



**STATE OF NEW JERSEY**  
**Board of Public Utilities**  
44 South Clinton Avenue, 9<sup>th</sup> Floor  
Post Office Box 350  
Trenton, New Jersey 08625-0350  
[www.nj.gov/bpu/](http://www.nj.gov/bpu/)

ENERGY

IN THE MATTER OF THE PETITION OF SOUTH )  
JERSEY GAS COMPANY FOR APPROVAL OF A ) ORDER  
STANDARD GAS SERVICE AGREEMENT (EGS-LV) )  
AND A STANDARD GAS SERVICE )  
AGREEMENT (EGS-LV) ADDENDUM; AND TO )  
MODIFY RATE SCHEDULE EGS-LV- ACI CONTRACT ) DOCKET NO. GO11100761

(NOTIFICATION LIST ATTACHED)

APPEARANCES:

**Ira G. Megdal, Esq. (Cozen O'Connor)**, on behalf of South Jersey Gas Company  
**Stefanie A. Brand, Esq.**, Director, New Jersey Division of Rate Counsel

BY THE BOARD:

On October 31, 2011, South Jersey Gas Company ("SJG" or "Company") filed a petition with the New Jersey Board of Public Utilities ("Board" or "BPU") requesting that the Board issue an Order approving a Standard Gas Service Agreement- Electric Generation Service- Large Volume ("EGS-LV") ("Agreement") and a Standard Gas Service Agreement (EGS-LV) Addendum entered into between SJG and ACI Energy Partners, LLC ("ACI") ("ACI Agreement"). The Company further requested that the petition and ACI Agreement be treated as confidential information. By this Decision and Order, the Board considers a Stipulation of Settlement ("Stipulation") entered into by SJG, the New Jersey Division of Rate Counsel ("Rate Counsel") and Board Staff ("Staff") (collectively, the "Parties") requesting that the Board approve the ACI Agreement with the modifications agreed to by the Parties.

BACKGROUND

Pursuant to its Rate Schedule EGS-LV, SJG provides firm and limited firm sales and/or transportation service to commercial and industrial electric generation facilities, prime movers,

and all engine-driven equipment (whether or not used for electric generation) with a firm daily contract demand of 200 Mcf per day or more. Special Provision (e) of Rate Schedule EGS-LV provides that SJG may offer a D-1 Demand Charge and a C-3 Commodity Charge on a negotiated basis. According to the special provision, the D-1 charge, taken in combination with the Limited Firm C-3 charge, if applicable, may not be lower than an amount sufficient to generate a reasonable return on capital investments made by the Company and recover all of the marginal and embedded costs, including depreciation, to provide service under Rate Schedule EGS-LV. Any offer made by the Company must be based upon cost of service and value of service considerations including such factors as: (1) proximity of customer to the Company's transmission lines, (2) whether the customer will utilize the Company's interstate pipeline capacity, (3) whether the customer will provide its own gas supply, and (4) any other pertinent factors. In addition, Special Provision (e) requires that the negotiated percentages and resultant rates shall be set forth in the Standard Gas Service Agreement (EGS-LV) and filed with the Board within thirty (30) days of execution, for approval.

ACI is a limited liability company formed in New Jersey, and is in the business of designing, building, owning and operating a combined heating, cooling, and power production ("CHP") facility located at 177 S. Massachusetts Avenue, Atlantic City, New Jersey. ACI is a wholly owned subsidiary of Energenic, LLC located at 5429 Harding Highway, Mays Landing, New Jersey. Energenic was formed in 2007 with Marina Energy, LLC ("Marina Energy") and DCO Energy LLC as equal owners. Marina Energy is a wholly owned subsidiary of South Jersey Industries. Thus, ACI is an affiliate of SJG. As part of its proposed project development, ACI intends to sell chilled water, hot water and electricity to ACR Energy Partners, LLC ("ACR"), another affiliate of SJG, for sale to the Revel Entertainment Group ("Revel"). Electricity will be supplied for use in powering ACR's central utility plant and the Revel casino. Hot water will be utilized by ACR to provide space heating and domestic hot water heating for use in absorption chillers to produce chilled water for Revel's air conditioning system.

ACI and SJG entered in an agreement whereby SJG agreed to sell and deliver and ACI agreed to purchase and pay for gas service under Rate Schedule EGS-LV. The ACI project will utilize its own interstate pipeline capacity and gas supply. Subsequent to entering into the ACI Agreement on June 1, 2012, SJG entered into a separate agreement ("Separate Agreement") with ACI, whereby ACI would pay the standard, undiscounted D-1 Rate, effective with the June 2012 billings, until such time as the Board issues an Order in this matter. A public copy of the Separate Agreement is attached to the Stipulation as Exhibit B. In addition, SJG filed an unredacted confidential copy of the Separate Agreement with Rate Counsel and the Custodian of the Board.

SJG has requested that the petition and the ACI Agreement be treated as "Confidential." Specifically, the Company maintains that the D-1 charge applicable to ACI is confidential information because it is competitively sensitive information. SJG maintains that if its negotiated, reduced rates are disclosed to the public, SJG's competitors would be able to offer similar or lower rates to the Company's customers, and thereby unfairly compete with SJG. In addition, SJG claims that if future customers of SJG are made aware of the reduced or negotiated rates made available by SJG to ACI, those rates will become a "floor" to future customers.

## STIPULATION

Discovery was propounded upon SJG, and responses were received by the Parties. In addition to the written discovery, the Parties held discovery conferences. On August 2, 2012, the Parties entered into the Stipulation, the salient terms of which are below.<sup>1</sup>

9. This transaction is subject to N.J.A.C. 14:4-3.1, et seq, Affiliate Relations. Pursuant to N.J.A.C. 14:4-3.3, a transaction between a gas public utility and a related competitive business segment of its public utility holding company is permitted, if the transaction is pursuant to a tariffed service. The present agreement is made pursuant to Special Provision (e) of Petitioner's EGS-LV Rate Schedule.
10. Pursuant to Special Provision (e) of SJG's EGS-LV Rate Schedule, SJG may offer a D-1 demand charge and C-3 commodity charge on a negotiated basis so long as the D-1 charge taken in combination with the limited firm C-3 charge if applicable is not lower than an amount sufficient to generate a reasonable return on capital investments made by SJG and recovery of marginal and embedded costs, including depreciation, to provide service under Rate Schedule EGS-LV. Pursuant to SJG's Rider E tariff, the Societal Benefits Charge ("SBC") is applicable to EGS-LV customers, unless exempted therefrom by N.J.S.A. 48:3-60.1. Pursuant to SJG's Rider N tariff, customers taking service under the EGS-LV Rate Schedule are also subject to the Energy Efficiency Tracker ("EET") charge.
11. The Parties agree that the ACI facility underlying the ACI Agreement qualifies for Special Provision (e) of the EGS-LV rate schedule and the ACI Agreement should be approved by the Board, subject to the Board's ruling on the issue presented in Paragraph 13 of the Stipulation.
12. The Parties agree that with respect to SJG's request for the Board to allow SJG and ACI through mutual consent to increase the service volumes under the Agreement that notification will be given to all Parties of such modification. However, to the extent that any upward modification of service volumes would result in changes to SJG's infrastructure, such modification would require notification to the Parties and be subject to Board approval. The Parties also agree that downward revisions to the service volumes under the Agreement will not be permitted without prior Board approval.
13. SJG contends that transportation of natural gas to ACI, which is the subject of the Stipulation, is exempt from EET and SBC charges (the "Clause Charges"). Such exemption, SJG contends, is pursuant to N.J.S.A. 48:3-60.1. Rate Counsel believes that gas sales by SJG to ACI, together with sales of electricity by ACI to ACR and ACR to Revel, should be viewed collectively as one project ("Project") for purposes of resolving the issue of the applicability of Clause Charges and their equivalent.

