\$ (1,901,188)	\$ (1,984,862)	\$ (3,071,476)	\$ (4,744,661)	\$ (5,359,907)	\$ (4,682,775)	\$ (3,477,432)	\$ (1,473,563)	\$ (232,933)	\$ (199,443)	\$ (135,253)	\$ (25,560)	\$ (1,901,188)
Net Expenses		\$ 550,294	\$ 664,600	\$ 645,885	\$ 1,737,202	\$ 2,690,042	\$ 2,633,011	\$ 2,790,335	\$ 1,810,277	\$ 554,083	\$ 574,834	\$ 651,248	\$ 527,503	\$ 15,829,314
Recoveries		\$ (633,969)	\$ (1,751,214)	\$ (2,319,070)	\$ (2,352,448)	\$ (2,012,910)	\$ (1,427,668)	\$ (786,466)	\$ (569,646)	\$ (520,594)	\$ (510,643)	\$ (541,555)	\$ (501,807)	\$ (13,927,990)
Net Activity		\$ (83,675)	\$ (1,086,614)	\$ (1,673,185)	\$ (615,246)	\$ 677,133	\$ 1,205,343	\$ 2,003,869	\$ 1,240,630	\$ 33,490	\$ 64,190	\$ 109,693	\$ 25,696	\$ 1,901,323
Under/(Over) Recovered Ending Balance		\$ (1,984,862)	\$ (3,071,476)	\$ (4,744,661)	\$ (5,359,907)	\$ (4,682,775)	\$ (3,477,432)	\$ (1,473,563)	\$ (232,933)	\$ (199,443)	\$ (135,253)	\$ (25,560)	\$ 136	\$ 136
Carrying Costs **	4.90%	\$ (7,934)	\$ (10,323)	\$ (15,958)	\$ (20,630)	\$ (20,504)	\$ (16,660)	\$ (10,108)	\$ (3,484)	\$ (883)	\$ (683)	\$ (328)	\$ (52)	\$ (107,547)

* Effective September 1, 2025 the carrying cost rate of 4.52% is being utilized. This rate is based on the 7 year Treasury as of August 30, 2025 of 3.92% plus 60 basis points.

* Effective September 1, 2026 the carrying cost rate of 4.90% is being utilized based on the 7 year constant maturity U.S. Treasury note as of June 30, 2026 of 4.30% plus 60 basis points. In accordance with the Company's tariff, the rate on or closest to August 31st will be used once it becomes available.

**South Jersey Gas Company
Transportation Initiation Clause
Calculation of 2026 - 2027 Rate**

1	Projected Under-Recovered Balance at October 31, 2026	\$320,172	(TIC CLC-2, Line 10)
2			
3	Less: August 2026 through October 2026 Expenses	(\$77,700)	(TIC CLC-2, Line 6)
4			
5	Plus Carrying Cost November 2026 - October 2027	\$15,464	(TIC CLC-2, Line 27)
6			
7	Total Cost	<u>\$257,936</u>	
8			
9	Therm Sales Projection:		
10	Rate Schedule RSG	269,718,764	
11	Rate Schedule RSG-FT	6,984,722	
12	Rate Schedule GSG & GSG-LV	72,389,302	
13	Rate Schedule GSG-FT & GSG-LV-FT	<u>65,486,206</u>	
14	Total Therms	<u><u>414,578,993</u></u>	
15			
16			
17	TIC Rate Per Therm (Excluding SUT)	\$0.000622	
18			
19	TIC Rate Per Therm (Including SUT)	\$0.000663	
20			

*Effective September 1, 2026, the carrying cost rate of 4.90% is being utilized based on the 7 year constant maturity U.S. Treasury note as of June 30, 2026 of 4.30% plus 60 basis points. In accordance with the Company's tariff, the rate on or closest to August 31st will be used once it becomes available.

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

DIRECT TESTIMONY

**OF
MARGO CARR**

**Manager, Environmental
South Jersey Industries, Inc.**

**On Behalf of
South Jersey Gas Company**

Exhibit E

July 31, 2026

1 **I. INTRODUCTION**

2 **Q. Please state your name, current positions and business address.**

3 **A.** My name is Margo Carr. I am Manager, Environmental of South Jersey Industries (“SJI”).

4 My business address is One South Jersey Place, Atlantic City, NJ 08401.

5 **Q. Please describe your education and business experience.**

6 **A.** I earned a Bachelor of Science degree in Environmental Engineering from Manhattan
7 College and a Master of Engineering in Environmental Engineering from Manhattan
8 College. From 2003 to 2012, I worked for the Los Angeles County Sanitation District in
9 the Industrial Waste and Water Quality Departments. In 2012, I joined SJI as an
10 Environmental Engineer within Marina Energy, where my focus was environmental
11 compliance for the non-regulated side of the company. In 2016, I joined SJI’s
12 Environmental Department where I have held various positions of ascending responsibility
13 leading to my current position of Manager, Environmental.

14 **Q. What are your primary duties and responsibilities as they relate to the South Jersey**
15 **Gas Company’s environmental issues?**

16 **A.** Together with the Senior Director of Environmental and Procurement of SJI, and Senior
17 SJI leaders, I share the responsibility of managing the investigation and remediation of the
18 former Manufactured Gas Plant (“MGP”) sites where South Jersey Gas Company (“South
19 Jersey” or “Company”) or its sister utility, Elizabethtown Gas Company, is the remediating
20 responsible party. The duties inherent to my role include: 1) managing the scheduling
21 and financial aspects associated with the investigation and remediation of the MGP sites;
22 2) participation in SJI’s overall compliance programs to address any environmental
23 concerns; 3) participation in the compliance efforts of SJI by providing technical and
24 administrative oversight, including but not limited to, identifying and evaluating program

1 areas, recommending solutions and their associated cost estimates; and 4) providing
2 training and education and oversight of remediation efforts as required, and oversight of
3 contractors involved in remediation of the MGP sites, including development and
4 maintenance of budgets and schedules.

5 **Q. Have you provided testimony previously in regulatory proceedings?**

6 **A.** Yes, most recently I provided direct testimony in the Company's 2025-2026 Societal
7 Benefits Clause ("SBC") filing in BPU Docket No. GR25070456 and provided tables and
8 summary testimony on behalf of the Company in its previous nineteen SBC proceedings
9 regarding the Company's Remediation Adjustment Clause ("RAC").

