

DM 10-203

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**



Re: Registration Application of the above mentioned entity to become  
Competitive Natural Gas Supplier

Dear Ms. Howland;

Please find enclosed our amended application to become a CNGS in New  
Hampshire. We have revised the application based on errors found in the original  
submission.

For any questions that arise in connection with the processing of this application,  
please direct them to myself Lou DeCicco, or A. Bartholomew Fromuth. He can  
be reached at 603-625-2244. Please note that we have already submitted a check  
for \$500 as well as a bond. Both are currently in the possession of the PUC.

Regards

Lou DeCicco  
[LDECICCO@sjindustries.com](mailto:LDECICCO@sjindustries.com)  
609-568-9028 ext. 6915  
South Jersey Energy Company  
Lockbox # 6471  
P.O. Box 8500  
Philadelphia, PA 19178-6471

**REGISTRATION APPLICATION OF SOUTH JERSEY ENERGY COMPANY  
TO BECOME A COMPETITIVE NATURAL GAS SUPPLIER**

**I. Information Required by PUC 3001.01 ©**

- (1) The legal name of the applicant as well as any trade name(s) under which it intends to operate;

**South Jersey Energy Company, Inc.**

- (2) The applicant's business, principal place of business, telephone number, facsimile number and email address;

**South Jersey Energy Company**

**1 South Jersey Plaza**

**Folsom, New Jersey 08037**

**Phone 609-561-9000**

**Email: Bart.Fromuth@HAECpower.com or drobbins@sjindustries.com**

**Fax: 609 704 3017**

- (3) The applicant's place of incorporation;

**State of New Jersey**

- (4) The names, titles, business addresses, telephone numbers and facsimile numbers of the applicant's principal officers;

**The applicant, South Jersey Energy Company, is a wholly owned subsidiary of South Jersey Industries (SJI). SJI stock is traded on the New York Stock Exchange under the symbol SJI. As of December 31, 2009, the latest available date, our records indicate that there were 7,324 shareholders of record.**

**Officers of South Jersey Energy Company are the following;**

**Michael J. Renna – President**

**David Robbins, Jr. – Treasurer & Secretary**

**William R. Deter – Asst. Vice President**

**Joseph M. Scheufele – Asst. Vice President**

**The address, phone numbers, and fax numbers for ALL officers is the following;**

**South Jersey Energy Company  
South Jersey Industries  
1 South Jersey Plaza  
Folsom, NJ 08037  
Telephone: 609-561-9000  
Fax Number: 609-704-3017**

(5) A copy of the applicant's most recent audited financial statement;

**A copy of South Jersey Industries' 2009 Annual Report is attached to this filing. Financial Statements therein contained have been audited by Deloitte & Touche, LLP (see page 25). Additional financial information and SEC filings are available on our web site at <http://www.sjindustries.com/>**

(6) The following regarding any affiliate and/or subsidiary of the applicant:

- a. The name and business address of the entity;
- b. A description of the business purpose of the entity; and
- c. Regarding any agreements with any affiliated New Hampshire jurisdictional electric distribution company, a description of the nature of the agreement;

**None**

(7) The toll free telephone number of the customer service department or the name, title and toll free telephone number of the customer service contact person;

**Howard Plante, Marketing Manager**

**877-292-4232**

(8) Name, title, business address, telephone number, facsimile number and email address of the individual responsible for responding to commission inquires;

**David Robbins, Jr.  
Treasurer and Secretary, South Jersey Energy Company  
1 South Jersey Plaza**

**Folsom, NJ 08037**  
**609-561-9000**  
**Fax: 609-561-7130**  
**Email: drobbins@sjindustries.com**

- (9) Name, title, business address and telephone number of the applicant's registered agent in New Hampshire for service of process;

**Lawyers Incorporating Service**  
**14 Centre St,**  
**Concord, NH 03301**  
**Phone: 800-927-9800**

- (10) A copy of the applicant's authorization to do business in New Hampshire from the New Hampshire Secretary of State;

**Authorization Attached**

- (11) Description of geographic areas of New Hampshire in which the applicant intends to provide service, described by:

- a. A distribution company's existing franchise area;
- b. Existing town boundaries; or
- c. A map with the boundary limits delineated;

**South Jersey Energy Company intends to sell natural gas at retail in the following service territories: The National Grid territory formerly known as Keyspan. And the Northern Utilities territory now owned by Unitil.**

- (12) A description of the types of customers the applicant intends to service, and the customer classes as identified in the applicable utility's tariff within which those customers are served;

**South Jersey Energy Company intends to sell natural gas at retail to end-users that use greater than 10,000 therms per month.**

(13) A listing disclosing the number and type of customer complaints concerning the applicant or its principals, if any, filed with a state licensing/registration agency, attorney general's office or other governmental consumer protection agency for the most recent calendar year in every state in which the applicant has conducted business relating to the sale of natural gas;

**None**

(14) A statement as to whether any of the applicant's principals, as listed in a. through c. below, have ever been convicted of any felony that has not been annulled by a court:

- a. For partnerships, any of the general partners
- b. For corporations, any of the officers or directors; or
- c. For limited liability companies, any of the managers or members;

**None**

(15) A statement as to whether the applicant or any of the persons listed in (14) above has, within the 10 years immediately prior to registration:

- a. Had any civil, criminal or regulatory sanctions or penalties imposed against them pursuant to any state or federal consumer protection law or regulation;
- b. Settled any civil, criminal or regulatory investigation or complaint involving any state or federal consumer protection law or regulation; or
- c. Is currently the subject of any pending civil, criminal or regulatory investigation or complaint involving any state or federal consumer protection law or regulation;

**None**

(16) If an affirmative answer is given to any items in (14) or (15) above, an explanation of events;

**Not Applicable**

(17) A statement that the applicant will:

- a. Maintain a list of consumers who request being placed on a do-not-call list for the purposes of telemarketing;
- b. Obtain, no less than semi-annually, access to updated telephone preferences services lists maintained by the Direct Marketing Association;  
And
- c. Not initiate calls to New Hampshire customers who have either requested being placed on the do-not-call lists or customers who are listed on the Direct marketing Association's telephone preference lists;

**Not Applicable, as applicant does not intend to offer supply to residential or small commercial customers**

(18)A sample of the bill form(s) that the applicant intends to use or a statement that the applicant intends to use the LDC'S billing service;

**Please see sample bill attached, however South Jersey Energy Company may decide to utilize the LDC's billing service at some point in time.**

(19)An initial \$500.00 registration fee;

**Check previously submitted.**

(20)A copy of each contract to be used for residential and small commercial customers;

**Not Applicable, as South Jersey Energy Company does not plan to serve these customer classifications at this time**

(21)A statement certifying that the applicant has the authority to file the application on behalf of the CNGS and that its contents are truthful, accurate and complete.

**David Robbins, Jr., Treasurer and Secretary, has the authority to file this application on behalf of South Jersey Energy Company and states that its contents are truthful, accurate and complete.**

OTHER ITEMS:

PUC 3003.01 (b)(2)m Demonstration of minimum level of financial resources.

**As mentioned in Item 4, South Jersey Energy is a wholly owned subsidiary of South Jersey Industries (SJI). Per the 2009 SJI Annual Report (copy attached) SJI produced consolidated net income of \$58.1 million in 2009, had consolidated assets of \$1.8 billion and a market capitalization of \$857.4 million as of December 31, 2009.**

PUC 3003.01 (b)(2)v Demonstration of approved shipper.

- **South Jersey Resources Group LLC (SJRJG) is also a wholly owned subsidiary of South Jersey Industries and is a sister company of South Jersey Energy Company. SJRJG will be the sole supplier of SJE in New Hampshire. SJRJG currently**

marketing approx. 35,000 MMBTU/day in New England served mainly by Tennessee Gas Pipeline.

- **Physical Assets** – SJRG holds several key assets that will be utilized to serve markets in New Hampshire. SJRG holds 25,000 MMBTU/day of capacity with firm deliveries into New England. SJRG holds 5 BCF of storage on the National Fuel system which connects with Tennessee Gas Pipeline. SJRG holds Firm Transportation capacity on many of the Northeast interstate pipelines.
- **Performance** – SJRG currently serves several retail aggregators where we are their exclusive supplier. Each retailer has various market focuses throughout the Northeast. References are available upon request with representatives of those companies.
- **SJRG holds several firm transport contracts on Tennessee Gas Pipeline and storage service contracts. South Jersey Resources Group's entity number (DUNS #) with Tennessee Gas Pipeline is #036474336. Copies of transportation agreements are attached.**

Signed: David Robbins, Jr.

