



Stacy A. Mitchell, Esq.
Regulatory Affairs Counsel



February 20, 2018

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO: All Municipal Clerks in the South Jersey Gas Company Service Area and Freeholder Clerks of Atlantic County, Burlington County, Camden County, Cape May County, Cumberland County, Gloucester County, Ocean County, Salem County and County Executive of Atlantic County

RE: IN THE MATTER OF THE PETITION OF SOUTH JERSEY GAS COMPANY TO CONTINUE ITS STORM HARDENING AND RELIABILITY PROGRAM ("SHARP II")
DOCKET NO. GR17111130

Dear Municipal, Freeholder Clerks and Executive of Atlantic County:

Enclosed herewith for service upon you is a copy of the Notice of Filing of Petition and of Public Hearing for the above-referenced matter. Kindly take note of the location and date of the hearings.

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

Respectfully,

A handwritten signature in black ink that reads "Stacy A. Mitchell". The signature is fluid and cursive.

Stacy A. Mitchell

SAM:lvk
Enclosures

cc: Service List (via email)

**IN THE MATTER OF THE PETITION OF SOUTH JERSEY GAS COMPANY TO
CONTINUE ITS STORM HARDENING AND RELIABILITY PROGRAM ("SHARP II")
AND ASSOCIATED RECOVERY MECHANISM
BPU DOCKET NO. GO17111130**

SERVICE LIST

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**NOTICE OF FILING OF PETITION
AND OF PUBLIC HEARING**

**IN THE MATTER OF THE PETITION OF SOUTH JERSEY GAS COMPANY TO CONTINUE
ITS STORM HARDENING AND RELIABILITY PROGRAM (“SHARP II”)
DOCKET NO. GR17111130**

NOTICE IS HEREBY GIVEN that on November 1, 2017, South Jersey Gas Company (“South Jersey” or “Company”), pursuant to N.J.S.A. 48:2-21, 48:2-21.1, 48:2-23 and related to the Board’s Order in Docket Nos. AX13030197 and GO13090814, filed a Petition with the New Jersey Board of Public Utilities (“Board”) proposing to continue its Storm Hardening and Reliability Program (“SHARP II”) and associated rate recovery mechanism. The proposed SHARP II will allow the Company to invest approximately \$110.25 million, over a three-year period, to continue its storm hardening efforts along the barrier islands. The targeted system enhancement projects include the (1) targeted Excess Flow Valve (“EFV”) installations; and three gas main installation projects which the Company has identified as: (2) the Absecon Island Loop Project; (3) the Ocean City Loop Project; and (4) the Brigantine Bridge Project. The Company will make annual filings with the Board to recover the costs associated with SHARP II investments, as well as an authorized return on those investments, through annual adjustments to base rates that will be effective on October 1 of each of the three (3) program years from 2019-2021.

There would be no rate adjustment or customer bill impact from the SHARP II program until October 1, 2019. If approved by the Board as proposed, the bill impact for the first SHARP II Rate Adjustment on October 1, 2019 for typical Residential and General Service customers using less than 5,000 therms per year is estimated to be as follows:

Residential Service (RSG)

Therm Level	Bill as of February 1, 2018⁽¹⁾	Bill as of October 1, 2019⁽²⁾	Dollar Increase	Percent Increase
25	\$42.63	\$42.91	\$0.28	0.7%
100	\$138.55	\$139.65	\$1.10	0.8%
200	\$266.44	\$268.64	\$2.20	0.8%

General Service (GSG) (Using less than 5,000 therms per year)

Therm Level	Bill as of February 1, 2018⁽¹⁾	Bill as of October 1, 2019⁽²⁾	Dollar Increase	Percent Increase
500	\$601.36	\$605.72	\$4.36	0.7%
1,000	\$1,168.87	\$1,177.58	\$8.71	0.7%
2,000	\$2,303.89	\$2,321.31	\$17.42	0.8%

(1) Based upon current Delivery Rates and Basic Gas Supply Service (“BGSS”) charges in effect October 1, 2017 and assumes that the customer receives BGSS service from South Jersey.

(2) Same as (1) except includes base rate changes associated with SHARP II.

The following Rate Schedules will also be affected by the Company’s proposed base rate increase: General Service – Large Volume (GSG-LV), Comprehensive Firm Transportation Service (CTS), Large Volume Service (LVS), Electric Generation Service (EGS), Electric Generation Service – Large Volume (EGS-LV), Natural Gas Vehicle Service (NGV), Yard Lights Service (YLS) and Street Lights Service (SLS).

Pursuant to N.J.S.A. 48:3-1, any relief determined by the Board to be just and reasonable may be allocated to customers in such manner, and in such amounts or percentages, as the Board may deem appropriate. The Board may authorize an increase on any customer class or group or may exclude from increase any customer class or group, varying the percentage increase applicable. Therefore, the Board may approve a SHARP II base rate adjustment that is different from the rates proposed by South Jersey.

Copies of the Company's filing are available for inspection at the Company's offices located at One South Jersey Plaza, Folsom, New Jersey 08037, or at the Board of Public Utilities, 44 South Clinton Avenue, 7th Floor, Trenton, New Jersey 08625-0350. The Company's filing may also be found on the South Jersey website at <https://www.southjerseygas.com/About-South-Jersey-Gas/Regulatory-Compliance-Tariff-Information.aspx>.

NOTICE is further given that public hearings have been scheduled at the following date, times, and place on the Company's above-mentioned requests:

**March 15, 2018 at 4:30 p.m. and 5:30 p.m.
Voorhees Township, Municipal Court
Voorhees Town Center
Voorhees, New Jersey 08043
(located directly across from Township Library at 203 Laurel Road)**

The public is invited to attend and make a statement of their views on the proposed increases. In order to encourage full participation in this opportunity for public comment, please submit any requests for needed accommodations, including interpreter, listening devices or mobility assistance, forty-eight (48) hours prior to this hearing. Written requests and public comments may be submitted to the Board to: The Secretary of the Board, Board of Public Utilities, 44 S. Clinton Avenue, P.O. Box 350, Trenton, NJ 08625-0350.

**SOUTH JERSEY GAS COMPANY
By: David Robbins, Jr.
President**