10 **Q. What is the purpose of your testimony in this proceeding?**

11 **A.** The purpose of my testimony is to: 1) provide a general overview of the South Jersey's
12 ongoing MGP remediation program; 2) identify and describe the general nature and
13 categories of expenses incurred by the Company during the period August 1, 2025 through
14 June 30, 2026; 3) provide a brief history of the Company's former MGP sites; and 4) report
15 on key developments relating to ongoing remediation activities at those sites. For purposes
16 of my testimony, a "Remediation Year" is defined as August 1 to July 31.

17 Schedules supporting this information are included as Schedules RAC MC-1, RAC
18 MC-2 and RAC MC-3. Schedule RAC MC-2 contains information responsive to MFRs 1
19 through 8, MFRs 10 through 12 and MFRs 14 through 18. The three sites with the largest
20 2025-2026 Remediation Year activity are Millville, Glassboro, and Florida, Sunset and
21 Georgia Avenues, Atlantic City. Additionally, Schedule RAC MC-4 provides narrative
22 responses to the Minimum Filing Requirements (MFRs) established by the Board's August

1992 Order¹. Due to its voluminous nature, additional information related to the MFRs is being provided to each party on a CD/flash drive.

II. SOUTH JERSEY'S MGP REMEDIATION PROGRAM

Q. Please describe the South Jersey's MGP Remediation Program.

A. The SJI Environmental Department takes a hands-on approach to the management of the Company's MGP Remediation Program by acting as its own general contractor for every remediation project. The department works with several different consulting firms and selects the most qualified consultant at the lowest possible cost to work as part of a team on each project. South Jersey's overall environmental program has been designed to accomplish the following goals:

- To be protective of human health and the environment;
- To be compliant with current regulations;
- To have the flexibility to meet a variety of specific environmental needs;
- To manage environmental projects cost effectively;
- To progress in a timely fashion while managing cash flow;
- To look for areas where an innovative approach will reduce expected cost;
- and
- To ensure worker safety.

These goals reflect South Jersey's commitment to a sound environmental program.

The Company has built its overall program on a good working knowledge and understanding of the New Jersey Department of Environmental Protection ("NJDEP")

¹ In re the Matter of the Petition of South Jersey Gas Company for Approval of Increased Base Tariff Rates and Charges for Gas Service, Docket No. GR91071243J, Order dated July 27, 1992 (July 1992 Order").

1 regulations and on technical expertise gained through years of experience in the
2 investigation and remediation of contaminated sites.

3
4 **III. THE GENERAL NATURE AND CATEGORIES OF REMEDIATION COSTS**

5 **Q. Please describe the nature and categories of the remediation costs the Company**
6 **incurred during the 2025-2026 Remediation Year in connection with implementing**
7 **and managing its MGP Remediation Program.**

8 **A.** The Company incurred costs during the 2025-2026 Remediation Year to implement and
9 manage its MGP Remediation Program include the following: 1) outside consulting and
10 engineering services; 2) outside legal services; 3) community outreach; 4) analytical
11 laboratory services; 5) remediation services (including remediation management and
12 oversight); 6) health and safety activities; 7) air monitoring, groundwater, and soil
13 sampling; 8) a variety of ancillary support services; and 9) internal labor directly
14 associated with MGP activities. Third-party services provided to the Company in
15 connection with MGP-related activities (such as project management and engineering
16 support services, and contractors who provide physical remediation services) are
17 competitively bid through South Jersey's contractor procurement procedures. Schedule
18 RAC MC-3 provides a listing of vendors the Company utilized for the period August 1,
19 2025 through June 30, 2026.

20
21 **IV. BACKGROUND AND CURRENT STATUS OF REMEDIATION EFFORTS**
22 **AT SOUTH JERSEY'S MGP SITES**

23 **Q. Please provide the background of South Jersey's MGP Sites and the current status**
24 **of South Jersey's remediation efforts at each site.**

1 **A.** South Jersey's environmental program originally had fourteen (14) MGP sites under
2 investigation and remediation. The Woodbury Heights site in Gloucester County has
3 received regulatory closure. The Kirkman Boulevard site in Atlantic City is being
4 remediated by others. Bridgeton, Egg Harbor City, Florida Avenue in Atlantic City,
5 Glassboro, Hammonton, Michigan Avenue in Atlantic City, Millville, Penns Grove,
6 Pleasantville, Salem, Swedesboro, and Vineland are either currently in remediation or
7 have undergone some level of remedial activities and are in various stages of
8 redevelopment. I will go through each of these sites in detail below.

9 **1. FORMER BRIDGETON MGP SITE**

10 **Site History**

11 This site, approximately 2 acres in size, is located in the City of Bridgeton,
12 Cumberland County, New Jersey. The former MGP was constructed in 1857 by
13 the Bridgeton Gas Light Company and coal gas manufacturing operations were
14 conducted at the site from 1857 until sometime between 1945 and 1951. Sometime
15 after 1951, the plant structures and facilities were dismantled and removed from the
16 site.

17 Soil, sediment, and groundwater impacts associated with former MGP site
18 operations were identified, characterized, and delineated through several phases of
19 Remedial Investigation ("RI") activities. Upon RI completion, remedial
20 alternatives were evaluated, and a Remedial Action Work Plan ("RAWP") was
21 developed to address the identified impacts. The selected remedy included
22 excavation and offsite thermal treatment and beneficial reuse of impacted soils to
23 unrestricted use along with subsequent groundwater monitoring to evaluate any
24 remaining groundwater impacts. Impacted sediments were also proposed to be

1 removed in accordance with the RAWP. The NJDEP approved the selected remedy
2 in April of 2008 and remedial activities were initiated in the fall of 2010. Impacted
3 soil and sediment removal was completed, and a Response Action Outcome
4 (“RAO”) was issued for all areas of concern as follows: Soil RAO issued October
5 2013, Sediment RAO issued January 2016, and Groundwater RAO issued February
6 2017.

7 **2. FORMER EGG HARBOR CITY MGP SITE**

8 **Site History**

9 This site is approximately 1.5 acres in size and located in the City of Egg Harbor,
10 Atlantic County, New Jersey. The former MGP was constructed in 1906 by the
11 Enterprise Gas Company, which operated the facility until 1927. In 1927,
12 Enterprise Gas Company merged with Atlantic City Gas Company and operations
13 at the facility ceased shortly thereafter. In 1947, Atlantic City Gas Company
14 changed its name to South Jersey Gas Company and the site was used for gas
15 storage and metering until 1961. The site was returned to the City of Egg Harbor
16 in 1964, in accordance with the original charter.

