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November 1, 2013

Debra A. Howland
Executive Director and Secretary
State of New Hampshire
Public Utilities Commission
21 South Fruit Street, Suite 10
Concord, NH 03301-2429

**South Jersey Energy Company
2010 and 2011 Compliance Year Renewable Portfolio Standard Compliance Requirements**

Dear Ms. Howland:

I am writing on behalf of South Jersey Energy Company (SJE) in response to the Commission's Letter Order date October 14, 2013. The Order requires SJE to remit to the Commission by November 1 the sum of \$93,849 in alternative compliance payments (ACP) for the 2010 and 2011 Compliance Years.

The purpose of this letter is to inform the Commission that SJE will be filing a petition pursuant to Rule Puc 2505.13 seeking an adjudicative proceeding to review certain issues addressed in the above-referenced Letter Order. SJE will file its petition on or before November 12, 2013.

SJE does not believe that the Commission has properly taken into account a prior ACP payment made by SJE in the amount of \$30,886.54. Moreover, SJE will seek a waiver, pursuant to Puc 201.05, of any rule or rules which may be necessary to allow the Commission to recognize Renewable Energy Certificates (RECs) that were acquired by SJE in 2010 expressly for the purpose of New Hampshire compliance that were inadvertently not banked and therefore were inadvertently retired, and have not been used for any purpose.

A sufficient amount of RECs did in fact exist that would have allowed SJE to meet its New Hampshire RPS compliance obligations were it not for the foregoing inadvertent accounting errors. Accordingly, it would be equitable and just for the Commission to allow SJE

to reduce its ACP to reflect these circumstances. SJE's pre-filed Technical Statement will explain this matter in greater detail.

Thank you for your attention to this matter. Please call me with any questions that the Commission or Staff may have at this time.

Sincerely,

/s/ James T. Rodier

c: Elizabeth Nixon, NHPUC