Dated: 9-14-10

**David Robbins, Jr., Treasurer and Secretary  
South Jersey Energy Company**

# State of New Jersey



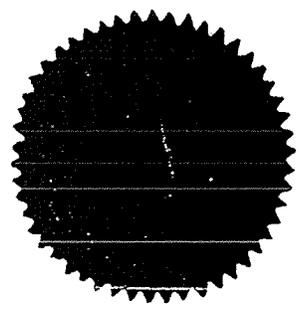
## Department of State

I, the Secretary of State of the State of New Jersey, do hereby certify that the foregoing is a true copy of the Certificate of Incorporation of \_\_\_\_\_ of \_\_\_\_\_ SOUTHERN JERSEY ENERGY COMPANY

and the endorsements thereon, as the same is taken from and compared with the original filed in my office on the \_\_\_\_\_ day of January \_\_\_\_\_ 1973, and now remaining on file and of record therein.

In Testimony Whereof, I have hereunto set my hand and affixed my Official Seal at Trenton, this \_\_\_\_\_ day of January \_\_\_\_\_ 1973.

Robert M. Foley  
Assistant Secretary of State



State of New Hampshire  
Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that South Jersey Energy Company doing business in New Hampshire as South Jersey Energy Company, Inc., a(n) New Jersey corporation, is authorized to transact business in New Hampshire and qualified on August 14, 2007. I further certify that all fees and annual reports required by the Secretary of State's office have been received.



In TESTIMONY WHEREOF, I hereto set my hand and cause to be affixed the Seal of the State of New Hampshire, this 8<sup>th</sup> day of September, A.D. 2010

A handwritten signature in cursive script, appearing to read "Wm Gardner".

William M. Gardner  
Secretary of State



South Jersey Energy

Where we put all of our energy®

Corporate Office
5429 Harding Highway, Building 501
Mays Landing, New Jersey 08330
Phone (609) 568-9028 Fax (609) 625-3994
Billing Questions? 609-568-9028 ext. 6936



Payment Due Date 7/29/2010

Table with 2 columns: Billing Month, Invoice Date, Utility, Commodity. Values: 6/1/2010, 7/9/2010, NJN, Gas.

Invoice No. G07091027214

Table with 6 columns: Account No., Service Address, Billing Period (Start Date, End Date), Quantity, Measurement Unit. Values: 220007932839, 48 RT. 9, 5/3/2010, 6/1/2010, 357.0000, Decatherms.

Table with 4 columns: Line Item Description, Volume, Price\*, Total Line Item.

Current Charges 357.0000 \$6.01880 \$2,148.71

Total Invoice No. G07091027214 \$2,148.71

Previous Balance Due \$0.00

Total Balance Due \$2,148.71



For Your Information: PLEASE REMIT TO: South Jersey Energy, Lockbox #6471, PO Box 8500 Philadelphia, PA 19178-6471

## GAS TRANSPORTATION AGREEMENT

(For Use Under FT-A Rate Schedule)

THIS AGREEMENT is made and entered into as of the 1 day of November 2011 by and between TENNESSEE GAS PIPELINE COMPANY, a Delaware Corporation, hereinafter referred to as "Transporter" and SOUTH JERSEY RESOURCES GROUP, LLC, a Corporation, hereinafter referred to as "Shipper". Transporter and Shipper shall collectively be referred to herein as the "Parties".

## ARTICLE I

## DEFINITIONS

- 1.1 TRANSPORTATION QUANTITY - shall mean the maximum daily quantity of gas which Transporter agrees to receive and transport on a firm basis, subject to Article II herein, for the account of Shipper hereunder on each day during each year during the term hereof, which shall be 53000 dekatherms. Any limitations on the quantities to be received from each Point of Receipt and/or delivered to each Point of Delivery shall be as specified on Exhibit "A" attached hereto.
- 1.2 EQUIVALENT QUANTITY - shall be as defined in Article I of the General Terms and Conditions of Transporter's FERC Gas Tariff.

## ARTICLE II

## TRANSPORTATION

Transportation Service - Transporter agrees to accept and receive daily on a firm basis, at the Point (s) of Receipt from Shipper or for Shipper's account such quantity of gas as Shipper makes available up to the Transportation Quantity, and to deliver to or for the account of Shipper to the Point(s) of Delivery an Equivalent Quantity of gas.

## ARTICLE III

## POINT(S) OF RECEIPT AND DELIVERY

The Primary Point(s) of Receipt and Delivery shall be those points specified on Exhibit "A" attached hereto.

## ARTICLE IV

All facilities are in place to render the service provided for in this Agreement.

## ARTICLE V

## QUALITY SPECIFICATIONS AND STANDARDS FOR MEASUREMENT

For all gas received, transported and delivered hereunder the Parties agree to the Quality Specifications and Standards for Measurement as specified in the General Terms and Conditions of Transporter's FERC Gas Tariff Volume No. 1. To the extent that no new measurement facilities are installed to provide service hereunder, measurement operations will continue in the manner in which they have previously been handled. In the event that such facilities are not operated by Transporter or a downstream pipeline, then responsibility for operations shall be deemed to be Shipper's.

GAS TRANSPORTATION AGREEMENT  
(For Use Under FT-A Rate Schedule)

## ARTICLE VI

## RATES AND CHARGES FOR GAS TRANSPORTATION

- 6.1 TRANSPORTATION RATES - Commencing upon the effective date hereof, the rates, charges, and surcharges to be paid by Shipper to Transporter for the transportation service provided herein shall be in accordance with Transporter's Rate Schedule FT-A and the General Terms and Conditions of Transporter's FERC Gas Tariff. Except as provided to the contrary in any written or electronic agreement(s) between Transporter and Shipper in effect during the term of this Agreement, Shipper shall pay Transporter the applicable maximum rate (s) and all other applicable charges and surcharges specified in the Summary of Rates in Transporter's FERC Gas Tariff and in this Rate Schedule. Transporter and Shipper may agree that a specific discounted rate will apply only to certain volumes under the agreement. Transporter and Shipper may agree that a specified discounted rate will apply only to specified volumes (MDQ, TQ, commodity volumes, Extended Receipt and Delivery Service Volumes or Authorized Overrun volumes) under the Agreement; that a specified discounted rate will apply only if specified volumes are achieved (with the maximum rates applicable to volumes above the specified volumes or to all volumes if the specified volumes are never achieved); that a specified discounted rate will apply only during specified periods of the year or over a specifically defined period of time; that a specified discounted rate will apply only to specified points, zones, markets or other defined geographical area; and/or that a specified discounted rate will apply only to production or reserves committed or dedicated to Transporter. Transporter and Shipper may agree to a specified discounted rate pursuant to the provisions of this Section 6.1 provided that the discounted rate is between the applicable maximum and minimum rates for this service.

In addition, a discount agreement may include a provision that if one rate component which was at or below the applicable Maximum Rate at the time the discount agreement was executed subsequently exceeds the applicable Maximum Rate due to a change in Transporter's Maximum Rates so that such rate component must be adjusted downward to equal the new applicable Maximum Rate, then other rate components may be adjusted upward to achieve the agreed overall rate, as long as none of the resulting rate components exceed the Maximum Rate applicable to that rate component. Such changes to rate components shall be applied prospectively, commencing with the date a Commission Order accepts revised tariff sheet rates. However, nothing contained herein shall be construed to alter a refund obligation under applicable law for any period during which rates that had been charged under a discount agreement exceeded rates which ultimately are found to be just and reasonable.

- 6.2 INCIDENTAL CHARGES - Shipper agrees to reimburse Transporter for any filing or similar fees, which have not been previously paid for by Shipper, which Transporter incurs in rendering service hereunder.
- 6.3 CHANGES IN RATES AND CHARGES - Shipper agrees that Transporter shall have the unilateral right to file with the appropriate regulatory authority and make effective changes in (a) the rates and charges applicable to service pursuant to Transporter's Rate Schedule FT-A, (b) the rate schedule(s) pursuant to which service hereunder is rendered, or (c) any provision of the General Terms and Conditions applicable to those rate schedules. Transporter agrees that Shipper may protest or contest the aforementioned filings, or may seek authorization from duly constituted regulatory authorities for such adjustment of Transporter's existing FERC Gas Tariff as may be found necessary to assure Transporter just and reasonable rates.

GAS TRANSPORTATION AGREEMENT  
(For Use Under FT-A Rate Schedule)

ARTICLE VII

BILLINGS AND PAYMENTS

Transporter shall bill and Shipper shall pay all rates and charges in accordance with Articles V and VI, respectively, of the General Terms and Conditions of the FERC Gas Tariff.