17 Soil and groundwater impacts associated with former MGP site operations
18 were identified, characterized and delineated through several phases of RI
19 activities. Upon RI completion, remedial alternatives were evaluated and a RAWP
20 was developed to address the identified impacts. The selected remedy included
21 excavation and offsite thermal treatment of impacted soils, which were returned to
22 the site after treatment and used for backfilling. The NJDEP approved the selected
23 remedy in May 2000 and soil impacts associated with the former MGP site were
24 remediated between July 2000 and March 2001. Upon completion of the

remediation work, the NJDEP issued a No Further Action (“NFA”) determination for soil.

The NJDEP issued a Remedial Action Permit (“RAP”) for Groundwater in December 2015. Groundwater sampling to monitor remaining groundwater impacts is ongoing. Additionally, monthly monitoring of municipal wells has been ongoing since 1996.

Next Projected Activities

A Classification Exception Area (“CEA”) established in 2008 requires annual monitoring of site-related monitoring wells. This monitoring will continue until such time as groundwater impacts no longer exceed applicable standards. The most recent round of groundwater sampling was conducted in June of 2026. The next groundwater sampling result is anticipated to occur in June 2027. Sampling of the public supply wells in proximity to groundwater impacts will continue monthly.

3. FORMER FLORIDA AVENUE MGP SITE

Site History

The site is approximately 4 acres in size and located in the City of Atlantic City, Atlantic County, New Jersey. MGP operations first began at the site around 1900 under the ownership of the Consumers Gas Company. The Consumers Gas Company was purchased in 1909 by C.H. Geist and was consolidated with Atlantic City Gas and Water Company in 1910. The MGP continued to operate until 1918. After 1918, the Florida Avenue facility was used to support off-site gas manufacturing operations. The Atlantic City Gas Company was purchased by the United Gas Improvement Company in 1930 and immediately sold to the Public Service Corporation. Construction of a liquid propane gas (“LPG”) peak shaving

1 facility began circa 1940, and most of the MGP structures were removed at that
2 time. In 1947, Atlantic City Gas changed its name to South Jersey Gas Company.
3 In 1968, South Jersey sold the parcel to Deull Fuel, which contained the 1.5 million
4 gallon above ground storage tank. The remaining parcels were also sold to others.

5 Soil, sediment, and groundwater impacts associated with former MGP site
6 operations were identified, characterized and delineated through several phases of
7 RI activities. An evaluation of remedial alternatives to address the impact within
8 the uplands portion of the site has been conducted and a RAWP to address the
9 identified impacts via a combination of excavation and In Situ Stabilization (“ISS”) was
10 approved by the Licensed Site Remediation Professional (“LSRP”) responsible
11 for the site and filed with the NJDEP. Implementation of the approved upland
12 remedy began during the third quarter of 2017. Portions of the upland area that
13 have been remediated were restored and activities were documented in the June
14 2022 Remedial Action Report (“RAR”) submitted to the NJDEP by the LSRP.
15 Implementation of the remaining portions of the uplands Remedial Action (“RA”) was
16 completed in the third quarter of 2023. The remaining areas of the site will be
17 restored and the administrative requirements for site closure will be completed.

18 Evaluation of remedial alternatives to address impacts within the sediment
19 of Beach Thorofare has been conducted, and a RAWP to address the sediment
20 impacts was approved by the LSRP in May 2023. However, NJDEP did not
21 approve the RAWP as written. As such, South Jersey has been involved with
22 discussions concerning revisions to the sediment remedy. No agreement has been
23 reached to date. Implementation of the sediment remedy will commence following
24 NJDEP acceptance of the risk based RAWP for sediment.

Next Twelve-Month Projected Activities

During a Technical Consultation with NJDEP, the NJDEP indicated additional work beyond which was proposed in the selected remedy would likely be required for the proposed remedy to receive approval. As such, remedial alternatives were re-evaluated to limit the area of disturbance within the Thorofare while addressing NJDEP concerns. South Jersey is participating in ongoing meetings with the NJDEP concerning the selected revised remedial alternative. A modified remedial alternative, approved by the LSRP, will be formally submitted. Upon NJDEP acceptance, design, permitting and remedial construction within the Thorofare will begin.

4. FORMER GLASSBORO MGP SITE**Site History**

The site encompasses approximately 5.5 acres in size and located in the Borough of Glassboro, Gloucester County, New Jersey. New Jersey Suburban Gas Company operated the site beginning in 1910. From 1910 to 1923, the site was enlarged, and plant structures and facilities were expanded with the acquisition of property west and north of the original plant. In 1923, the site was operated by People's Gas Company. Between 1923 and 1947, People's Gas Company continued production of manufactured gas at the site. South Jersey acquired the site in 1948 and operated the production facility on a full-time basis until 1951. From 1951 onward, South Jersey operated the gas plant on a standby basis only, until the termination of MGP operations sometime in the late 1950's.

Soil and groundwater impacts have been identified both onsite and offsite. Several RAs have been implemented at this site from 1998 to present including

1 excavation of shallow soil on numerous parcels. A RAWP proposing containment
2 for the remaining deep impacts was approved by the LSRP responsible for the site
3 and was filed with NJDEP. Installation of the majority of a containment barrier
4 enclosing saturated zone residual product impacts was implemented from 2017
5 through early 2020. The containment barrier was completed in 2022. The design
6 of a hydraulic control system for the interior of the containment barrier was
7 completed in 2023. The most recent groundwater sampling event was completed
8 in May 2026 and the next sampling event will occur in second quarter of 2027

9 **Next Twelve-Month Projected Activities**

10 Groundwater monitoring and sampling will continue in accordance with the
11 approved monitoring plan. The last groundwater sampling event was completed in
12 May 2026.