---

<sup>1</sup> Although described in this Order, should there be any conflict between this summary and the Stipulation, the terms of the Stipulation control, subject to the findings and conclusions contained in this Order.

Rate Counsel further contends that if the gas supplied by SJG is exempt from the Clause Charges, then the Clause Charges or their equivalent must be applied at some point to the sales of the electricity generated by ACI and sold by ACI to ACR or by ACR to Revel. As a result, the Parties have agreed that this issue should be resolved by the Board. Specifically, the issue presented to the Board by the Parties is whether SJG's gas sales to ACI are subject to the Clause Charges and, if not, whether the SBC and EET or equivalent electric clause charges should be applied to the sales of electricity connected with the Project. The Parties shall agree to a schedule for the submission of appropriate certifications and briefs, after proper notice to interested parties as determined by the Board, and the Board will then be asked to render decision on the applicability of the Clause Charges. If, as a result of a Final Order, it is determined that service to ACI is subject to the Clause Charges, the respective EET and SBC clauses will be credited with the full Clause Charges from and after June 1, 2012. If a Final Order determines that no such Clause Charges are applicable, none will be credited to the EET and SBC clauses and SJG will return the Clause Charges back to ACI. As used in this paragraph the term "Final Order" shall mean an Order of the Board which is not subject to a request for reconsideration or rehearing or an appeal, and as to which the time for filing an appeal has expired.

15. The Parties agree that with respect to the request for confidential treatment of certain information that is claimed to be commercially sensitive or proprietary, that if and when a request for release of such data is made under the Open Public Records Act pursuant to N.J.A.C. 14:1-12, the Board's Custodian of Records should decide this issue. The Parties agree that until such time as the Board's Custodian of Records renders a decision, such information shall continue to be treated as confidential information.

## **DISCUSSION AND FINDINGS**

After reviewing the petition, and the ACI Agreement and the Stipulation, the Board is satisfied that the ACI Agreement will not have a financial impact on other ratepayers. The Board is also satisfied that the ACI Agreement meets the requirements of the previously Board approved tariff for EGS-LV. Therefore, the Board **HEREBY FINDS** that coupled with the other benefits that the Parties have agreed result from this transaction including additional jobs, and given the expected sufficient and reasonable return on capital investments made by SJG along with recovery of marginal embedded costs, this project qualifies for Special Provision (e) of SJG's EGS-LV tariff. Since the ACI Agreement was entered into pursuant to Special Provision (e) of the SJG tariff, it is a tariffed service and therefore permitted by the Board's Affiliate Relations Standards. N.J.A.C. 14:4-3.3(d) (1). Accordingly, the Board **HEREBY FINDS** that the ACI Agreement complies with the Board's Affiliate Relations Standards. Accordingly, the Board **HEREBY APPROVES** the Stipulation and the ACI Agreement.

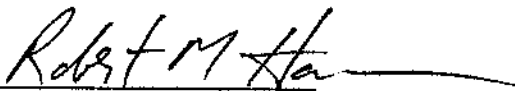
Turning to the issue of applicability of Clause Charges to SJG sales to ACI, the Board **HEREBY ORDERS** that this docket remains open to address the issue. Accordingly, the Board **HEREBY ORDERS** that the record in this matter be supplemented to address whether SJG's gas sales to ACI are subject to the Clause Charges and, if not, whether the SBC and EET or equivalent electric clause charges should be applied to the sales of electricity connected with the Project.

Pursuant to N.J.S.A. 48:2-32, the Board **HEREBY DESIGNATES** President Hanna as the presiding officer who is authorized to rule on all motions that arise during the pendency of the proceedings and modify any schedules that may be set as necessary to secure a just and expeditious determination of the issues.


The Company's rates will remain subject to audit by the Board. This Decision and Order does not preclude the Board from taking any actions deemed to be appropriate as a result of any Board audit.

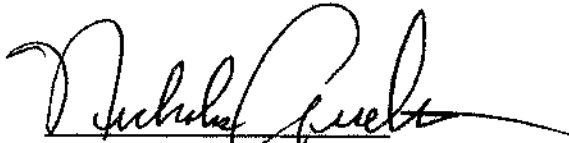
DATED: 8/15/12

BOARD OF PUBLIC UTILITIES  
BY:

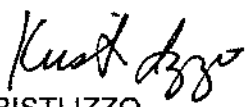
  
ROBERT M. HANNA  
PRESIDENT

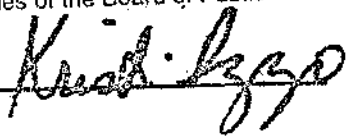
  
JEANNE M. FOX  
COMMISSIONER

  
JOSEPH L. FIORDALISO  
COMMISSIONER

  
NICHOLAS ASSELTA  
COMMISSIONER

  
MARY-ANNA HOLDEN  
COMMISSIONER

ATTEST:  
  
KRISTI IZZO  
SECRETARY

I HEREBY CERTIFY that the within document is a true copy of the original in the files of the Board of Public Utilities  


THE MATTER OF THE PETITION OF SOUTH JERSEY GAS COMPANY FOR  
 APPROVAL OF A STANDARD GAS SERVICE AGREEMENT (EGS-LV) AND STANDARD  
 GAS SERVICE AGREEMENT (EGS-LV) ADDENDUM; AND TO MODIFY THE RATE  
 SCHEDULE EGS-LV - Docket No. GO11100761