ARTICLE VIII

GENERAL TERMS AND CONDITIONS

This Agreement shall be subject to the effective provisions of Transporter's Rate Schedule FT-A and to the General Terms and Conditions incorporated therein, as the same may be changed or superseded from time to time in accordance with the rules and regulations of the FERC.

ARTICLE IX

REGULATION

- 9.1 This Agreement shall be subject to all applicable and lawful governmental statutes, orders, rules and regulations and is contingent upon the receipt and continuation of all necessary regulatory approvals or authorizations upon terms acceptable to Transporter. This Agreement shall be void and of no force and effect if any necessary regulatory approval is not so obtained or continued. All Parties hereto shall cooperate to obtain or continue all necessary approvals or authorizations, but no Party shall be liable to any other Party for failure to obtain or continue such approvals or authorizations.
- 9.2 The transportation service described herein shall be provided subject to Subpart G, Part 284 of the FERC Regulations.

ARTICLE X

RESPONSIBILITY DURING TRANSPORTATION

Except as herein specified, the responsibility for gas during transportation shall be as stated in the General Terms and Conditions of Transporter's FERC Gas Tariff Volume No. 1.

ARTICLE XI

WARRANTIES

- 11.1 In addition to the warranties set forth in Article IX of the General Terms and Conditions of Transporter's FERC Gas Tariff, Shipper warrants the following:

GAS TRANSPORTATION AGREEMENT  
(For Use Under FT-A Rate Schedule)

(a) Shipper warrants that all upstream and downstream transportation arrangements are in place, or will be in place as of the requested effective date of service, and that it has advised the upstream and downstream transporters of the receipt and delivery points under this Agreement and any quantity limitations for each point as specified on Exhibit "A" attached hereto. Shipper agrees to indemnify and hold Transporter harmless for refusal to transport gas hereunder in the event any upstream or downstream transporter fails to receive or deliver gas as contemplated by this Agreement.

(b) Shipper agrees to indemnify and hold Transporter harmless from all suits, actions, debts, accounts, damages, costs, losses and expenses (including reasonable attorneys fees) arising from or out of breach of any warranty by Shipper herein.

- 11.2 Transporter shall not be obligated to provide or continue service hereunder in the event of any breach of warranty.

## ARTICLE XII

## TERM

- 12.1 This contract shall be effective as of 1 November, 2011 and shall remain in force and effect, unless modified as per Exhibit B, until 31 March, 2012, ('Primary Term') and on a month to month basis thereafter unless terminated by either Party upon at least thirty (30) days prior written notice to the other Party; provided, however, that if the Primary Term is less than one year, then notice of termination may be provided via PASSKEY; provided further, that if the Primary Term is one year or more, then any rights to Shipper's extension of this Agreement after the Primary Term shall be governed by Article III, Section 10.4 of the General Terms and Conditions of Transporter's FERC Gas Tariff; and provided further, that if the FERC or other governmental body having jurisdiction over the service rendered pursuant to this Agreement authorizes abandonment of such service, this Agreement shall terminate on the abandonment date permitted by the FERC or such other governmental body.
- 12.2 Any portions of this Agreement necessary to resolve or cash out imbalances under this Agreement as required by the General Terms and Conditions of Transporter's Tariff shall survive the other parts of this Agreement until such time as such balancing has been accomplished; provided, however, that Transporter notifies Shipper of such imbalance not later than twelve months after the termination of this Agreement.
- 12.3 This Agreement will terminate automatically upon written notice from Transporter in the event Shipper fails to pay all of the amount of any bill for service rendered by Transporter hereunder in accord with the terms and conditions of Article VI of the General Terms and Conditions of Transporter's FERC Gas Tariff.

## ARTICLE XIII

## NOTICE

Except as otherwise provided in the General Terms and Conditions applicable to this Agreement, any notice under this Agreement shall be in writing and mailed to the post office address of the Party intended to receive the same, as follows:

Service Package No: 77775  
Amendment No: 0

GAS TRANSPORTATION AGREEMENT  
(For Use Under FT-A Rate Schedule)

TRANSPORTER: Tennessee Gas Pipeline Company

P. O. Box 2511

Houston, Texas 77252-2511

Attention: Director, Transportation Control

SHIPPER:

NOTICES: SOUTH JERSEY RESOURCES GROUP, LLC

2350 AIRPORT FREEWAY

SUITE 200

BEDFORD , TX , USA , -- 76022

Attention: JULIE PUNCHES

BILLING: SOUTH JERSEY RESOURCES GROUP, LLC

2350 AIRPORT FREEWAY

SUITE 200

BEDFORD , TX , USA , -- 76022

Attention: JULIE PUNCHES

or to such other address as either Party shall designate by formal written notice to the other.

ARTICLE XIV

ASSIGNMENTS

- 14.1 Either Party may assign or pledge this Agreement and all rights and obligations hereunder under the provisions of any mortgage, deed of trust, indenture, or other instrument which it has executed or may execute hereafter as security for indebtedness. Either Party may, without relieving itself of its obligation under this Agreement, assign any of its rights hereunder to a company with which it is affiliated. Otherwise, Shipper shall not assign this Agreement or any of its rights hereunder, except in accord with Article III, Section 11 of the General Terms and Conditions of Transporter's FERC Gas Tariff.
- 14.2 Any person which shall succeed by purchase, merger, or consolidation to the properties, substantially as an entirety, of either Party hereto shall be entitled to the rights and shall be subject to the obligations of its predecessor in interest under this Agreement.

GAS TRANSPORTATION AGREEMENT  
(For Use Under FT-A Rate Schedule)

ARTICLE XV

MISCELLANEOUS

- 15.1 THE INTERPRETATION AND PERFORMANCE OF THIS CONTRACT SHALL BE IN ACCORDANCE WITH AND CONTROLLED BY THE LAWS OF THE STATE OF TEXAS, WITHOUT REGARD TO THE DOCTRINES GOVERNING CHOICE OF LAW.
- 15.2 If any provision of this Agreement is declared null and void, or voidable, by a court of competent jurisdiction, then that provision will be considered severable at either Party's option; and if the severability option is exercised, the remaining provisions of the Agreement shall remain in full force and effect.
- 15.3 Unless otherwise expressly provided in this Agreement or Transporter's Gas Tariff, no modification of or supplement to the terms and provisions stated in this Agreement shall be or become effective until Shipper has submitted a request for change through PASSKEY and Shipper has been notified through PASSKEY of Transporter's agreement to such change.
- 15.4 Exhibit "A" attached hereto is incorporated herein by reference and made a part hereof for all purposes.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed as of the date first hereinabove written.

TENNESSEE GAS PIPELINE COMPANY

BY: \_\_\_\_\_

Agent and Attorney-in-Fact

SHIPPER: SOUTH JERSEY RESOURCES GROUP, LLC

BY: \_\_\_\_\_

TITLE: \_\_\_\_\_

DATE: \_\_\_\_\_

**GAS TRANSPORTATION AGREEMENT  
EXHIBIT "A"**  
TO GAS TRANSPORTATION AGREEMENT  
DATED November 1 , 2011  
BETWEEN  
TENNESSEE GAS PIPELINE COMPANY  
AND  
SOUTH JERSEY RESOURCES GROUP, LLC

SOUTH JERSEY RESOURCES GROUP, LLC  
EFFECTIVE DATE OF AMENDMENT: November 1 , 2011  
RATE SCHEDULE: FT-A  
SERVICE PACKAGE: 77775  
SERVICE PACKAGE TQ: 53000 Dth

METER	METER NAME	INTERCONNECT PARTY NAME	COUNTY	ST	ZONE	R/D	LEG	TOTAL-TQ	BILLABLE-TQ
012793	SPRINGVILLE DEHY: RIP 320I 101.1	CABOT OIL & GAS CORP	SUSQUEHANNA	PA	04	R	300	53000	53000
021069	ARLINGTON STORAGE DELIVERY:DIP 313A 423	ARLINGTON STORAGE COMPANY, LLC	STEBEN	NY	05	D	200	53000	53000
							Total Receipt TQ	53000	53000
							Total Delivery TQ	53000	53000

NUMBER OF RECEIPT POINTS: 1  
NUMBER OF DELIVERY POINTS: 1

**Note: Exhibit "A" is a reflection of the contract and all amendments as of the amendment effective date.**

Service Package No: 77775  
Amendment No: 0

GAS TRANSPORTATION AGREEMENT  
(For Use Under FT-A Rate Schedule)

**Amendment - A**

## GAS TRANSPORTATION AGREEMENT

(For Use Under FT-A Rate Schedule)

THIS AGREEMENT is made and entered into as of the 1 day of April 2010 by and between TENNESSEE GAS PIPELINE COMPANY, a Delaware Corporation, hereinafter referred to as "Transporter" and SOUTH JERSEY RESOURCES GROUP, LLC, a Corporation, hereinafter referred to as "Shipper". Transporter and Shipper shall collectively be referred to herein as the "Parties".