13 **5. FORMER HAMMONTON MGP SITE**

14 **Site History**

15 The site is approximately 0.6 acres in size and located in the Town of Hammonton,
16 Atlantic County, New Jersey. The site encompasses a portion of the current
17 Hammonton Water Department property, an electrical substation and a retail
18 convenience store. The Hammonton and Egg Harbor City Gas Company were
19 incorporated in January 1903. The Hammonton and Egg Harbor Gas Company
20 became the Hammonton and Amatol Gas Company in February 1923 and
21 subsequently merged with Peoples Gas Company in April 1927. Shortly after this
22 merger, a transmission line was run from the Peoples Gas Company's Glassboro
23 Gas Works to supply Hammonton. Circa 1927, the Hammonton Gas Works ceased
24 operations.

1 Soil and groundwater impacts have been identified both onsite and offsite.
2 Remediation of the former Hammonton MGP site began in June 2010, with the first
3 phase of the remediation consisting of the excavation of isolated areas of shallow
4 soil impacts. A RAR for this work was submitted to the NJDEP on November 30,
5 2010 and approved on February 24, 2011. A RAWP proposing ISS for the
6 remaining deep soil impacts was prepared and submitted to the LSRP and the
7 NJDEP in 2015. Soil remediation and site restoration activity was completed in
8 May 2017. Post remediation quarterly groundwater sampling was completed in
9 May 2019. A RAR documenting the completion of the Site remediation was
10 submitted to the NJDEP in November 2020. Declarations of Environmental
11 Restriction have been prepared and filed with Atlantic County. Applications for
12 four (4) Soil RAPs and a Groundwater RAP were submitted to the NJDEP in 2021.
13 The NJDEP issued One (1) Soil RAP in 2022 and three (3) Soil RAPs in 2024. A
14 Groundwater RAP Application is under review by the NJDEP.

15 **Next Twelve-Month Projected Activities**

16 Remediation of source area soil impacts has been completed and the administrative
17 requirements for site closure for soil has been completed including the Declaration
18 of Environmental Restriction. A Groundwater RAP Application has been
19 submitted to the NJDEP and is currently under review. A CEA is in place and
20 annual groundwater monitoring is ongoing. The last groundwater sampling was
21 performed in May 2026. The next groundwater sampling event is anticipated to
22 occur in June 2027. Additionally, monthly monitoring of municipal wells is
23 ongoing.

24 6. **FORMER MICHIGAN-ATLANTIC-ARCTIC AVENUES MGP SITE**

Site History

The site is approximately 2.0 acres in size and located in the City of Atlantic City, Atlantic County, New Jersey. The earliest available information depicts the presence of gas manufacturing facilities at the site in 1877 with considerably expanded operations by 1886. By 1906, gas-manufacturing operations at the site had ceased and MGP related structures had been demolished. Unsaturated soil remediation activities were conducted in Spring/Summer 1997 and consisted of the removal of approximately 31,000 tons of MGP impacted soils within the central portion of the site. Impacted soils were excavated, thermally treated, and used to backfill the site. On October 11, 2001, NJDEP issued an NFA for unsaturated soil and a portion of the site was re-developed as a commercial shopping center.

The RI was completed in May of 2014 and a Remedial Investigation Report (“RIR”) documenting the investigation was submitted to the LSRP and the NJDEP. Remedial alternatives for saturated soil impacts were evaluated and a RAWP was submitted to the NJDEP in 2018. A revised RAWP was submitted to NJDEP in August 2020. Additional groundwater monitoring wells were installed to further delineate the groundwater plume. Long term access agreements for construction and operating and maintenance were completed with the property lessee in November 2022. A Coastal Area Facility Review Act permit for remedial construction was received.

Next Twelve-Month Projected Activities

Planned installation of a recovery system to address saturated soil impacts began in January 2026 and is to be completed during the third quarter of 2026. After completion and one year of operation, a RAR will be submitted to the NJDEP along

with a RAP Application. Similar to the other sites, ongoing reporting of groundwater sampling to the NJDEP is expected to continue for > 30 years.

7. FORMER MILLVILLE MGP SITE

Site History

The site encompasses approximately 7.64 acres in size and is located in the City of Millville, Cumberland County, New Jersey. Circa 1915, the site was occupied by the Millville Gas Light Company. Between 1923 and 1929, the property was separated into parcels owned by the Cumberland County Gas Company and the Millville Electric Company. In 1952, South Jersey acquired the Cumberland County Gas Company and purchased the parcels owned by Millville Electric Company. All gas manufacturing operations were discontinued in 1952. By 1961, South Jersey operated a Liquefied Petroleum Storage and Distribution Plant on-site. Between 1979 and 1980, all structures associated with the MGP operations were demolished. Presently, South Jersey operates its Cumberland Division headquarters at the site. Several phases of Remedial Investigation have been completed at this site. These investigations have identified on-site, and off-site soil and groundwater impacts associated with former MGP operations.

The RI work was completed in May of 2014, and a RIR documenting the investigation was submitted to the LSRP and the NJDEP. Upon completion of the RI, a RAWP was submitted for an excavation and containment remedy. Implementation of the RA began in the fourth quarter of 2020 and is on-going. A CEA is in place and groundwater monitoring is ongoing.

Next Twelve-Month Projected Activities

A multi-phase RA to address the soil and groundwater impacts at the site began in

late 2020. The current phase of unsaturated soil remediation is expected to be completed in the fourth quarter of 2026. Subsequently, an additional phase of unsaturated soil remediation will occur followed by a remedial action to address soil below the water table at the site. These remedial actions are anticipated to begin in the first quarter of 2027. After completion of the soil remedial actions, SJG will take future actions to address groundwater at the site.

Groundwater remediation and monitoring will continue until such time as groundwater impacts no longer exceed applicable standards. The next groundwater sampling event is scheduled to occur in November 2026. Ongoing reporting of groundwater sampling to the NJDEP is expected to continue for greater than 30 years.

8. FORMER PENNS GROVE MGP SITE

Site History

The site is approximately 0.2 acres in size and located in the City of Penns Grove, Salem County, New Jersey. The site is currently undeveloped, fenced, and is owned by South Jersey. Penns Grove Gas Company constructed and operated the former MGP from circa 1904 to 1915. The MGP structures were dismantled between 1927 and 1947. A property survey from 1933 indicates that Peoples Gas Company of Glassboro, New Jersey owned the site, and that LPG structures and operations were present at the site. The LPG structures were dismantled between 1960 and 1987. South Jersey operated a natural gas metering station on the site until 2005.