**Notification List**

<b>BOARD OF PUBLIC UTILITIES</b>		
Jerome May Board of Public Utilities 44 S. Clinton Avenue, 9 <sup>th</sup> Fl. P.O. Box 350 Trenton, NJ 08625-0350	Alice Bator Board of Public Utilities 44 S. Clinton Avenue, 9 <sup>th</sup> Fl. P.O. Box 350 Trenton, NJ 08625-0350	Stacy Peterson Board of Public Utilities 44 S. Clinton Avenue, 9 <sup>th</sup> Fl. P.O. Box 350 Trenton, NJ 08625-0350
Ken Sheehan, Chief Counsel Board of Public Utilities 44 S. Clinton Avenue, 9 <sup>th</sup> Fl. P.O. Box 350 Trenton, NJ 08625-0350	Kristi Izzo, Secretary Board of Public Utilities 44 S. Clinton Avenue, 9 <sup>th</sup> Fl. P.O. Box 350 Trenton, NJ 08625-0350	
<b>DIVISION OF RATE COUNSEL</b>		
Stefanie A. Brand, Esq. Division of Rate Counsel 31 Clinton Street, 11 <sup>th</sup> Floor P.O. Box 46005 Newark, NJ 07101	Paul Flanagan, Esq. Division of Rate Counsel 31 Clinton Street, 11 <sup>th</sup> Floor P.O. Box 46005 Newark, NJ 07101	Felicia Thomas-Friel, Esq. Division of Rate Counsel 31 Clinton Street, 11 <sup>th</sup> Floor P.O. Box 46005 Newark, NJ 07101
Kurt Lewandowski, Esq. Division of Rate Counsel 31 Clinton Street, 11 <sup>th</sup> Floor P.O. Box 46005 Newark, NJ 07101	Maria Novas-Ruiz, Esq. Division of Rate Counsel 31 Clinton Street, 11 <sup>th</sup> Floor P.O. Box 46005 Newark, NJ 07101	Brian Kalcic Excel Consulting Suite 720F 25 S. Meramec Avenue St. Louis, Missouri 63105
<b>DEPARTMENT OF LAW &amp; PUBLIC SAFETY</b>		
Caroline Vachier, DAG Division of Law 124 Halsey Street, 5 <sup>th</sup> Floor P.O. Box 45029 Newark, NJ 07101	Babette Tenzer, DAG Division of Law 124 Halsey Street, 5 <sup>th</sup> Floor P.O. Box 45029 Newark, NJ 07101	Alex Moreau, DAG Division of Law 124 Halsey Street, 5 <sup>th</sup> Floor P.O. Box 45029 Newark, NJ 07101
<b>SJG</b>		
Ira G. Megdal, Esq. Cozen O'Connor 457 Haddonfield Road Suite 300 Cherry Hill, NJ 08002	Stacy Mitchell, Esq. Cozen O'Connor 257 Haddonfield Road Suite 300 Cherry Hill, NJ 08002	Steven R. Cocchi, Esq., Director Rates and Revenue Requirements South Jersey Gas Company One South Jersey Plaza Route 54 Folsom, NJ 08037
Renee Farmer, Mgr. Rates & Revenue Rqmts. South Jersey Gas Company One South Jersey Plaza Route 54 Folsom, NJ 08037	John F. Stanziola, Director Regulatory Affairs South Jersey Gas Company One South Jersey Plaza Route 54 Folsom, NJ 08037	

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

**IN THE MATTER OF THE PETITION OF : BPU DOCKET NO. G011100761**  
**SOUTH JERSEY GAS COMPANY FOR :**  
**APPROVAL OF A STANDARD GAS SERVICE :**  
**AGREEMENT (EGS-LV) AND A STANDARD : STIPULATION**  
**GAS SERVICE AGREEMENT (EGS-LV) :**  
**ADDENDUM; AND TO MODIFY RATE :**  
**SCHEDULE EGS-LV :**

**APPEARANCES:**

Ira G. Megdal, Esquire and Stacy A. Mitchell, Esquire (Cozen O'Connor, attorneys) for South Jersey Gas Company ("Petitioner");

Felicia Thomas-Friel, Deputy Rate Counsel, Maria Novas-Ruiz, Assistant Deputy Rate Counsel, Kurt S. Lewandowski, Assistant Deputy Rate Counsel (Stefanie Brand, Director, Division of Rate Counsel); and

Veronica Beke and Alex Moreau, Deputy Attorneys General, on behalf of the Staff of the Board of Public Utilities (Jeffrey S. Chiesa, Attorney General of New Jersey).

**TO THE HONORABLE BOARD OF PUBLIC UTILITIES:**

1. On October 31, 2011, South Jersey Gas Company ("South Jersey", "Company" or "Petitioner") filed a "Public Copy" of a Petition with the New Jersey Board of Public Utilities ("Board") seeking approval of a Standard Gas Service Agreement under Petitioner's Electrical Generation Service -- Large Volume ("EGS-LV") Rate Schedule and a Standard Gas Service Agreement EGS-LV Addendum (collectively, the "Agreement"), with its customer, ACI Energy Partners, LLC ("ACI"). The Agreement provided for a discount from the EGS-LV, D-1 Rate. A "Public Copy" of the Agreement is attached hereto as Exhibit A. In addition, South Jersey filed an unredacted "Confidential Copy" of the Petition and Agreement with the Custodian of the Board.

2. ACI is a limited liability company formed in New Jersey and is in the business of designing, building, owning and operating a combined heating, cooling and power production ("CHP") facility located at 177 S. Massachusetts Avenue, Atlantic City, New Jersey. ACI is an affiliate of South Jersey.

3. Pursuant to the Agreement, South Jersey agreed to sell and deliver and ACI agreed to purchase and pay for gas transportation service under South Jersey's Rate Schedule EGS-LV.

4. Subsequent to entering the Agreement, on June 1, 2012, South Jersey entered into a separate agreement ("Separate Agreement") with ACI, whereby ACI would pay the standard, undiscounted D-1 Rate, effective with the June, 2012 billings, until such time as the Board issues an order approving this Stipulation. "Public Copy" of the Separate Agreement is attached hereto as Exhibit B. In addition, South Jersey filed an unredacted "Confidential Copy" of the Separate Agreement with Rate Counsel and the Custodian of the Board. It was also understood that during this time ACI would pay South Jersey the full Clause Charges (as defined in Paragraph 13, below), associated with gas service from South Jersey. However, South Jersey will not credit the Clause Charges to the respective EET and SBC clauses pending a resolution as set forth in Paragraph 13, below.

5. ACI intends to sell chilled water, hot water and electricity to ACR Energy Partners, LLC ("ACR") for resale to the Revel Entertainment Group ("Revel") casino. Electricity will be supplied for use in powering the Revel Casino. Hot water will be utilized by ACR to provide space heating and domestic hot water heating and for use in absorption chillers to produce chilled water for Revel's air conditioning system.



6. Discovery was propounded upon the Petitioner, and responses were served by the Company. Attached to this Stipulation as Exhibit C is an organization chart demonstrating the affiliate relationship among Petitioner, ACI, ACR, Marina Energy, LLC, and Energenic-US, LLC. This organization chart, as amended to include ACR, was one of the numerous documents provided to the parties in discovery in this proceeding.