## ARTICLE I

## DEFINITIONS

- 1.1 TRANSPORTATION QUANTITY - shall mean the maximum daily quantity of gas which Transporter agrees to receive and transport on a firm basis, subject to Article II herein, for the account of Shipper hereunder on each day during each year during the term hereof, which shall be 15000 dekatherms. Any limitations on the quantities to be received from each Point of Receipt and/or delivered to each Point of Delivery shall be as specified on Exhibit "A" attached hereto.
- 1.2 EQUIVALENT QUANTITY - shall be as defined in Article I of the General Terms and Conditions of Transporter's FERC Gas Tariff.

## ARTICLE II

## TRANSPORTATION

Transportation Service - Transporter agrees to accept and receive daily on a firm basis, at the Point(s) of Receipt from Shipper or for Shipper's account such quantity of gas as Shipper makes available up to the Transportation Quantity, and to deliver to or for the account of Shipper to the Point(s) of Delivery an Equivalent Quantity of gas.

## ARTICLE III

## POINT(S) OF RECEIPT AND DELIVERY

The Primary Point(s) of Receipt and Delivery shall be those points specified on Exhibit "A" attached hereto.

## ARTICLE IV

All facilities are in place to render the service provided for in this Agreement.

## ARTICLE V

## QUALITY SPECIFICATIONS AND STANDARDS FOR MEASUREMENT

For all gas received, transported and delivered hereunder the Parties agree to the Quality Specifications and Standards for Measurement as specified in the General Terms and Conditions of Transporter's FERC Gas Tariff Volume No. 1. To the extent that no new measurement facilities are installed to provide service hereunder, measurement operations will continue in the manner in which they have previously been handled. In the event that such facilities are not operated by Transporter or a downstream pipeline, then responsibility for operations shall be deemed to be Shipper's.

GAS TRANSPORTATION AGREEMENT  
(For Use Under FT-A Rate Schedule)

## ARTICLE VI

## RATES AND CHARGES FOR GAS TRANSPORTATION

- 6.1 **TRANSPORTATION RATES** - Commencing upon the effective date hereof, the rates, charges, and surcharges to be paid by Shipper to Transporter for the transportation service provided herein shall be in accordance with Transporter's Rate Schedule FT-A and the General Terms and Conditions of Transporter's FERC Gas Tariff. Except as provided to the contrary in any written or electronic agreement(s) between Transporter and Shipper in effect during the term of this Agreement, Shipper shall pay Transporter the applicable maximum rate (s) and all other applicable charges and surcharges specified in the Summary of Rates in Transporter's FERC Gas Tariff and in this Rate Schedule. Transporter and Shipper may agree that a specific discounted rate will apply only to certain volumes under the agreement. Transporter and Shipper may agree that a specified discounted rate will apply only to specified volumes (MDQ, TQ, commodity volumes, Extended Receipt and Delivery Service Volumes or Authorized Overrun volumes) under the Agreement; that a specified discounted rate will apply only if specified volumes are achieved (with the maximum rates applicable to volumes above the specified volumes or to all volumes if the specified volumes are never achieved); that a specified discounted rate will apply only during specified periods of the year or over a specifically defined period of time; that a specified discounted rate will apply only to specified points, zones, markets or other defined geographical area; and/or that a specified discounted rate will apply only to production or reserves committed or dedicated to Transporter. Transporter and Shipper may agree to a specified discounted rate pursuant to the provisions of this Section 6.1 provided that the discounted rate is between the applicable maximum and minimum rates for this service.

In addition, a discount agreement may include a provision that if one rate component which was at or below the applicable Maximum Rate at the time the discount agreement was executed subsequently exceeds the applicable Maximum Rate due to a change in Transporter's Maximum Rates so that such rate component must be adjusted downward to equal the new applicable Maximum Rate, then other rate components may be adjusted upward to achieve the agreed overall rate, as long as none of the resulting rate components exceed the Maximum Rate applicable to that rate component. Such changes to rate components shall be applied prospectively, commencing with the date a Commission Order accepts revised tariff sheet rates. However, nothing contained herein shall be construed to alter a refund obligation under applicable law for any period during which rates that had been charged under a discount agreement exceeded rates which ultimately are found to be just and reasonable.

- 6.2 **INCIDENTAL CHARGES** - Shipper agrees to reimburse Transporter for any filing or similar fees, which have not been previously paid for by Shipper, which Transporter incurs in rendering service hereunder.
- 6.3 **CHANGES IN RATES AND CHARGES** - Shipper agrees that Transporter shall have the unilateral right to file with the appropriate regulatory authority and make effective changes in (a) the rates and charges applicable to service pursuant to Transporter's Rate Schedule FT-A, (b) the rate schedule(s) pursuant to which service hereunder is rendered, or (c) any provision of the General Terms and Conditions applicable to those rate schedules. Transporter agrees that Shipper may protest or contest the aforementioned filings, or may seek authorization from duly constituted regulatory authorities for such adjustment of Transporter's existing FERC Gas Tariff as may be found necessary to assure Transporter just and reasonable rates.

GAS TRANSPORTATION AGREEMENT  
(For Use Under FT-A Rate Schedule)

ARTICLE VII

BILLINGS AND PAYMENTS

Transporter shall bill and Shipper shall pay all rates and charges in accordance with Articles V and VI, respectively, of the General Terms and Conditions of the FERC Gas Tariff.

ARTICLE VIII

GENERAL TERMS AND CONDITIONS

This Agreement shall be subject to the effective provisions of Transporter's Rate Schedule FT-A and to the General Terms and Conditions incorporated therein, as the same may be changed or superseded from time to time in accordance with the rules and regulations of the FERC.

ARTICLE IX

REGULATION

- 9.1 This Agreement shall be subject to all applicable and lawful governmental statutes, orders, rules and regulations and is contingent upon the receipt and continuation of all necessary regulatory approvals or authorizations upon terms acceptable to Transporter. This Agreement shall be void and of no force and effect if any necessary regulatory approval is not so obtained or continued. All Parties hereto shall cooperate to obtain or continue all necessary approvals or authorizations, but no Party shall be liable to any other Party for failure to obtain or continue such approvals or authorizations.
- 9.2 The transportation service described herein shall be provided subject to Subpart G, Part 284 of the FERC Regulations.

ARTICLE X

RESPONSIBILITY DURING TRANSPORTATION

Except as herein specified, the responsibility for gas during transportation shall be as stated in the General Terms and Conditions of Transporter's FERC Gas Tariff Volume No. 1.

ARTICLE XI

WARRANTIES

- 11.1 In addition to the warranties set forth in Article IX of the General Terms and Conditions of Transporter's FERC Gas Tariff, Shipper warrants the following:

GAS TRANSPORTATION AGREEMENT  
(For Use Under FT-A Rate Schedule)

(a) Shipper warrants that all upstream and downstream transportation arrangements are in place, or will be in place as of the requested effective date of service, and that it has advised the upstream and downstream transporters of the receipt and delivery points under this Agreement and any quantity limitations for each point as specified on Exhibit "A" attached hereto. Shipper agrees to indemnify and hold Transporter harmless for refusal to transport gas hereunder in the event any upstream or downstream transporter fails to receive or deliver gas as contemplated by this Agreement.

(b) Shipper agrees to indemnify and hold Transporter harmless from all suits, actions, debts, accounts, damages, costs, losses and expenses (including reasonable attorneys fees) arising from or out of breach of any warranty by Shipper herein.

- 11.2 Transporter shall not be obligated to provide or continue service hereunder in the event of any breach of warranty.