Soil and groundwater impacts associated with former MGP site operations were identified, characterized, and delineated through several phases of RI

activities. Upon RI completion, remedial alternatives were evaluated and a RAWP was developed to address the identified impacts. The selected remedy was excavation and offsite thermal treatment of impacted soil. The soil impacts associated with the former MGP site have been remediated on all properties with exception of the active Conrail line abutting the site to the West. Per direction from the NJDEP, the LSRP issued a Soil and Groundwater Unrestricted Use RAO for the MGP Site parcels and a Limited Restricted Use Soil RAO for the Conrail railroad parcel. Groundwater impacts have been remediated and the NJDEP removed the CEA/WRA (“Well Restriction Area”) in February 2019. Following additional review and direction by the NJDEP, the LSRP withdrew the Limited Restricted Use Soil RAO for the offsite Conrail railroad parcel. Additional pre-design investigations of Conrail property continued through the fourth quarter of 2022. Additional sampling and evaluation of the Conrail property occurred during 2025.

Next Twelve-Month Projected Activities

Implementation of a remedial action to address Conrail railroad parcel is planned for the third quarter of 2026. An Unrestricted Use RAO for the Conrail property will be issued by the LSRP following the completion of remedial activities.

9. FORMER PLEASANTVILLE MGP SITE

Site History

The site is located in the City of Pleasantville, Atlantic County, New Jersey and consists of two parcels of land (totaling approximately 0.84 acres). The earliest records show that, in 1911, the site was operated by Pleasantville Light Heat and Power Company. In 1933, the site was operated by Atlantic City Gas Company.

1 By 1951, most of the structures associated with the MGP had been demolished and
2 South Jersey was listed as the owner of Parcel 2.

3 A RAWP to address the identified impacts via a combination of excavation
4 and ISS was approved by the LSRP responsible for the site and filed with NJDEP.
5 Implementation of the approved remedy began during the second quarter of 2018
6 and was completed in first quarter of 2020. Upon completion of ISS activities, the
7 site was restored and the administrative requirements for site closure completed. A
8 Declaration of Environmental Restriction have been prepared and filed with
9 Atlantic County and Soil and Groundwater RAP Applications have been filed with
10 the NJDEP. The Groundwater RAP Application also included a CEA revision.

11 **Next Twelve-Month Projected Activities**

12 Four (4) Soil RAPs were issued by NJDEP in April 2021, and one (1) Soil RAP is
13 pending due to issues with the right of way deed notice filing based on previous
14 LSRP instruction. RAOs were issued by the LSRP for two (2) of the four (4)
15 issued RAPs. Upon issuance of the remaining RAPs by NJDEP, the remaining
16 Soil RAOs will be issued by the LSRP responsible for the site. The Groundwater
17 RAP Application was submitted to the NJDEP, but was subsequently withdrawn
18 at the request of NJDEP. The NJDEP is requiring further groundwater
19 investigation prior to issuing the groundwater RAP. This is anticipated to be
20 completed in the fourth quarter of 2026.

21 Once the RAPs are granted and RAOs are issued, a revised CEA will be
22 issued, and annual groundwater monitoring will continue until such time as
23 groundwater impacts no longer exceed applicable standards.

24 **10. FORMER SALEM MGP SITE**

Site History

The site historically consisted of two parcels, totaling 1.2 acres in size and located in the City of Salem, Salem County, New Jersey. Salem Gas Works Company began operation of the former MGP on Parcel 1 in 1885 and expanded operations into Parcel 2 prior to 1891. The Salem Gas Works Company operated the plant until approximately 1909 when the Salem Gas Light Company took ownership of the property. In 1955, South Jersey acquired the site and all MGP operations ceased at this time. South Jersey began operating an LPG plant on Parcel 1 following closure of the MGP. By 1959, all the surface MGP structures on Parcel 1 had been removed and a gas metering station was constructed on Parcel 2.

Soil and groundwater impacts associated with former MGP site operations were identified, characterized and delineated through several phases of RI activities. Upon RI completion, remedial alternatives were evaluated and a RAWP was developed to address the identified impacts. A cap and containment restricted use remedy was completed in 2009. The remedy included the construction of an engineered barrier across the site (cap) and the construction of a physical barrier (walls and bottom) to contain potential source material. Site closure documentation was received and the site is in monitoring phase.

Next Twelve-Month Projected Activities

Groundwater monitoring and engineering control monitoring and maintenance are ongoing and will continue during the next twelve months.

11. FORMER SWEDESBORO MGP SITE**Site History**

The site is approximately 1.2 acres in size and is currently developed as a residential

property. It is in Woolwich Township, Gloucester County, New Jersey. Swedesboro Gas Company operated the former MGP from circa 1904 to 1912. New Jersey Gas Company owned the site from circa 1912 to 1922. People's Gas Company owned the site from circa 1922 to 1937. The site was decommissioned in 1928. The building was renovated into a multi-unit residence in 1950. South Jersey purchased the former MGP property in 2009.

Excavation of impacted soil began in March 2015 and was completed in December 2015. A sitewide Unrestricted Use RAO for Soil and Groundwater was issued by the LSRP in February 2019. Wetlands mitigation monitoring activities were completed in accordance with the existing NJDEP permits. Early dismissal was provided by the NJDEP, and no further monitoring is required.

12. FORMER VINELAND MGP SITE

Site History

The Site is approximately 2.2 acres in size and located in the City of Vineland, Cumberland County, New Jersey. From 1886 to 1906 Vineland Gas Company (subsequently, the Vineland Light and Power Company) produced manufactured gas at this site. From 1912 to 1925, the northern and eastern portions of the site were owned by New Jersey State Gas Company. In 1934, the MGP portion of the property was sold to Peoples Gas Company. In 1947, Atlantic City Gas Company and Peoples Gas Company were merged to form South Jersey. In 1949, South Jersey sold the southeastern parcel to Doerr Glass Company. Gas manufacturing operations ceased circa 1949. In 1962, the remaining parcel of land was sold by South Jersey to Doerr Glass Company.

Soil and groundwater impacts associated with former MGP site operations

1 were identified, characterized and delineated through several phases of RI
2 activities. The remedy selected and approved for the site was excavation and offsite
3 thermal treatment of impacted soil. Excavation of soil impacts exceeding the most
4 stringent soil criteria was initiated during the fourth quarter of 2013 and was
5 completed in April of 2014. The LSRP issued an Unrestricted Use RAO for Soil
6 in the fourth quarter of 2015. Post-Remediation Groundwater monitoring was
7 completed and a Groundwater RAR was submitted in March 2019. A Groundwater
8 RAP has been issued by the NJDEP and a CEA has been established which requires
9 annual groundwater monitoring.