7. In addition to the many written discovery responses, the parties also held discovery/settlement conferences.

8. ACI represents that its project has had or will have the following material benefits:

- It will provide additional power generation in New Jersey;
- It will add distributed generation within the Atlantic City load center;
- It will promote construction jobs in Atlantic City;
- In construction, approximately 18 New Jersey subcontractors will be used with a peak of 35 to 40 workers employed;
- It will result in 2 full-time licensed operating engineering positions;
- It will inject additional money into Atlantic County and the greater New Jersey economy, and as a result, generate more jobs within Atlantic County and greater New Jersey;
- The newly installed, highly efficient, generation equipment will replace less efficiently produced power thereby reducing critical air pollutants; and
- Revel's electric, hot water, and chilled water services will be more reliable.

9. This transaction is subject to N.J.A.C. 14:4-3.1 et seq., Affiliate Relations. Pursuant to N.J.A.C. 14:4-3.3, a transaction between a gas public utility and a related

competitive business segment of its public utility holding company is permitted, if the transaction is pursuant to a tariffed service. The present agreement is made pursuant to Special Provision (e) of Petitioner's EGS-LV Rate Schedule.

10. Pursuant to Special Provision (e) of South Jersey's EGS-LV Rate Schedule, South Jersey may offer a D-1 demand charge and C-3 commodity charge on a negotiated basis so long as the D-1 charge taken in combination with the limited firm C-3 charge if applicable is not lower than an amount sufficient to generate a reasonable return on capital investments made by South Jersey and recovery of marginal and embedded costs, including depreciation, to provide service under Rate Schedule EGS-LV. Pursuant to South Jersey's Rider E tariff, the Societal Benefits Charge ("SBC") is applicable to EGS-LV customers, unless exempted therefrom by N.J.S.A 48:3-60.1. Pursuant to South Jersey's Rider N tariff, customers taking service under the EGS-LV Rate Schedule are also subject to the Energy Efficiency Tracker ("EET") charge.

11. The parties agree that the ACI facility underlying the Agreement qualifies for Special Provision (e) of the EGS-LV rate schedule and the Agreement should be approved by the Board, subject to the Board's ruling on the issue presented in Paragraph 13 below.

12. The parties agree that with respect to South Jersey's request for the Board to allow South Jersey and ACI through mutual consent to increase the service volumes under the Agreement that notification will be given to all parties of such modification. However, to the extent that any upward modification of service volumes would result in changes to South Jersey's infrastructure, such modification would require notification to the parties and be subject to Board approval. The parties also agree that downward revisions to the service volumes under the Agreement will not be permitted without prior Board approval.

13. South Jersey contends that transportation of natural gas to ACI, which is the subject of this Stipulation, is exempt from EET and SBC charges (the "Clause Charges"). Such exemption, South Jersey contends, is pursuant to *N.J.S.A* 48:3-60. 1. Rate Counsel believes that gas sales by South Jersey to ACI, together with sales of electricity by ACI to ACR and ACR to Revel, should be viewed collectively as one project ("Project") for purpose of resolving the issue of the applicability of Clause Charges and their equivalent. Rate Counsel further contends that if the gas supplied by South Jersey is exempt from the Clause Charges, then the Clause Charges or their equivalent must be applied at some point to the sales of the electricity generated by ACI and sold by ACI to ACR or by ACR to Revel. As a result, the parties have agreed that this issue should be resolved by the Board. Specifically, the issue presented to the Board by the parties is whether South Jersey's gas sales to ACI are subject to the Clause Charges and, if not, whether the SBC and EET or equivalent electric clause charges should be applied to the sales of electricity connected with the Project. The parties shall agree to a schedule for the submission of appropriate certifications and briefs, after proper notice to interested parties as determined by the Board, and the Board will then be asked to render a decision on the applicability of the Clause Charges. If, as a result of a Final Order, it is determined that service to ACI is subject to the Clause Charges, the respective EET and SBC clauses will be credited with the full Clause Charges from and after June 1, 2012. If a Final Order determines that no such Clause Charges are applicable, none will be credited to the EET and SBC clauses and South Jersey will return the Clause Charges back to ACI. As used in this paragraph the term "Final Order" shall mean an order of the Board of Public Utilities which is not subject to a request for reconsideration or rehearing or an appeal, and as to which the time for filing an appeal has expired.

14. The parties agree that the Board Order approving this Stipulation will become effective upon the date on which said Board Order has been properly served on the parties of record, or upon such date after the service thereof as the Board may specify, in accordance with N.J.S.A. 48:2-40.

15. The Parties agree that with respect to the request for confidential treatment of certain information that is claimed to be commercially sensitive or proprietary, that if and when a request for release of such data is made under the Open Public Records Act, N.J.S.A. 47:1A 1 et seq., pursuant to N.J.A.C. 14:1-12, then the Board's Custodian of Records should decide this issue. The Parties agree that until such time as the Board's Custodian of Records renders a decision, such information shall continue to be treated as confidential information.

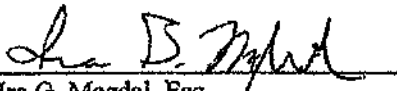
16. This Stipulation is intended to resolve the issues in the pending docket and to expedite the issuance of an order herein. The stipulated positions represent compromises by the parties to disputed issues in this case. This Stipulation is executed without prejudice to the positions of the parties and is not intended in any way to restrict them or have any effect in pending or future proceedings, in this or any other forum, except as expressly provided in this Stipulation. The undersigned parties consider the stipulation of this matter to bind the parties hereto.

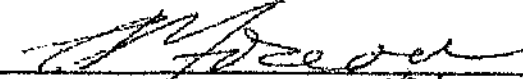
17. This Stipulation contains terms, each of which are interdependent with the others and essential in its own right to the signing of this Stipulation. Each term is vital to the agreement as a whole, since the undersigned parties expressly and jointly state that they would not have signed the Stipulation had any term been modified in any respect. If any modification is made to the terms of this Stipulation, the signatory parties each must be given the right to be placed in the position it was in before the Stipulation was entered into. It is essential that each

undersigned party be given the option, before the implementation of any modifications to this Stipulation, either to modify its own position to accept the proposed changes, or to resume the proceeding as if no agreement had been reached. This proceeding would resume at the point where it was terminated which was before the commencement of hearings.

