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January 27, 2011

Ms. Stacey M. Barnes
Manager Business Expansion
South Jersey Energy Company, Inc.
1 South Jersey Plaza
Folsom, NJ 08037

Re: DM 10-297, South Jersey Energy Company, Inc.
Initial Registration as a Competitive Natural Gas Supplier

Dear Ms. Barnes:

On October 25, 2010, South Jersey Energy Company, Inc. (SJE) filed with the New Hampshire Public Utilities Commission (Commission) an application for registration as a competitive natural gas supplier (CNGS). That application was docketed as Docket No. DM 10-203. In accordance with terms spelled out in the Commission's letter dated October 13, 2010 in that docket the registration application fee in the amount of \$500.00 from that docket is transferred to the instant docket. After an initial review of the application by Commission Staff, certain deficiencies and omissions in the registration application were forwarded to Ms. Stacey Barnes of SJE in a telephone conference on December 1, 2010.

On December 8, 2010, SJE filed supplemental information to its application and withdrew its request to waive Puc 3003.01(d)(2) which requires that a CNGS be an approved shipper on the upstream pipelines on which the LDC will assign capacity. SJE noted that it was in the process of becoming an approved shipper on Tennessee Gas Pipeline. At the same time, SJE requested that the \$100,000 License/Permit Bond filed in DM 10-203 be transferred to this registration, similar to what was done with the application fee.

On January 13, 2011, SJE filed documentation supporting Puc 3003.01(d)(2). On January 21, 2011, SJE filed an updated surety bond with a term that will be continuous and requiring a minimum 60 day written notice to the Commission prior to its termination.

The Commission has reviewed SJE's application for registration as a CNGS and all supporting documents submitted in the docket. Its application, with the Surety Bond, meets the requirements for registration pursuant to N.H. Code Admin. Rules Puc 3003.01-3003.03. Therefore, the Commission will approve SJE's application as a CNGS

in the State of New Hampshire, with the registration to be effective February 1, 2011. This registration will expire either at the end of business on January 31, 2016 or upon the termination or expiration of the Surety Bond, whichever is earlier.

Additionally, please bear in mind the following provisions of Puc 3003:

Pursuant to Puc 3003.03 (a)(6), each CNGS shall adjust the amount of its instrument of financial security annually, if necessary based upon its customers' combined usage, under Puc 3003.03 (a)(2) b. or c. The CNGS shall report to the Commission its monthly and annual usage for the prior year ending March 31, as used to determine the amount of the security, on or before May 31 of each year.

Pursuant to Puc 3003.02 (a), each CNGS applicant shall re-register with the Commission every 5 years by filing an application for renewal. Each CNGS applicant shall file an application for renewal at least 60 days prior to the expiration of its registration.

Pursuant to Puc 3003.02 (b), each CNGS shall include on each renewal application an update, including any changes, to all information contained in the previous application. If a CNGS fails to meet its re-filing obligation, the original registration shall expire.

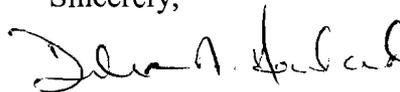
Pursuant to Puc 3003.01 (i), a CNGS shall notify any LDC in whose service territory it intends to do business of the filing of its registration or renewal application at the time its files such application with the Commission.

Pursuant to Puc 3003.03(d), with each application for renewal, each CNGS shall file, on a confidential basis, a report listing any aggregators currently using the CNGS to provide service to New Hampshire customers, and the number of customers served by each listed aggregator.

Accordingly, SJE's application for renewal would be due on or before December 3, 2015 and its monthly and annual usage reporting will be due on or before May 31 of each year.

Use the link below to access N.H. Code Admin. Rules Puc 3000 regarding competitive natural gas supplier and aggregator rules (<http://www.puc.nh.gov/Regulatory/Rules/PUC3000.pdf>). If you have any questions regarding these provisions, please contact the Commission.

Sincerely,



Debra A. Howland
Executive Director