10 **Next Twelve-Month Projected Activities**

11 Annual groundwater monitoring is ongoing with the next sampling event scheduled
12 to occur in July 2026.

13 **Q. How, if at all, has the Company's MGP site remediation efforts changed since**
14 **adoption of the New Jersey Site Remediation Reform Act in 2009?**

15 **A.** In 2009, the Site Remediation Reform Act, *N.J.S.A. 58:10C-1 et seq.* (the "Act" or
16 "SRRA") was signed into Law. For the first time in New Jersey, the Act created an
17 affirmative obligation for responsible parties to remediate contaminated sites and to do so
18 in a "timely" manner. The Act was phased in over a period of three years and
19 implementing regulations were adopted by NJDEP effective May 7, 2012. The goal of
20 these changes was to increase the pace of remediation, thereby decreasing the threat of
21 contamination to public health, safety and the environment, and to quickly return
22 underutilized properties to product use.

23 By virtue of this change in law, certain mandatory timeframes now exist whereby
24 remediation milestones must be achieved to address not only new releases, but legacy

1 contaminated sites that have not been fully remediated (e.g., the Company's MGP sites).

2 As stated within the site updates above, a number of the sites have received regulatory
3 closure or have an active remediation permit in place. For each of the sites where a RAO
4 or RAP has not been received, timeframe extensions have been submitted.

5 **Q. Do you anticipate that the Company will continue to see a high level of annual RAC**
6 **expenditures as it accelerates its remediation activities in compliance with the law?**

7 **A.** Yes. The Company will continue to see a high level of annual RAC expenditures over the
8 next few years to achieve mandatory NJDEP remediation timeframes for its MGP sites.

9 **Q. Does this conclude your testimony?**

10 **A.** Yes.

South Jersey Gas Company
RAC Vendor Expenditures
August 1, 2025 - June 30, 2026

Vendor/Supplier Name	Auburn & Bridgeton Roads, Swedesboro	Franklin Ave, Pleasantville	Union & Grove Streets, Glassboro	Florida, Sunset & Georgia Avenues, Atlantic City	Fifth & Howell Street, Salem	Pitman Street, Pennsgrove	North Second Street, Millville	Twelfth & Lincoln Streets, Hammonton	Peach Street & NE Boulevard, Vineland	Unallocated	Vine & Water Street, Bridgeton	Atlantic & Buffalo Avenues, Egg Harbor City	Michigan, Atlantic & Artic Avenues, Atlantic City	Total RAC Vendor Expenditures
AirLogics LLC							\$449,124							\$449,124
Arthur W. Ponzio Company & Associates, Inc.				\$10,890										\$10,890
Atlantic City Electric			\$1,897				\$2,045							\$3,942
Borough Of Glassboro			\$6,938											\$6,938
Borough of Penns Grove						\$1,298								\$1,298
Bridgeton City											\$11,273			\$11,273
Casino Reinvestment Development Authority				\$59										\$59
Centurion Shield Protection							\$409,581							\$409,581
City Of Atlantic City				\$58,400										\$58,400
City Of Millville							\$28,908							\$28,908
City Of Pleasantville		\$17,625												\$17,625
City of Salem					\$22,062									\$22,062
Consolidated Rail Corporation			\$1,200			\$1,200	\$1,200		\$1,200					\$4,800
Crompco			\$977											\$977
Dimeglio Septic Inc.		\$955	\$478		\$597									\$2,030
Eatmor Development, LLC.				\$5,796			\$23,183							\$28,978
Elk Township Tax Collector			\$2,733											\$2,733
Enviro-Air Technologies										\$70,119			\$1,136,337	\$1,206,456
Eurofins Environment Testing Northeast LLC		\$5,422	\$34,791	\$19,871	\$16,353	\$2,158	\$28,442	\$19,570	\$7,917			\$7,500	\$7,657	\$149,680
Fitzgerald & McGroarty	\$68	\$22,837	\$9,248	\$94,741	\$11,781	\$29,682	\$26,962	\$170	\$5,236	\$37,672	\$102	\$51	\$47,702	\$286,252
GEI Consultants, Inc.	\$3,531			\$545,030	\$60,820	\$124,864				\$101,907				\$836,152
GZA Geo Environmental, Inc.		\$23,207	\$694,414	\$44,736	\$3,190	\$14,414	\$1,464,024	\$86,776	\$98,830	\$327,253		\$47,041	\$31,755	\$2,835,641
H & G Public Affairs LLC							\$4,491							\$4,491
Hankin Sandman Palladino Weintrob & Bell P.C.				\$39,104										\$39,104
High and Harrison Medical Arts Condominium LLC							\$6,600							\$6,600
Larry Whitesell Painting LLC							\$6,398							\$6,398
Miller Environmental Group Inc.			\$10,954	\$27,295	\$392	\$1,387	\$14,741	\$1,046	\$1,983			\$505		\$58,303
Quality Sanitation LLC			\$393		\$393									\$787
Regina Porat							\$35,817							\$35,817
Remedial Construction Services, LP.			\$56,489				\$8,012,019							\$8,068,508
Robert Raymond Boselli Jr and Colleen Boselli				\$132,082										\$132,082
SJ Fenwick Associates Architects & Planners LLC				\$1,033										\$1,033
SJI Payroll				\$71,677										\$71,677
Slice Communications, LLC			\$491	\$341			\$8,171						\$2,833	\$11,836
Stantec Consulting Services		\$91,593			\$2,405					\$17,622			\$257,948	\$369,568
Summit Drilling, LLC		\$15,449	\$78,496	\$5,801		\$4,549	\$8,041						\$2,588	\$114,923
The J Boys, Inc.	\$3,455	\$926	\$6,184	\$19,177	\$2,079	\$1,450	\$2,047	\$1,269			\$2,948			\$39,535
Town Of Hammonton								\$2,097						\$2,097
Treasurer - State Of NJ		\$5,695	\$5,800	\$6,010	\$4,250			\$2,300		\$550				\$24,605
Treasurer State Of NJ Division Of Revenue					\$550									\$550
Vargo Land Surveying, Inc.		\$1,770	\$6,380	\$1,100		\$2,290								\$11,540
Visual Computer Solutions, Inc.			\$1,888											\$1,888
Woolwich Township	\$1,582													\$1,582
Internal Costs Charged to MGP Sites		(\$149,815)	(\$6,094)		\$1,403		\$120			\$65,693				(\$88,693)
Grand Total	\$8,636	\$35,663	\$913,657	\$1,083,142	\$126,276	\$183,293	\$10,531,913	\$113,228	\$115,165	\$620,817	\$14,323	\$55,097	\$1,486,820	\$15,288,029