## ARTICLE XII

## TERM

- 12.1 This contract shall be effective as of 1 April, 2010 and shall remain in force and effect, unless modified as per Exhibit B, until 31 October, 2010, ('Primary Term') and on a month to month basis thereafter unless terminated by either Party upon at least thirty (30) days prior written notice to the other Party; provided, however, that if the Primary Term is less than one year, then notice of termination may be provided via PASSKEY; provided further, that if the Primary Term is one year or more, then any rights to Shipper's extension of this Agreement after the Primary Term shall be governed by Article III, Section 10.4 of the General Terms and Conditions of Transporter's FERC Gas Tariff; and provided further, that if the FERC or other governmental body having jurisdiction over the service rendered pursuant to this Agreement authorizes abandonment of such service, this Agreement shall terminate on the abandonment date permitted by the FERC or such other governmental body.
- 12.2 Any portions of this Agreement necessary to resolve or cash out imbalances under this Agreement as required by the General Terms and Conditions of Transporter's Tariff shall survive the other parts of this Agreement until such time as such balancing has been accomplished; provided, however, that Transporter notifies Shipper of such imbalance not later than twelve months after the termination of this Agreement.
- 12.3 This Agreement will terminate automatically upon written notice from Transporter in the event Shipper fails to pay all of the amount of any bill for service rendered by Transporter hereunder in accord with the terms and conditions of Article VI of the General Terms and Conditions of Transporter's FERC Gas Tariff.

## ARTICLE XIII

## NOTICE

Except as otherwise provided in the General Terms and Conditions applicable to this Agreement, any notice under this Agreement shall be in writing and mailed to the post office address of the Party intended to receive the same, as follows:

Service Package No: 75881  
Amendment No: 0

GAS TRANSPORTATION AGREEMENT  
(For Use Under FT-A Rate Schedule)

TRANSPORTER: Tennessee Gas Pipeline Company

P. O. Box 2511

Houston, Texas 77252-2511

Attention: Director, Transportation Control

SHIPPER:

NOTICES: SOUTH JERSEY RESOURCES GROUP, LLC

2350 AIRPORT FREEWAY

SUITE 200

BEDFORD , TX , USA , -- 76022

Attention: JULIE PUNCHES

BILLING: SOUTH JERSEY RESOURCES GROUP, LLC

2350 AIRPORT FREEWAY

SUITE 200

BEDFORD , TX , USA , -- 76022

Attention: JULIE PUNCHES

or to such other address as either Party shall designate by formal written notice to the other.

ARTICLE XIV

ASSIGNMENTS

- 14.1 Either Party may assign or pledge this Agreement and all rights and obligations hereunder under the provisions of any mortgage, deed of trust, indenture, or other instrument which it has executed or may execute hereafter as security for indebtedness. Either Party may, without relieving itself of its obligation under this Agreement, assign any of its rights hereunder to a company with which it is affiliated. Otherwise, Shipper shall not assign this Agreement or any of its rights hereunder, except in accord with Article III, Section 11 of the General Terms and Conditions of Transporter's FERC Gas Tariff.
- 14.2 Any person which shall succeed by purchase, merger, or consolidation to the properties, substantially as an entirety, of either Party hereto shall be entitled to the rights and shall be subject to the obligations of its predecessor in interest under this Agreement.

Service Package No: 75881  
Amendment No: 0

GAS TRANSPORTATION AGREEMENT  
(For Use Under FT-A Rate Schedule)

ARTICLE XV

MISCELLANEOUS

- 15.1 THE INTERPRETATION AND PERFORMANCE OF THIS CONTRACT SHALL BE IN ACCORDANCE WITH AND CONTROLLED BY THE LAWS OF THE STATE OF TEXAS, WITHOUT REGARD TO THE DOCTRINES GOVERNING CHOICE OF LAW.
- 15.2 If any provision of this Agreement is declared null and void, or voidable, by a court of competent jurisdiction, then that provision will be considered severable at either Party's option; and if the severability option is exercised, the remaining provisions of the Agreement shall remain in full force and effect.
- 15.3 Unless otherwise expressly provided in this Agreement or Transporter's Gas Tariff, no modification of or supplement to the terms and provisions stated in this Agreement shall be or become effective until Shipper has submitted a request for change through PASSKEY and Shipper has been notified through PASSKEY of Transporter's agreement to such change.
- 15.4 Exhibit "A" attached hereto is incorporated herein by reference and made a part hereof for all purposes.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed as of the date first hereinabove written.

TENNESSEE GAS PIPELINE COMPANY

BY: \_\_\_\_\_

Agent and Attorney-in-Fact

SHIPPER: SOUTH JERSEY RESOURCES GROUP, LLC

BY: \_\_\_\_\_

TITLE: \_\_\_\_\_

DATE: \_\_\_\_\_

**GAS TRANSPORTATION AGREEMENT  
EXHIBIT "A"  
TO GAS TRANSPORTATION AGREEMENT  
DATED April 1 , 2010  
BETWEEN  
TENNESSEE GAS PIPELINE COMPANY  
AND  
SOUTH JERSEY RESOURCES GROUP, LLC**

SOUTH JERSEY RESOURCES GROUP, LLC  
EFFECTIVE DATE OF AMENDMENT: April 1 , 2010  
RATE SCHEDULE: FT-A  
SERVICE PACKAGE: 75881  
SERVICE PACKAGE TQ: 15000 Dth

METER	METER NAME	INTERCONNECT PARTY NAME	COUNTY	ST	ZONE	R/D	LEG	TOTAL-TQ	BILLABLE-TQ
012180	SHELTON INTERCONNECT	IROQUOIS GAS TRANSMISSION SYSTEM	FAIRFIELD	CT	06	R	300	15000	15000
050261	PEMEX CHECK DELIVERY SOUTH	PEMEX GAS PIPELINE DIVISION	HIDALGO	TX	00	D	100	15000	15000
							Total Receipt TQ	15000	15000
							Total Delivery TQ	15000	15000

NUMBER OF RECEIPT POINTS: 1  
NUMBER OF DELIVERY POINTS: 1

**Note: Exhibit "A" is a reflection of the contract and all amendments as of the amendment effective date.**

Service Package No: 75881  
Amendment No: 0

GAS TRANSPORTATION AGREEMENT  
(For Use Under FT-A Rate Schedule)

**Amendment - A**

GAS TRANSPORTATION AGREEMENT

(For Use Under FT-A Rate Schedule)

THIS AGREEMENT is made and entered into as of the 1 day of June 2010 by and between TENNESSEE GAS PIPELINE COMPANY, a Delaware Corporation, hereinafter referred to as "Transporter" and SOUTH JERSEY RESOURCES GROUP, LLC, a Corporation, hereinafter referred to as "Shipper". Transporter and Shipper shall collectively be referred to herein as the "Parties".

ARTICLE I

DEFINITIONS

- 1.1 TRANSPORTATION QUANTITY - shall mean the maximum daily quantity of gas which Transporter agrees to receive and transport on a firm basis, subject to Article II herein, for the account of Shipper hereunder on each day during each year during the term hereof, which shall be 20000 dekatherms. Any limitations on the quantities to be received from each Point of Receipt and/or delivered to each Point of Delivery shall be as specified on Exhibit "A" attached hereto.
- 1.2 EQUIVALENT QUANTITY - shall be as defined in Article I of the General Terms and Conditions of Transporter's FERC Gas Tariff.

ARTICLE II

TRANSPORTATION

Transportation Service - Transporter agrees to accept and receive daily on a firm basis, at the Point (s) of Receipt from Shipper or for Shipper's account such quantity of gas as Shipper makes available up to the Transportation Quantity, and to deliver to or for the account of Shipper to the Point(s) of Delivery an Equivalent Quantity of gas.

ARTICLE III

POINT(S) OF RECEIPT AND DELIVERY

The Primary Point(s) of Receipt and Delivery shall be those points specified on Exhibit "A" attached hereto.

ARTICLE IV

All facilities are in place to render the service provided for in this Agreement.

ARTICLE V

QUALITY SPECIFICATIONS AND STANDARDS FOR MEASUREMENT

For all gas received, transported and delivered hereunder the Parties agree to the Quality Specifications and Standards for Measurement as specified in the General Terms and Conditions of Transporter's FERC Gas Tariff Volume No. 1. To the extent that no new measurement facilities are installed to provide service hereunder, measurement operations will continue in the manner in which they have previously been handled. In the event that such facilities are not operated by Transporter or a downstream pipeline, then responsibility for operations shall be deemed to be Shipper's.