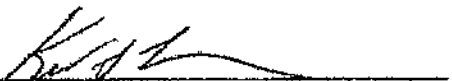
SOUTH JERSEY GAS COMPANY

JEFFREY S. CHIESA  
ATTORNEY GENERAL OF NEW JERSEY  
Attorney for the Staff of the Board of Public  
Utilities

By:   
Ira G. Megdal, Esq.  
Cozen O'Connor

By:   
Alex Moreau, Esq. 08/02/2012  
Deputy Attorney General

STEFANIE BRAND, DIRECTOR,  
DIVISION OF RATE COUNSEL

By:   
KURT S. LEWANDOWSKI 8/2/12  
ASST. DEPUTY RATE COUNSEL  
DATED: August 1, 2012

## EXHIBIT "A"

## SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 10 - GAS

Original Sheet No. 150

## STANDARD GAS SERVICE AGREEMENT (EGS)

This Agreement entered into this 5th day of August, 2011, by and between South Jersey Gas Company, a New Jersey Corporation, hereinafter referred to as "Seller" or "Company" and ACI Energy Partners, LLC, hereinafter referred to as "Buyer."

## WITNESSETH:

Subject to the terms and conditions contained herein, Seller agrees to sell and deliver and Buyer agrees to purchase and pay for services required by Buyer under Rate Schedule EGS ; or Rate Schedule EGS-LV ; at 117 S. Massachusetts Avenue, AC, NJ as follows:

## ARTICLE I

Term of Agreement

This Agreement shall be effective from the date of execution. The sale and purchase of gas hereunder shall commence on March 1, 2012 and continue until February 28, 2027, and subject to Seller's possession of an adequate supply of gas (except for Rate Schedule EGS-LV customers electing Rider "D" and Rate Schedule EGS Firm Transportation customers), shall continue thereafter from year to year unless and until terminated upon written notice given by either party to the other, at least six (6) months prior to the end of any yearly term, or the initial term.

## ARTICLE II

Facilities Charge

In consideration for Seller's agreement to provide service as described in this agreement, Buyer agrees to pay a facilities charge of \$ REDACTED, at the time of execution of Standard Gas Service Agreement (EGS), which represents the initial estimate of the capital cost of providing service to the Buyer's facility or some agreed upon portion thereof. This payment will be refunded or credited against the customer security deposit, after the first month of the provision of gas service to the customer. If the Buyer terminates this agreement or fails to initiate service hereunder, or fails to make any deposit required by Article III, this sum shall be retained by the Seller.

## ARTICLE III

Commitment Fee

Each potential payment obligation of Buyer under this Article III, shall be deposited with the Company twelve (12) months in advance, without interest, if gas service commences more than twelve (12) months from the effective date of this agreement, the Buyer shall pay to Seller, a nonrefundable commitment fee of \$ REDACTED which shall be equal to one month's minimum bill, and shall pay an equal amount on each anniversary date of the effective date of this Standard Gas Service Agreement (EGS), until gas service commences.

Pursuant to this Article III, Buyer hereby deposits with the Company, and the Company hereby acknowledges a deposit of \$ REDACTED

Issued January 15, 2010  
by South Jersey Gas Company,  
E. Graham, President

Effective with service rendered  
on and after September 17, 2010

Filed pursuant to Order in Docket No. GR10010035 of the Board of  
Public Utilities, State of New Jersey, dated September 17, 2010

SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 10 - GAS

Original Sheet No. 151

STANDARD GAS SERVICE AGREEMENT (EGS)  
(Continued)

ARTICLE IV  
Buyer Security Deposit

Seller may require from Buyer a security deposit which will be due before the commencement of gas service. This deposit will be equal to the estimated amount of two (2) monthly billings for Buyers served under Rate Schedule EGS-LV and intending to utilize Rider D and for Rate Schedule EGS Firm Transportation customers and three (3) monthly billings for Buyers intending to utilize the Company's gas supply.

ARTICLE V  
Duly Constituted Authorities

The rates of Seller, and the respective obligations of the parties under this Agreement, are subject to valid laws, orders, rules, and regulations of duly constituted authorities having jurisdiction. The rates, terms, and conditions of this Agreement are subject to change as may be lawfully required or permitted by the Board of Public Utilities of New Jersey, or successor agencies.

ARTICLE VI  
Tariff for Gas Service

All terms and conditions set forth in Seller's Tariff for Gas Service B.P.U.N.J. No. 9 - Gas are incorporated herein by reference. All sales are subject to the General Terms and Conditions of Seller's Tariff for Gas Service and more specifically by the conditions contained in the Rate Schedule contracted for herein.

ARTICLE VII  
Service Volumes

1. For service rendered under Rate Schedule EGS-LV, customer's Firm and Limited Firm Daily Contract Demands shall be:
  - a. Firm - n/a Mcf per day, to be the first gas through the meter each day.
  - b. Limited Firm - n/a Mcf per day, to be the next gas through the meter each day.
2. Buyer hereby elects, by signing in the space below to provide its own gas pursuant to Rider D. All or any portion of Buyer's Firm Daily Contract Demand and Limited Firm Daily Contract Demand, pursuant to this Article VII of the Standard Gas Service Agreement (EGS), may be met through Rider D, and Seller has no obligation to sell gas to Buyer under any other article, paragraph or provision of Rate Schedule EGS-LV or the Standard Gas Service Agreement (EGS).

Buyer hereby elects Rider D X (S)

For service rendered under Rate Schedule EGS-LV, customer's Firm and Limited Firm Daily Contract Demand levels provided pursuant to Rider D shall be:

Issued January 15, 2010  
by South Jersey Gas Company,  
E. Graham, President

Effective with service rendered  
on and after September 17, 2010

Filed pursuant to Order in Docket No. GR10010035 of the Board of  
Public Utilities, State of New Jersey, dated September 17, 2010

SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 10 - GAS

Original Sheet No. 152

STANDARD GAS SERVICE AGREEMENT (EGS)

(Continued)

a. Firm - 2,200 Mcf per day.

b. Limited Firm - n/a Mcf per day.

3. For service rendered under Rate Schedule EGS, customer's Firm Daily Contract Demand shall be:

n/a Mcf per day, to be the first gas through the meter each day.

4. For service rendered under Rate Schedule EGS Firm Transportation Service:

The Company agrees to transport and deliver to the Buyer at the Buyer's facility designated on the first page of this Agreement such quantity of gas that Buyer makes available from time to time; provided, however, Company shall not be obligated to transport and deliver more than n/a Mcf per day which will be Buyer's Contract Demand.

It is understood by Buyer and Seller, that by electing to take delivery of gas under Rate Schedule EGS Firm Transportation Service, Buyer forgoes any right or entitlement to purchase the Company's firm system gas, during the term of this Agreement. After the term of this Agreement, if Buyer requests that the Company sell firm system gas to the Buyer, the Buyer shall be treated as a new applicant for service, with no greater entitlement to firm gas sales service than is had by any other New Customer.

ARTICLE VIII

Rates

n/a As provided in the Monthly Rate section of Rate Schedule EGS; or

Negotiated rates pursuant to Special Provision (e) of Rate Schedule EGS-LV;

D-1 charge will be REDACTED

Limited Firm:

C-3 charge will be REDACTED ALL CUSTOMERS MUST COMPLETE.