South Jersey Gas Company
Remediation Adjustment Clause
August 1, 2025 - June 30, 2026

Summary of Year-To-Date Expenditures

Auth No.	Site	Consulting	Remediation	Disposal	Legal	Total Remediation Expenses
503	Union and Grove Streets, Glassboro	\$ 697,185	\$ 196,269	\$ 10,954	\$ 9,248	\$ 913,657
801	Atlantic and Buffalo Avenues, Egg Harbor City	\$ 47,041	\$ 7,500	\$ 505	\$ 51	\$ 55,097
950	Kirkman Boulevard, Atlantic City	\$ -	\$ -	\$ -	\$ -	\$ -
892	Michigan, Atlantic and Artic Avenues, Atlantic City	\$ 292,537	\$ 1,146,581	\$ -	\$ 47,702	\$ 1,486,820
631	Florida, Sunset and Georgia Avenues, Atlantic City	\$ 590,108	\$ 360,110	\$ 27,295	\$ 105,631	\$ 1,083,143
675	Vine and Water Street, Bridgeton	\$ -	\$ 14,221	\$ -	\$ 102	\$ 14,323
652	North Second Street, Millville	\$ 1,476,686	\$ 9,013,525	\$ 14,741	\$ 26,962	\$ 10,531,913
649	Pitman Street, Penns Grove	\$ 139,279	\$ 12,945	\$ 1,387	\$ 29,682	\$ 183,293
648	Fifth and Howell Street, Salem	\$ 66,808	\$ 47,294	\$ 392	\$ 11,781	\$ 126,276
655	Peach Street and NE Boulevard, Vineland	\$ 98,830	\$ 9,117	\$ 1,983	\$ 5,236	\$ 115,165
653	Twelfth and Lincoln Streets, Hammonton	\$ 86,776	\$ 25,236	\$ 1,046	\$ 170	\$ 113,228
26	Franklin Avenue, Pleasantville	\$ 114,800	\$ (101,974)	\$ -	\$ 22,837	\$ 35,663
25	Auburn and Bridgeton Roads, Swedesboro	\$ 3,531	\$ 5,037	\$ -	\$ 68	\$ 8,636
657	Unallocated	\$ 446,782	\$ 136,362	\$ -	\$ 37,672	\$ 620,817
Total - August 1, 2025 - June 30, 2026		\$ 4,060,363	\$ 10,872,221	\$ 58,303	\$ 297,142	\$ 15,288,029

**South Jersey Gas Company
RAC Vendors
August 1, 2025 - June 30, 2026**

Vendor	Service Provided	RAC Vendor Classification			
		Consulting	Legal	Remediation	Waste Disposal
AirLogics LLC	air monitoring contractor			X	
Arthur W. Ponzio Company & Associates, Inc.	land surveying, engineering			X	
Atlantic City Electric	utility payments			X	
Borough Of Glassboro	real estate taxes			X	
Borough of Penns Grove	real estate taxes			X	
Bridgeton City	real estate taxes			X	
Casino Reinvestment Development Authority	real estate taxes			X	
Centurion Shield Protection	security			X	
City Of Atlantic City	real estate taxes			X	
City Of Millville	real estate taxes			X	
City Of Pleasantville	real estate taxes			X	
City of Salem	real estate taxes			X	
Consolidated Rail Corporation	annual maintenance agreement			X	
Crompco	laboratory testing of samples			X	
Dimeglio Septic Inc.	waste disposal services				X
Eatmor Development, LLC.	lease of property for remediation access			X	
Elk Township Tax Collector	real estate taxes			X	
Enviro-Air Technologies	remediation services			X	
Eurofins Environment Testing Northeast LLC	laboratory testing of samples			X	
Fitzgerald & McGroarty	outside legal contractor		X		
GEI Consultants, Inc.	consulting services	X			
GZA Geo Environmental, Inc.	consulting and engineering services	X			
H & G Public Affairs LLC	public relations	X			
Hankin Sandman Palladino Weintrob & Bell P.C.	legal services			X	
High and Harrison Medical Arts Condominium LLC	association fees			X	
Larry Whitesell Painting LLC	painting services			X	
Miller Environmental Group Inc.	waste disposal services				X
Quality Sanitation LLC	sanitation services			X	
Remedial Construction Services, LP.	remediation services			X	
Regina Porat	rent			X	
Robert Raymond Boselli Jr and Colleen Boselli	access fees			X	
SJ Fenwick Associates Architects & Planners LLC	architectural services			X	
Slice Communications, LLC	project management			X	
Southern NJ Development Council	project management			X	
Stantec Consulting Services	consulting service	X			
Summit Drilling, LLC	drilling services			X	
The J Boys, Inc.	lawn care services			X	
Town Of Hammonton	utility payments			X	
Treasurer State Of NJ Division Of Revenue	site remediation and licensed site remediation professional services			X	
Vargo Land Surveying, Inc.	surveying			X	
Visual Computer Solutions, Inc.	surveying			X	
Woolwich Township	real estate taxes			X	

South Jersey Gas Company
RAC Minimum Filing Requirements

As part of the Company's annual RAC filing, the Company will provide responses to the following Minimum Filing Requirements ("MFRs"). The responses are related to the historical 12-month RAC period from August 1, 2025 through July 31, 2026 ("2025-26 Remediation Year"), unless otherwise noted.

1. The Company currently provides a vendor summary as part of its annual RAC filing. This document provides a summary of the expenditures incurred by vendor by site for the twelve-month RAC period. Hereafter, the vendor summary will be supplemented with a general description of the services provided by each vendor. The data noting expenditures incurred through July 31st of each year will continue to be submitted with the Company's annual RAC filing.

Response: Schedule RAC MC-1 contains a listing by remediation site, expenditures by vendor, for the period August 1, 2025 through June 30, 2026. This schedule will be updated with values through July 31, 2026, when available. Schedule RAC MC-3 provides a brief description of the services provided by the vendors identified in Schedule RAC MC-1.