GAS TRANSPORTATION AGREEMENT  
(For Use Under FT-A Rate Schedule)

## ARTICLE VI

## RATES AND CHARGES FOR GAS TRANSPORTATION

- 6.1 TRANSPORTATION RATES - Commencing upon the effective date hereof, the rates, charges, and surcharges to be paid by Shipper to Transporter for the transportation service provided herein shall be in accordance with Transporter's Rate Schedule FT-A and the General Terms and Conditions of Transporter's FERC Gas Tariff. Except as provided to the contrary in any written or electronic agreement(s) between Transporter and Shipper in effect during the term of this Agreement, Shipper shall pay Transporter the applicable maximum rate (s) and all other applicable charges and surcharges specified in the Summary of Rates in Transporter's FERC Gas Tariff and in this Rate Schedule. Transporter and Shipper may agree that a specific discounted rate will apply only to certain volumes under the agreement. Transporter and Shipper may agree that a specified discounted rate will apply only to specified volumes (MDQ, TQ, commodity volumes, Extended Receipt and Delivery Service Volumes or Authorized Overrun volumes) under the Agreement; that a specified discounted rate will apply only if specified volumes are achieved (with the maximum rates applicable to volumes above the specified volumes or to all volumes if the specified volumes are never achieved); that a specified discounted rate will apply only during specified periods of the year or over a specifically defined period of time; that a specified discounted rate will apply only to specified points, zones, markets or other defined geographical area; and/or that a specified discounted rate will apply only to production or reserves committed or dedicated to Transporter. Transporter and Shipper may agree to a specified discounted rate pursuant to the provisions of this Section 6.1 provided that the discounted rate is between the applicable maximum and minimum rates for this service.

In addition, a discount agreement may include a provision that if one rate component which was at or below the applicable Maximum Rate at the time the discount agreement was executed subsequently exceeds the applicable Maximum Rate due to a change in Transporter's Maximum Rates so that such rate component must be adjusted downward to equal the new applicable Maximum Rate, then other rate components may be adjusted upward to achieve the agreed overall rate, as long as none of the resulting rate components exceed the Maximum Rate applicable to that rate component. Such changes to rate components shall be applied prospectively, commencing with the date a Commission Order accepts revised tariff sheet rates. However, nothing contained herein shall be construed to alter a refund obligation under applicable law for any period during which rates that had been charged under a discount agreement exceeded rates which ultimately are found to be just and reasonable.

- 6.2 INCIDENTAL CHARGES - Shipper agrees to reimburse Transporter for any filing or similar fees, which have not been previously paid for by Shipper, which Transporter incurs in rendering service hereunder.
- 6.3 CHANGES IN RATES AND CHARGES - Shipper agrees that Transporter shall have the unilateral right to file with the appropriate regulatory authority and make effective changes in (a) the rates and charges applicable to service pursuant to Transporter's Rate Schedule FT-A, (b) the rate schedule(s) pursuant to which service hereunder is rendered, or (c) any provision of the General Terms and Conditions applicable to those rate schedules. Transporter agrees that Shipper may protest or contest the aforementioned filings, or may seek authorization from duly constituted regulatory authorities for such adjustment of Transporter's existing FERC Gas Tariff as may be found necessary to assure Transporter just and reasonable rates.

GAS TRANSPORTATION AGREEMENT  
(For Use Under FT-A Rate Schedule)

ARTICLE VII

BILLINGS AND PAYMENTS

Transporter shall bill and Shipper shall pay all rates and charges in accordance with Articles V and VI, respectively, of the General Terms and Conditions of the FERC Gas Tariff.

ARTICLE VIII

GENERAL TERMS AND CONDITIONS

This Agreement shall be subject to the effective provisions of Transporter's Rate Schedule FT-A and to the General Terms and Conditions incorporated therein, as the same may be changed or superseded from time to time in accordance with the rules and regulations of the FERC.

ARTICLE IX

REGULATION

- 9.1 This Agreement shall be subject to all applicable and lawful governmental statutes, orders, rules and regulations and is contingent upon the receipt and continuation of all necessary regulatory approvals or authorizations upon terms acceptable to Transporter. This Agreement shall be void and of no force and effect if any necessary regulatory approval is not so obtained or continued. All Parties hereto shall cooperate to obtain or continue all necessary approvals or authorizations, but no Party shall be liable to any other Party for failure to obtain or continue such approvals or authorizations.
- 9.2 The transportation service described herein shall be provided subject to Subpart G, Part 284 of the FERC Regulations.

ARTICLE X

RESPONSIBILITY DURING TRANSPORTATION

Except as herein specified, the responsibility for gas during transportation shall be as stated in the General Terms and Conditions of Transporter's FERC Gas Tariff Volume No. 1.

ARTICLE XI

WARRANTIES

- 11.1 In addition to the warranties set forth in Article IX of the General Terms and Conditions of Transporter's FERC Gas Tariff, Shipper warrants the following:

Service Package No: 77778  
Amendment No: 0

GAS TRANSPORTATION AGREEMENT  
(For Use Under FT-A Rate Schedule)

(a) Shipper warrants that all upstream and downstream transportation arrangements are in place, or will be in place as of the requested effective date of service, and that it has advised the upstream and downstream transporters of the receipt and delivery points under this Agreement and any quantity limitations for each point as specified on Exhibit "A" attached hereto. Shipper agrees to indemnify and hold Transporter harmless for refusal to transport gas hereunder in the event any upstream or downstream transporter fails to receive or deliver gas as contemplated by this Agreement.

(b) Shipper agrees to indemnify and hold Transporter harmless from all suits, actions, debts, accounts, damages, costs, losses and expenses (including reasonable attorneys fees) arising from or out of breach of any warranty by Shipper herein.

- 11.2 Transporter shall not be obligated to provide or continue service hereunder in the event of any breach of warranty.

ARTICLE XII

TERM

- 12.1 This contract shall be effective as of 1 June, 2010 and shall remain in force and effect, unless modified as per Exhibit B, until 31 October, 2010, ('Primary Term') and on a month to month basis thereafter unless terminated by either Party upon at least thirty (30) days prior written notice to the other Party; provided, however, that if the Primary Term is less than one year, then notice of termination may be provided via PASSKEY; provided further, that if the Primary Term is one year or more, then any rights to Shipper's extension of this Agreement after the Primary Term shall be governed by Article III, Section 10.4 of the General Terms and Conditions of Transporter's FERC Gas Tariff; and provided further, that if the FERC or other governmental body having jurisdiction over the service rendered pursuant to this Agreement authorizes abandonment of such service, this Agreement shall terminate on the abandonment date permitted by the FERC or such other governmental body.
- 12.2 Any portions of this Agreement necessary to resolve or cash out imbalances under this Agreement as required by the General Terms and Conditions of Transporter's Tariff shall survive the other parts of this Agreement until such time as such balancing has been accomplished; provided, however, that Transporter notifies Shipper of such imbalance not later than twelve months after the termination of this Agreement.
- 12.3 This Agreement will terminate automatically upon written notice from Transporter in the event Shipper fails to pay all of the amount of any bill for service rendered by Transporter hereunder in accord with the terms and conditions of Article VI of the General Terms and Conditions of Transporter's FERC Gas Tariff.

ARTICLE XIII

NOTICE

Except as otherwise provided in the General Terms and Conditions applicable to this Agreement, any notice under this Agreement shall be in writing and mailed to the post office address of the Party intended to receive the same, as follows:

Service Package No: 77778  
Amendment No: 0

GAS TRANSPORTATION AGREEMENT  
(For Use Under FT-A Rate Schedule)

TRANSPORTER: Tennessee Gas Pipeline Company

P. O. Box 2511

Houston, Texas 77252-2511

Attention: Director, Transportation Control

SHIPPER:

NOTICES: SOUTH JERSEY RESOURCES GROUP, LLC

2350 AIRPORT FREEWAY

SUITE 200

BEDFORD , TX , USA , -- 76022

Attention: JULIE PUNCHES

BILLING: SOUTH JERSEY RESOURCES GROUP, LLC

2350 AIRPORT FREEWAY

SUITE 200

BEDFORD , TX , USA , -- 76022

Attention: JULIE PUNCHES

or to such other address as either Party shall designate by formal written notice to the other.

ARTICLE XIV

ASSIGNMENTS

- 14.1 Either Party may assign or pledge this Agreement and all rights and obligations hereunder under the provisions of any mortgage, deed of trust, indenture, or other instrument which it has executed or may execute hereafter as security for indebtedness. Either Party may, without relieving itself of its obligation under this Agreement, assign any of its rights hereunder to a company with which it is affiliated. Otherwise, Shipper shall not assign this Agreement or any of its rights hereunder, except in accord with Article III, Section 11 of the General Terms and Conditions of Transporter's FERC Gas Tariff.
- 14.2 Any person which shall succeed by purchase, merger, or consolidation to the properties, substantially as an entirety, of either Party hereto shall be entitled to the rights and shall be subject to the obligations of its predecessor in interest under this Agreement.