Issued January 15, 2010  
by South Jersey Gas Company,  
E. Graham, President

Effective with service rendered  
on and after September 17, 2010

Filed pursuant to Order in Docket No. GR10010035 of the Board of  
Public Utilities, State of New Jersey, dated September 17, 2010



**SOUTH JERSEY GAS COMPANY**

**B.P.U.N.J. No. 10 - GAS**

**Original Sheet No. 153**

**STANDARD GAS SERVICE AGREEMENT (EGS)  
(Continued)**

**ARTICLE IX  
Election**

By checking the box at the end of this sentence, customer elects to take balancing service under Rider "T", rather than under Rider "J" to this Tariff.

**ARTICLE X  
Opt-Out Provision**

Buyer (a Rate Schedule EGS-LV customer) hereby elects, by initialing in the space provided, for a term co-extensive with the Term of Agreement set forth in Article I, to provide its own interstate pipeline capacity and gas supply to Seller's City Gate Station. By making such election, Seller becomes eligible to pay the lower BS-1 Volumetric Charge pursuant to Rider "T". If Buyer does not make this election, Buyer will pay the higher BS-1 Volumetric Charge, pursuant to Rider "T". Buyer will be subject to the opt-out provisions provided for in the Company's tariff.

  
Initials

**ARTICLE XI  
Force Majeure**

In the event of either party being rendered unable wholly or in part, by force majeure to carry out its obligations, other than the obligations to make payment of amounts accrued and due hereunder at the time thereof, it is agreed that on such party's giving notice and full particulars of such force majeure in writing or by e-mail to the other party within a reasonable time after the occurrence of the cause relied on, the obligations of both parties, so far as they are affected by such force majeure, shall be suspended during the continuance of any inability so caused, but for no longer period and such cause shall so far as possible be remedied with all reasonable dispatch.

Neither party shall be liable in damages to the other for any act, omission, or circumstances occasioned by, or in consequence of force majeure, as defined in Company's Tariff for Gas Service, B.P.U.N.J. No. 9 - Gas.

Such causes or contingencies affecting the performance by either party, however, shall not relieve it of liability unless such party shall give notice and full particulars of such cause or contingency in writing or by e-mail to the other party as soon as possible after the occurrence relied upon, nor shall such causes or contingencies affecting the performance by either party hereunder relieve it of liability in the event of its failure to use due diligence to remedy the situation, nor shall such causes or contingencies affecting the performance hereunder relieve either party from its obligation to make payments of amounts then due hereunder in respect of all gas theretofore delivered.

**ARTICLE XII  
Miscellaneous**

This Agreement supersedes and cancels as of the effective date hereof all prior contracts and supplemental agreements, oral or written, between the parties hereto for the sale of gas by the Seller to the Buyer.

No waiver by either party of any one or more defaults by the other in the performance of any provisions of this Agreement shall operate or be construed as a waiver of any future default or defaults, whether of a like or a different character.

Issued January 15, 2010  
by South Jersey Gas Company,  
E. Graham, President

Effective with service rendered  
on and after September 17, 2010

Filed pursuant to Order in Docket No. GR10010035 of the Board of  
Public Utilities, State of New Jersey, dated September 17, 2010

SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 10 - GAS

Original Sheet No. 154

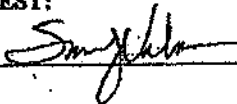
STANDARD GAS SERVICE AGREEMENT (EGS)  
(Continued)

This Agreement shall be interpreted, performed and enforced in accordance with the laws of the State of New Jersey.

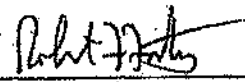
This Agreement shall be binding upon, and inure to the benefit of the parties hereto and their respective successors and assigns, but shall not be assigned or be assignable by Buyer without the consent in writing of Seller first obtained.

IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the date first above written.

ATTEST:

  
\_\_\_\_\_

SOUTH JERSEY GAS COMPANY

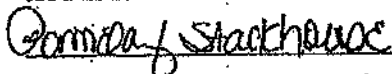
By:   
\_\_\_\_\_

Robert F. Fatzinger  
VP Customer & Distribution Operations

SELLER


ACI ENERGY PARTNERS, LLC.

ATTEST:

  
\_\_\_\_\_

  
\_\_\_\_\_

(Name)

  
\_\_\_\_\_

(Title)

BUYER

Issued January 15, 2010  
by South Jersey Gas Company,  
E. Graham, President

Effective with service rendered  
on and after September 17, 2010

Filed pursuant to Order in Docket No. GR10010035 of the Board of  
Public Utilities, State of New Jersey, dated September 17, 2010



South Jersey Gas

## METER DATA COLLECTION DEVICE AGREEMENT

Subject to the terms and conditions contained herein, South Jersey Gas Company (SJG) agrees to install and ACI Energy Partners, LLC agrees to provide facilities for a meter data collections device as follows:

This Agreement shall commence March 1, 2012 and continue until February 28, 2027 and shall continue thereafter from year to year unless and until terminated upon written notice given by either party to the other, at least six (6) month prior to the end of any yearly term, or the initial term.

SJG will install an electronic data collection system for us in conjunction with SJG's existing gas measurement equipment. The equipment shall include, but not be limited to metering equipment, and electronic data collection unit, and a telephone jack ("Equipment"). SJG will bear the cost of purchasing and installing the Equipment. SJG will retain rights of ownership and possession of the Equipment.

The Customer will provide, at Customer's cost, a location for the Equipment acceptable to SJG. In addition, the Customer will, at Customer's cost, install or arrange for the installation of a 110-volt electrical line and receptacle and telephone line, all dedicated solely for the use of the Equipment, at a location acceptable to SJG. The customer will retain rights of ownership and possession of the electrical line, receptacle and telephone line, and will bear all associated costs, including monthly service, and repair and maintenance charges. The Customer shall be responsible for maintaining the electrical line, receptacle and telephone line in good operating condition.

From time to time, at reasonable intervals, the Customer may request consumption data from SJG. SJG shall provide such data at no cost to Customer.

SJG will also offer to the Customer, electronic data output from the equipment for utilization by the Customer on customer owned data collection equipment, provided an electronically safe interface is provided which is acceptable to SJG.

**SOUTH JERSEY GAS COMPANY**

By: Robert F. Fatzinger  
Robert F. Fatzinger  
VP Customer & Distribution Operations

**ACI ENERGY PARTNERS, LLC.**

By: [Signature]  
(Name)  
[Signature]  
(Title)

**STANDARD GAS SERVICE AGREEMENT (EGS) ADDENDUM**

THIS ADDENDUM entered into this 5th day of October, 2011, by and between South Jersey Gas Company, a New Jersey corporation, hereinafter referred to as "Seller" or "Company," and ACI Energy Partners, LLC, hereinafter referred to as "Buyer," modifies and amends the Standard Gas Service Agreement (EGS-LV) ("Service Agreement") of the same date. This Addendum and the Service Agreement are sometimes hereafter collectively referred to as the "Agreement".