2. Identify the three MGP sites with the highest level of expenditures during the prior RAC period. For each identified site, provide a copy of the latest work plan, remediation report, or major work product submitted to the NJDEP. The copies should include the narrative portion of the report or work plan but need not include the technical supporting work papers, charts, and tables.

Response: As depicted on Schedule RAC MC-2, the three MGP sites with the highest level of expenditures during the 2025-26 Remediation Year are 1) North Second Street, Millville 2) Florida, Sunset and Georgia Avenues, Atlantic City, and 3) Union and Grove Streets, Glassboro.

There were no work plans, remediation reports, or other major work products submitted for the three identified sites during the 2025-26 Remediation Year.

3. For each of the same three MGP sites, provide all correspondence between the Company and the NJDEP concerning submissions for the site, reply comments, and other major items which have a material impact on remediation activities and associated costs incurred by the Company. The correspondence should span the twelve months preceding July 31st, of the most recent RAC period.

Response: All material correspondence issued during the 2025-26 Remediation Year are included in Appendix MFR-3 provided in a separate flash drive.

4. For each of the same three MGP sites, provide expense documentation for any contractor or supplier whose invoices for the RAC period exceed \$250,000 in aggregate. The expense documentation should include descriptions of services rendered, applicable invoices, and any tracking of invoiced charges vs. budgets. The expense detail need not include expense reports or time sheets, but it should include supporting documentation for any subcontractor and third-party expenses totaling \$100,000 or more for the period. CONFIDENTIAL

South Jersey Gas Company
RAC Minimum Filing Requirements

Response: Given Appendix MFR-4 includes confidential information, it will be provided to the parties after an executed confidentiality agreement is received by the Company.

5. For each of the same three MGP sites, provide a narrative description and organization chart for that site, showing the vendors and project control structure for the remediation effort. The response should show what entities supervise all significant contractors and subcontractors and which Company personnel are involved in site and remediation supervision and control.

Response: Organization charts containing narrative descriptions of the roles and responsibilities of the depicted entities for each of the three selected sites are included as Appendix MFR-5 provided in a separate flash drive.

6. Provide a detailed narrative describing Company activities and any reimbursements related to insurance claims or potentially responsible parties' liabilities for all the Company's MGP sites. The narrative, with supporting documentation, should cover the prior RAC period.

Response: In March 2012, SJG received the last payment stemming from its last remaining insurance policy covering former MGP sites. No further insurance recoveries are outstanding or anticipated. No other insurance coverage exists.

7. Provide copies of any RAC audit reports or related materials prepared by the Board's Audit Staff, FERC, or the Company's internal or external auditors during the previous twelve months. To the degree applicable, please also provide any materials prepared in response to the audits or in compliance with any audit findings.
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Response: The only audit report prepared during the 2025-26 Remediation Year was prepared by the Company's internal auditors. A copy of the requested audit report will be provided as Appendix MFR-7 to the parties once an executed confidentiality agreement is received by the Company.

8. Provide a narrative concerning all material events, whether related to NJDEP mandates or not, which could have an impact on the Company's ultimate MGP remediation liability, with claimed confidential information provided pursuant to a confidentiality agreement. The narrative should encompass all sites, whether or not active remediation efforts on the site are under way.

Response: At this time, the Company is not aware of any events that would have a material impact on the Company's ultimate MGP remediation liability. SJG continues to evaluate the remediation alternatives available for the remaining sites and will adjust future liabilities according to any new information obtained.

9. Provide schedules and supporting work papers and documents, which show the

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reconciliation of the prior period RAC expenditures and recoveries as well as the derivation of the deferred tax credit and the interest accrual on any unamortized balances.

Response: Please reference Schedules RAC –CLC-1 through RAC-CLC-4.

10. Provide the Company's bid evaluation studies, reports, work papers or other material related to the two largest MGP remediation contracts awarded during the previous RAC period. The response should include the criteria utilized for bid evaluation and the comparisons between the terms and conditions offered by the competitive bidders. CONFIDENTIAL

Response: One remediation contract was bid during the period for the Michigan Ave site. Given Appendix MFR-10 includes confidential information, it will be provided to the parties after an executed confidentiality agreement is received by the Company..

11. Provide documentation relating to the two largest supplemental contract amendments authorized by the Company during the previous RAC period. The response should provide the contractor's request for supplemental funding, the reasons cited for the request, and the Company's evaluation and action taken concerning the request.

Response: There were no contract amendments authorized by the Company during the 2025-26 Remediation Year.

12. Provide documentation relating to any instances during the previous RAC period where the Company sought to modify, change, or eliminate the NJDEP site remediation requirements for any of its MGP sites. The response should provide copies of any such Company requests, the NJDEP responses, and the ultimate outcome concerning the requests.

Response: No submittals were made during the period related to modification or elimination of NJDEP site remediation requirements. SJG continues to evaluate opportunities to petition the NJDEP and/or the LSRP of record for changes where applicable and in compliance with pertinent rules and regulations.

13. Provide a calculation of the carrying costs that the Company seeks to recover in this filing, including work papers and supporting documentation.

Response: Please reference Schedule RAC – CLC-4.

14. The Company currently provides a schedule that summarizes the expenditures incurred by major cost category by site on a quarterly basis. This data will be reported with its annual filing.

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Response: Please reference Schedule RAC – MC-2 which contains a listing of expenditures by remediation site and major cost category for the period August 1, 2025 through June 30, 2026.

15. For each of the Company's MGP sites, provide a schedule showing the status of the remediation effort and estimated dates for the completion of remaining milestones. The Parties understand that the timeframes to complete the remediation efforts are subject to a great deal of uncertainty due to factors beyond the Company's control. Also, provide an update concerning the status of discussions with the NJDEP concerning its NRD initiative as well as any other NRD-related activities, with claimed confidential information provided pursuant to a confidentiality agreement. CONFIDENTIAL

Response: A copy of the projected remediation schedule (as of June 30, 2026) for each site will be provided as Appendix MFR-15. This appendix includes confidential information and will be provided to the parties once an executed confidentiality agreement is received by the Company.

SJG was one of several parties named in an NRD-related suit filed by NJDEP in August of 2018. Proceedings of the case are ongoing.