GAS TRANSPORTATION AGREEMENT  
(For Use Under FT-A Rate Schedule)

ARTICLE XV

MISCELLANEOUS

- 15.1 THE INTERPRETATION AND PERFORMANCE OF THIS CONTRACT SHALL BE IN ACCORDANCE WITH AND CONTROLLED BY THE LAWS OF THE STATE OF TEXAS, WITHOUT REGARD TO THE DOCTRINES GOVERNING CHOICE OF LAW.
- 15.2 If any provision of this Agreement is declared null and void, or voidable, by a court of competent jurisdiction, then that provision will be considered severable at either Party's option; and if the severability option is exercised, the remaining provisions of the Agreement shall remain in full force and effect.
- 15.3 Unless otherwise expressly provided in this Agreement or Transporter's Gas Tariff, no modification of or supplement to the terms and provisions stated in this Agreement shall be or become effective until Shipper has submitted a request for change through PASSKEY and Shipper has been notified through PASSKEY of Transporter's agreement to such change.
- 15.4 Exhibit "A" attached hereto is incorporated herein by reference and made a part hereof for all purposes.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed as of the date first hereinabove written.

TENNESSEE GAS PIPELINE COMPANY

BY: \_\_\_\_\_

Agent and Attorney-in-Fact

SHIPPER: SOUTH JERSEY RESOURCES GROUP, LLC

BY: \_\_\_\_\_

TITLE: \_\_\_\_\_

DATE: \_\_\_\_\_

**GAS TRANSPORTATION AGREEMENT  
EXHIBIT "A"  
TO GAS TRANSPORTATION AGREEMENT  
DATED June 1 , 2010  
BETWEEN  
TENNESSEE GAS PIPELINE COMPANY  
AND  
SOUTH JERSEY RESOURCES GROUP, LLC**

SOUTH JERSEY RESOURCES GROUP, LLC  
EFFECTIVE DATE OF AMENDMENT: June 1 , 2010  
RATE SCHEDULE: FT-A  
SERVICE PACKAGE: 77778  
SERVICE PACKAGE TQ: 20000 Dth

METER	METER NAME	INTERCONNECT PARTY NAME	COUNTY	ST	ZONE	R/D	LEG	TOTAL-TQ	BILLABLE-TQ
020867	ZONE 4 200 LINE POOLING AREA		SCIOTO	OH	04	D	200	20000	20000
020872	ZONE 6 300 LINE POOLING AREA		FAIRFIELD	CT	06	R	300	20000	20000
							Total Receipt TQ	20000	20000
							Total Delivery TQ	20000	20000

NUMBER OF RECEIPT POINTS: 1  
NUMBER OF DELIVERY POINTS: 1

**Note: Exhibit "A" is a reflection of the contract and all amendments as of the amendment effective date.**

Service Package No: 77778  
Amendment No: 0

GAS TRANSPORTATION AGREEMENT  
(For Use Under FT-A Rate Schedule)

**Amendment - A**

## GAS TRANSPORTATION AGREEMENT

(For Use Under FT-A Rate Schedule)

THIS AGREEMENT is made and entered into as of the 1 day of November 2010 by and between TENNESSEE GAS PIPELINE COMPANY, a Delaware Corporation, hereinafter referred to as "Transporter" and SOUTH JERSEY RESOURCES GROUP, LLC, a Corporation, hereinafter referred to as "Shipper". Transporter and Shipper shall collectively be referred to herein as the "Parties".

## ARTICLE I

## DEFINITIONS

- 1.1 TRANSPORTATION QUANTITY - shall mean the maximum daily quantity of gas which Transporter agrees to receive and transport on a firm basis, subject to Article II herein, for the account of Shipper hereunder on each day during each year during the term hereof, which shall be 10000 dekatherms. Any limitations on the quantities to be received from each Point of Receipt and/or delivered to each Point of Delivery shall be as specified on Exhibit "A" attached hereto.
- 1.2 EQUIVALENT QUANTITY - shall be as defined in Article I of the General Terms and Conditions of Transporter's FERC Gas Tariff.

## ARTICLE II

## TRANSPORTATION

Transportation Service - Transporter agrees to accept and receive daily on a firm basis, at the Point(s) of Receipt from Shipper or for Shipper's account such quantity of gas as Shipper makes available up to the Transportation Quantity, and to deliver to or for the account of Shipper to the Point(s) of Delivery an Equivalent Quantity of gas.

## ARTICLE III

## POINT(S) OF RECEIPT AND DELIVERY

The Primary Point(s) of Receipt and Delivery shall be those points specified on Exhibit "A" attached hereto.

## ARTICLE IV

All facilities are in place to render the service provided for in this Agreement.

## ARTICLE V

## QUALITY SPECIFICATIONS AND STANDARDS FOR MEASUREMENT

For all gas received, transported and delivered hereunder the Parties agree to the Quality Specifications and Standards for Measurement as specified in the General Terms and Conditions of Transporter's FERC Gas Tariff Volume No. 1. To the extent that no new measurement facilities are installed to provide service hereunder, measurement operations will continue in the manner in which they have previously been handled. In the event that such facilities are not operated by Transporter or a downstream pipeline, then responsibility for operations shall be deemed to be Shipper's.

GAS TRANSPORTATION AGREEMENT  
(For Use Under FT-A Rate Schedule)

## ARTICLE VI

## RATES AND CHARGES FOR GAS TRANSPORTATION

- 6.1 **TRANSPORTATION RATES** - Commencing upon the effective date hereof, the rates, charges, and surcharges to be paid by Shipper to Transporter for the transportation service provided herein shall be in accordance with Transporter's Rate Schedule FT-A and the General Terms and Conditions of Transporter's FERC Gas Tariff. Except as provided to the contrary in any written or electronic agreement(s) between Transporter and Shipper in effect during the term of this Agreement, Shipper shall pay Transporter the applicable maximum rate (s) and all other applicable charges and surcharges specified in the Summary of Rates in Transporter's FERC Gas Tariff and in this Rate Schedule. Transporter and Shipper may agree that a specific discounted rate will apply only to certain volumes under the agreement. Transporter and Shipper may agree that a specified discounted rate will apply only to specified volumes (MDQ, TQ, commodity volumes, Extended Receipt and Delivery Service Volumes or Authorized Overrun volumes) under the Agreement; that a specified discounted rate will apply only if specified volumes are achieved (with the maximum rates applicable to volumes above the specified volumes or to all volumes if the specified volumes are never achieved); that a specified discounted rate will apply only during specified periods of the year or over a specifically defined period of time; that a specified discounted rate will apply only to specified points, zones, markets or other defined geographical area; and/or that a specified discounted rate will apply only to production or reserves committed or dedicated to Transporter. Transporter and Shipper may agree to a specified discounted rate pursuant to the provisions of this Section 6.1 provided that the discounted rate is between the applicable maximum and minimum rates for this service.

In addition, a discount agreement may include a provision that if one rate component which was at or below the applicable Maximum Rate at the time the discount agreement was executed subsequently exceeds the applicable Maximum Rate due to a change in Transporter's Maximum Rates so that such rate component must be adjusted downward to equal the new applicable Maximum Rate, then other rate components may be adjusted upward to achieve the agreed overall rate, as long as none of the resulting rate components exceed the Maximum Rate applicable to that rate component. Such changes to rate components shall be applied prospectively, commencing with the date a Commission Order accepts revised tariff sheet rates. However, nothing contained herein shall be construed to alter a refund obligation under applicable law for any period during which rates that had been charged under a discount agreement exceeded rates which ultimately are found to be just and reasonable.

- 6.2 **INCIDENTAL CHARGES** - Shipper agrees to reimburse Transporter for any filing or similar fees, which have not been previously paid for by Shipper, which Transporter incurs in rendering service hereunder.
- 6.3 **CHANGES IN RATES AND CHARGES** - Shipper agrees that Transporter shall have the unilateral right to file with the appropriate regulatory authority and make effective changes in (a) the rates and charges applicable to service pursuant to Transporter's Rate Schedule FT-A, (b) the rate schedule(s) pursuant to which service hereunder is rendered, or (c) any provision of the General Terms and Conditions applicable to those rate schedules. Transporter agrees that Shipper may protest or contest the aforementioned filings, or may seek authorization from duly constituted regulatory authorities for such adjustment of Transporter's existing FERC Gas Tariff as may be found necessary to assure Transporter just and reasonable rates.