**WITNESSETH:**

WHEREAS, Buyer and Seller wish to amend and modify the Service Agreement; and

WHEREAS, Buyer and Seller wish to incorporate the terms of this Addendum into the Service Agreement; and

WHEREAS, Buyer and Seller wish to maintain the Service Agreement in full force and effect, except where amended or modified by this Addendum.

NOW, THEREFORE, Buyer and Seller intending to be legally bound hereby, in consideration of mutual promises and agreements contained herein agree as follows:

1. Condition Precedent. A condition precedent to the obligations, rights and duties of Buyer and Seller under the Agreement and this Addendum is a final order of approval of the New Jersey Board of Public Utilities or its successors, authorizing the making, execution and implementation of the Agreement, which order has become non-appealable through the passage of time ("Approval Order").
2. Effective Date. Unless an Approval Order provides otherwise, the Agreement and this Addendum shall be effective as of the date of the Approval Order.

3. Confidentiality.

A. The terms of the Agreement providing for charges for service provided by Seller, as well as all information provided by Seller to Buyer during the negotiation process leading to the Agreement and this Addendum shall be considered Confidential Information by Buyer and by Seller. Buyer and Seller agree to take all necessary and appropriate steps to keep confidential and protect the Confidential Information, including: (i) restricting access to Confidential Information to those employees who have a "need to know" and requiring such employees to review the terms of this Confidentiality paragraph and to agree to abide by the terms of this Confidentiality paragraph and (ii) not disclosing or allowing access to such Confidential Information by any third party except as authorized by Buyer and Seller, in writing.

B. The Confidential Information will lose its status as Confidential Information if: (i) it becomes generally available to the public other than through a breach of this Confidentiality paragraph or (ii) the disclosure of the Confidential Information is required by any law, or the order of any administrative agency or court having jurisdiction over the subject matter of the Agreement.

C. Notwithstanding the foregoing, Confidential Information may be disclosed to employees of the New Jersey Board of Public Utilities, or any successor agency thereto, and to the parties in any proceeding before the New Jersey Board of Public Utilities or any successor agency thereto, and if such disclosure is made, the parties shall use their best efforts to secure the execution of an appropriate Confidentiality Agreement, or the entry of an appropriate Protective Order, by which the persons receiving the Confidential Information are bound.

IN WITNESS WHEREOF, the parties have duly executed this Addendum as of the date first above written.

**Seller:**  
SOUTH JERSEY GAS COMPANY

Attest:

*[Signature]*

By: *[Signature]*

**Buyer:**  
ACI ENERGY PARTNERS, LLC

Attest:

Gamela Stackhouse

By: *[Signature]*

## SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 10 - GAS

Original Sheet No. 150

## STANDARD GAS SERVICE AGREEMENT (EGS)

This Agreement entered into this 1st day of June, 2012, by and between South Jersey Gas Company, a New Jersey Corporation, hereinafter referred to as "Seller" or "Company" and ACI Energy Partners, LLC, hereinafter referred to as "Buyer."

## WITNESSETH:

Subject to the terms and conditions contained herein, Seller agrees to sell and deliver and Buyer agrees to purchase and pay for services required by Buyer under Rate Schedule EGS ; or Rate Schedule EGS-LV  at 117 S. Massachusetts Avenue, Atlantic City, NJ as follows:

**ARTICLE I**  
**Term of Agreement**

This Agreement shall be effective from the date of execution. The sale and purchase of gas hereunder shall commence on June 1, 2012 and continue until May 31, 2027, and subject to Seller's possession of an adequate supply of gas (except for Rate Schedule EGS-LV customers electing Rider "D" and Rate Schedule EGS Firm Transportation customers), shall continue thereafter from year to year unless and until terminated upon written notice given by either party to the other, at least six (6) months prior to the end of any yearly term, or the initial term.

**ARTICLE II**  
**Facilities Charge**

In consideration for Seller's agreement to provide service as described in this agreement, Buyer agrees to pay a facilities charge of \$ REDACTED at the time of execution of Standard Gas Service Agreement (EGS), which represents the initial estimate of the capital cost of providing service to the Buyer's facility or some agreed upon portion thereof. This payment will be refunded or credited against the customer security deposit, after the first month of the provision of gas service to the customer. If the Buyer terminates this agreement or fails to initiate service hereunder, or fails to make any deposit required by Article III, this sum shall be retained by the Seller.

**ARTICLE III**  
**Commitment Fee**

Each potential payment obligation of Buyer under this Article III, shall be deposited with the Company twelve (12) months in advance, without interest, if gas service commences more than twelve (12) months from the effective date of this agreement, the Buyer shall pay to Seller, a nonrefundable commitment fee of \$ REDACTED, which shall be equal to one month's minimum bill, and shall pay an equal amount on each anniversary date of the effective date of this Standard Gas Service Agreement (EGS), until gas service commences.

Pursuant to this Article III, Buyer hereby deposits with the Company, and the Company hereby acknowledges a deposit of \$ REDACTED.

Issued January 15, 2010  
by South Jersey Gas Company,  
E. Graham, President.

Effective with service rendered  
on and after September 17, 2010

Filed pursuant to Order in Docket No. GR10010035 of the Board of  
Public Utilities, State of New Jersey, dated September 17, 2010



SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 10 - GAS

Original Sheet No. 151

STANDARD GAS SERVICE AGREEMENT (EGS)  
(Continued)

ARTICLE IV  
Buyer Security Deposit

Seller may require from Buyer a security deposit which will be due before the commencement of gas service. This deposit will be equal to the estimated amount of two (2) monthly billings for Buyers served under Rate Schedule EGS-LV and intending to utilize Rider D and for Rate Schedule EGS Firm Transportation customers and three (3) monthly billings for Buyers intending to utilize the Company's gas supply.

ARTICLE V  
Duly Constituted Authorities

The rates of Seller, and the respective obligations of the parties under this Agreement, are subject to valid laws, orders, rules, and regulations of duly constituted authorities having jurisdiction. The rates, terms, and conditions of this Agreement are subject to change as may be lawfully required or permitted by the Board of Public Utilities of New Jersey, or successor agencies.

ARTICLE VI  
Tariff for Gas Service

All terms and conditions set forth in Seller's Tariff for Gas Service B.P.U.N.J. No. 9 - Gas are incorporated herein by reference. All sales are subject to the General Terms and Conditions of Seller's Tariff for Gas Service and more specifically by the conditions contained in the Rate Schedule contracted for herein.