GAS TRANSPORTATION AGREEMENT  
(For Use Under FT-A Rate Schedule)

ARTICLE VII

BILLINGS AND PAYMENTS

Transporter shall bill and Shipper shall pay all rates and charges in accordance with Articles V and VI, respectively, of the General Terms and Conditions of the FERC Gas Tariff.

ARTICLE VIII

GENERAL TERMS AND CONDITIONS

This Agreement shall be subject to the effective provisions of Transporter's Rate Schedule FT-A and to the General Terms and Conditions incorporated therein, as the same may be changed or superseded from time to time in accordance with the rules and regulations of the FERC.

ARTICLE IX

REGULATION

- 9.1 This Agreement shall be subject to all applicable and lawful governmental statutes, orders, rules and regulations and is contingent upon the receipt and continuation of all necessary regulatory approvals or authorizations upon terms acceptable to Transporter. This Agreement shall be void and of no force and effect if any necessary regulatory approval is not so obtained or continued. All Parties hereto shall cooperate to obtain or continue all necessary approvals or authorizations, but no Party shall be liable to any other Party for failure to obtain or continue such approvals or authorizations.
- 9.2 The transportation service described herein shall be provided subject to Subpart G, Part 284 of the FERC Regulations.

ARTICLE X

RESPONSIBILITY DURING TRANSPORTATION

Except as herein specified, the responsibility for gas during transportation shall be as stated in the General Terms and Conditions of Transporter's FERC Gas Tariff Volume No. 1.

ARTICLE XI

WARRANTIES

- 11.1 In addition to the warranties set forth in Article IX of the General Terms and Conditions of Transporter's FERC Gas Tariff, Shipper warrants the following:

Service Package No: 77776  
Amendment No: 0

GAS TRANSPORTATION AGREEMENT  
(For Use Under FT-A Rate Schedule)

(a) Shipper warrants that all upstream and downstream transportation arrangements are in place, or will be in place as of the requested effective date of service, and that it has advised the upstream and downstream transporters of the receipt and delivery points under this Agreement and any quantity limitations for each point as specified on Exhibit "A" attached hereto. Shipper agrees to indemnify and hold Transporter harmless for refusal to transport gas hereunder in the event any upstream or downstream transporter fails to receive or deliver gas as contemplated by this Agreement.

(b) Shipper agrees to indemnify and hold Transporter harmless from all suits, actions, debts, accounts, damages, costs, losses and expenses (including reasonable attorneys fees) arising from or out of breach of any warranty by Shipper herein.

- 11.2 Transporter shall not be obligated to provide or continue service hereunder in the event of any breach of warranty.

ARTICLE XII

TERM

- 12.1 This contract shall be effective as of 1 November, 2010 and shall remain in force and effect, unless modified as per Exhibit B, until 31 March, 2011, ("Primary Term") and on a month to month basis thereafter unless terminated by either Party upon at least thirty (30) days prior written notice to the other Party; provided, however, that if the Primary Term is less than one year, then notice of termination may be provided via PASSKEY; provided further, that if the Primary Term is one year or more, then any rights to Shipper's extension of this Agreement after the Primary Term shall be governed by Article III, Section 10.4 of the General Terms and Conditions of Transporter's FERC Gas Tariff; and provided further, that if the FERC or other governmental body having jurisdiction over the service rendered pursuant to this Agreement authorizes abandonment of such service, this Agreement shall terminate on the abandonment date permitted by the FERC or such other governmental body.
- 12.2 Any portions of this Agreement necessary to resolve or cash out imbalances under this Agreement as required by the General Terms and Conditions of Transporter's Tariff shall survive the other parts of this Agreement until such time as such balancing has been accomplished; provided, however, that Transporter notifies Shipper of such imbalance not later than twelve months after the termination of this Agreement.
- 12.3 This Agreement will terminate automatically upon written notice from Transporter in the event Shipper fails to pay all of the amount of any bill for service rendered by Transporter hereunder in accord with the terms and conditions of Article VI of the General Terms and Conditions of Transporter's FERC Gas Tariff.

ARTICLE XIII

NOTICE

Except as otherwise provided in the General Terms and Conditions applicable to this Agreement, any notice under this Agreement shall be in writing and mailed to the post office address of the Party intended to receive the same, as follows:

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GAS TRANSPORTATION AGREEMENT  
(For Use Under FT-A Rate Schedule)

TRANSPORTER: Tennessee Gas Pipeline Company

P. O. Box 2511

Houston, Texas 77252-2511

Attention: Director, Transportation Control

SHIPPER:

NOTICES: SOUTH JERSEY RESOURCES GROUP, LLC

2350 AIRPORT FREEWAY

SUITE 200

BEDFORD , TX , USA , -- 76022

Attention: JULIE PUNCHES

BILLING: SOUTH JERSEY RESOURCES GROUP, LLC

2350 AIRPORT FREEWAY

SUITE 200

BEDFORD , TX , USA , -- 76022

Attention: JULIE PUNCHES

or to such other address as either Party shall designate by formal written notice to the other.

ARTICLE XIV

ASSIGNMENTS

- 14.1 Either Party may assign or pledge this Agreement and all rights and obligations hereunder under the provisions of any mortgage, deed of trust, indenture, or other instrument which it has executed or may execute hereafter as security for indebtedness. Either Party may, without relieving itself of its obligation under this Agreement, assign any of its rights hereunder to a company with which it is affiliated. Otherwise, Shipper shall not assign this Agreement or any of its rights hereunder, except in accord with Article III, Section 11 of the General Terms and Conditions of Transporter's FERC Gas Tariff.
- 14.2 Any person which shall succeed by purchase, merger, or consolidation to the properties, substantially as an entirety, of either Party hereto shall be entitled to the rights and shall be subject to the obligations of its predecessor in interest under this Agreement.

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GAS TRANSPORTATION AGREEMENT  
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ARTICLE XV

MISCELLANEOUS

- 15.1 THE INTERPRETATION AND PERFORMANCE OF THIS CONTRACT SHALL BE IN ACCORDANCE WITH AND CONTROLLED BY THE LAWS OF THE STATE OF TEXAS, WITHOUT REGARD TO THE DOCTRINES GOVERNING CHOICE OF LAW.
- 15.2 If any provision of this Agreement is declared null and void, or voidable, by a court of competent jurisdiction, then that provision will be considered severable at either Party's option; and if the severability option is exercised, the remaining provisions of the Agreement shall remain in full force and effect.
- 15.3 Unless otherwise expressly provided in this Agreement or Transporter's Gas Tariff, no modification of or supplement to the terms and provisions stated in this Agreement shall be or become effective until Shipper has submitted a request for change through PASSKEY and Shipper has been notified through PASSKEY of Transporter's agreement to such change.
- 15.4 Exhibit "A" attached hereto is incorporated herein by reference and made a part hereof for all purposes.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed as of the date first hereinabove written.

TENNESSEE GAS PIPELINE COMPANY

BY: \_\_\_\_\_

Agent and Attorney-in-Fact

SHIPPER: SOUTH JERSEY RESOURCES GROUP, LLC

BY: \_\_\_\_\_

TITLE: \_\_\_\_\_

DATE: \_\_\_\_\_

**GAS TRANSPORTATION AGREEMENT  
EXHIBIT "A"**  
TO GAS TRANSPORTATION AGREEMENT  
DATED November 1 , 2010  
BETWEEN  
TENNESSEE GAS PIPELINE COMPANY  
AND  
SOUTH JERSEY RESOURCES GROUP, LLC

SOUTH JERSEY RESOURCES GROUP, LLC  
EFFECTIVE DATE OF AMENDMENT: November 1 , 2010  
RATE SCHEDULE: FT-A  
SERVICE PACKAGE: 77776  
SERVICE PACKAGE TQ: 10000 Dth

METER	METER NAME	INTERCONNECT PARTY NAME	COUNTY	ST	ZONE	R/D	LEG	TOTAL-TQ	BILLABLE-TQ
012181	WRIGHT SMS	IROQUOIS GAS TRANSMISSION SYSTEM	SCHOHARIE	NY	05	R	200	10000	10000
021018	DUKE HANGING ROCK	DUKE ENERGY OHIO, INC.	SCIOTO	OH	04	D	200	10000	10000
							Total Receipt TQ	10000	10000
							Total Delivery TQ	10000	10000

NUMBER OF RECEIPT POINTS: 1  
NUMBER OF DELIVERY POINTS: 1

**Note: Exhibit "A" is a reflection of the contract and all amendments as of the amendment effective date.**

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Amendment No: 0

GAS TRANSPORTATION AGREEMENT  
(For Use Under FT-A Rate Schedule)

**Amendment - A**