ARTICLE VII  
Service Volumes

1. For service rendered under Rate Schedule EGS-LV, customer's Firm and Limited Firm Daily Contract Demands shall be:
  - a. Firm - n/a Mcf per day, to be the first gas through the meter each day.
  - b. Limited Firm - n/a Mcf per day, to be the next gas through the meter each day.
2. Buyer hereby elects, by signing in the space below to provide its own gas pursuant to Rider D. All or any portion of Buyer's Firm Daily Contract Demand and Limited Firm Daily Contract Demand, pursuant to this Article VII of the Standard Gas Service Agreement (EGS), may be met through Rider D, and Seller has no obligation to sell gas to Buyer under any other article, paragraph or provision of Rate Schedule EGS-LV or the Standard Gas Service Agreement (EGS).

Buyer hereby elects Rider D YES

For service rendered under Rate Schedule EGS-LV, customer's Firm and Limited Firm Daily Contract Demand levels provided pursuant to Rider D shall be:

Issued January 15, 2010  
by South Jersey Gas Company,  
E. Graham, President

Effective with service rendered  
on and after September 17, 2010

Filed pursuant to Order in Docket No. GR10010035 of the Board of  
Public Utilities, State of New Jersey, dated September 17, 2010

SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 10 - GAS

Original Sheet No. 152

STANDARD GAS SERVICE AGREEMENT (EGS)  
(Continued)

- a. Firm - 2,200 Mcf per day.
- b. Limited Firm - n/a Mcf per day.
3. For service rendered under Rate Schedule EGS, customer's Firm Daily Contract Demand shall be:  
n/a Mcf per day, to be the first gas through the meter each day.
4. For service rendered under Rate Schedule EGS Firm Transportation Service:  
The Company agrees to transport and deliver to this Buyer at the Buyer's facility designated on the first page of this Agreement such quantity of gas that Buyer makes available from time to time; provided, however, Company shall not be obligated to transport and deliver more than n/a Mcf per day which will be Buyer's Contract Demand.

It is understood by Buyer and Seller, that by electing to take delivery of gas under Rate Schedule EGS Firm Transportation Service, Buyer forgoes any right or entitlement to purchase the Company's firm system gas, during the term of this Agreement. After the term of this Agreement, if Buyer requests that the Company sell firm system gas to the Buyer, the Buyer shall be treated as a new applicant for service, with no greater entitlement to firm gas sales service than is had by any other New Customer.

ARTICLE VIII  
Rates

- As provided in the Monthly Rate section of Rate Schedule EGS; or
- Negotiated rates pursuant to Special Provision (e) of Rate Schedule EGS-LV;

D-1 charge will be REDACTED

Limited Firm:

C-3 charge will be REDACTED ALL CUSTOMERS MUST COMPLETE.

Issued January 15, 2010  
by South Jersey Gas Company,  
E. Graham, President

Effective with service rendered  
on and after September 17, 2010

Filed pursuant to Order in Docket No. GR10010035 of the Board of  
Public Utilities, State of New Jersey, dated September 17, 2010

SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 10 - GAS

Original Sheet No. 153

STANDARD GAS SERVICE AGREEMENT (EGS)  
(Continued)

ARTICLE IX  
Election

By checking the box at the end of this sentence, customer elects to take balancing service under Rider "I", rather than under Rider "J" to this Tariff.

ARTICLE X  
Opt-Out Provision

Buyer (a Rate Schedule EGS-LV customer) hereby elects, by initialing in the space provided, for a term co-extensive with the Term of Agreement set forth in Article I, to provide its own interstate pipeline capacity and gas supply to Seller's City Gate Station. By making such election, Seller becomes eligible to pay the lower BS-1 Volumetric Charge pursuant to Rider "I". If Buyer does not make this election, Buyer will pay the higher BS-1 Volumetric Charge, pursuant to Rider "I". Buyer will be subject to the opt-out provisions provided for in the Company's tariff.

  
Initials

ARTICLE XI  
Force Majeure

In the event of either party being rendered unable wholly or in part, by force majeure to carry out its obligations, other than the obligations to make payment of amounts accrued and due hereunder at the time thereof, it is agreed that on such party's giving notice and full particulars of such force majeure in writing or by e-mail to the other party within a reasonable time after the occurrence of the cause relied on, the obligations of both parties, so far as they are affected by such force majeure, shall be suspended during the continuance of any inability so caused, but for no longer period and such cause shall so far as possible be remedied with all reasonable dispatch.

Neither party shall be liable in damages to the other for any act, omission, or circumstances occasioned by, or in consequence of force majeure, as defined in Company's Tariff for Gas Service, B.P.U.N.J. No. 9 - Gas.

Such causes or contingencies affecting the performance by either party, however, shall not relieve it of liability unless such party shall give notice and full particulars of such cause or contingency in writing or by e-mail to the other party as soon as possible after the occurrence relied upon, nor shall such causes or contingencies affecting the performance by either party hereunder relieve it of liability in the event of its failure to use due diligence to remedy the situation, nor shall such causes or contingencies affecting the performance hereunder relieve either party from its obligation to make payments of amounts then due hereunder in respect of all gas theretofore delivered.

ARTICLE XII  
Miscellaneous

This Agreement supersedes and cancels as of the effective date hereof all prior contracts and supplemental agreements, oral or written, between the parties hereto for the sale of gas by the Seller to the Buyer.

No waiver by either party of any one or more defaults by the other in the performance of any provisions of this Agreement shall operate or be construed as a waiver of any future default or defaults, whether of a like or a different character.

Issued January 15, 2010  
by South Jersey Gas Company,  
E. Graham, President

Effective with service rendered  
on and after September 17, 2010

Filed pursuant to Order in Docket No. GRI0010035 of the Board of  
Public Utilities, State of New Jersey, dated September 17, 2010

SOUTH JERSEY GAS COMPANY

B.P.U.N.J. No. 10 - GAS

Original Sheet No. 154

STANDARD GAS SERVICE AGREEMENT (EGS)  
(Continued)

This Agreement shall be interpreted, performed and enforced in accordance with the laws of the State of New Jersey.

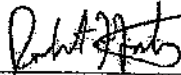
This Agreement shall be binding upon, and inure to the benefit of the parties hereto and their respective successors and assigns, but shall not be assigned or be assignable by Buyer without the consent in writing of Seller first obtained.

IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the date first above written.

ATTEST:

  
\_\_\_\_\_

SOUTH JERSEY GAS COMPANY

By:   
\_\_\_\_\_


Robert F. Fatzinger  
Vice President of Customer & Distribution Operation

SELLER

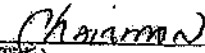
ATTEST:

  
\_\_\_\_\_

ACI ENERGY PARTNERS, L.L.C.

  
\_\_\_\_\_

(Name)

  
\_\_\_\_\_

(Title)

BUYER

Issued January 15, 2010  
by South Jersey Gas Company,  
E. Graham, President

Effective with service rendered  
on and after September 17, 2010

Filed pursuant to Order in Docket No. GR10010035 of the Board of  
Public Utilities, State of New Jersey, dated September 17, 2010

EXHIBIT "C"

