

South Jersey Industries' (SJI) Investments in Infrastructure Support Keeping Energy Safe, Reliable, and Affordable



Ongoing infrastructure investment is necessary to maintain safety, reliability, and cost stability for New Jersey customers. Deferring investment increases risk and can lead to higher long-term costs.



The Role Of Infrastructure Investment

Infrastructure investment is essential to maintaining a safe, reliable, and efficient energy system that supports customers today and enables future energy solutions.

- SJI's system includes more than 19,000 miles of pipeline, enough pipe to go from New York to Los Angeles seven times, forming the backbone of reliable energy delivery across New Jersey
- Continued investment in gas infrastructure supports dependable service, including no unplanned outages during the 2026 record cold snap
- Supports the integration of lower-carbon fuels, including renewable natural gas (RNG) from landfills and hydrogen blended with natural gas, by using existing infrastructure where practical to reduce emissions



The Cost of Deferring Investment

Deferring infrastructure investment increases safety risks and long-term costs for customers.

- Aging infrastructure can lead to **higher maintenance costs** and **increased risk of service interruptions**
- Delaying investment leads to **emergency repairs that can cost more than planned replacements**, creating upward pressure on customer bills
- Delaying proactive upgrades can **increase reliance on larger, more costly system upgrades** later, including alternative energy infrastructure needed to maintain reliability



Managing Long-Term Costs

Investing in infrastructure today helps reduce the risk of higher costs later by supporting safe, efficient operations.

- Reduces the need for costly emergency repairs
- Limits the likelihood of larger system-wide upgrades later
- Supports more predictable customer bills



Supporting New Jersey's Energy Future

SJI's gas system can serve as a platform for lower-carbon fuels as New Jersey's energy needs evolve.

- Supports integration of RNG
- Positioned for future hydrogen use
- Helps to maintain a resilient, diversified energy system

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South Jersey Industries (SJI) is investing in infrastructure to help deliver safe, reliable, and affordable energy when customers need it most.

INFRASTRUCTURE INVESTMENT CASE STUDIES

Infrastructure Investment Program (IIP) – New Jersey

SJI utilities South Jersey Gas (SJG) and Elizabethtown Gas (ETG) use IIPs to modernize the gas system by replacing aging infrastructure and enhancing safety and reliability.

- **\$200 million** SJG program approved in 2022 to upgrade system infrastructure
- SJG is replacing **250 miles of aging pipeline** in southern New Jersey
- ETG replaced **250 miles of pipeline in northern New Jersey**, plus an additional **75 miles of at-risk infrastructure** completed in 2025
- ETG has **employed ~280 full-time contractors annually** over the last five years as a result of its infrastructure capital investments

New Sentury Pump Station – South Harrison Township, NJ

The New Sentury Pump Station is a \$69 million infrastructure investment that strengthens system reliability by maintaining consistent gas pressure during peak demand and extreme weather. It enhances system flexibility and ensures customers can rely on energy for home heating when it is needed most.

- Supports **reliable service across ~400,000 customers** in South Jersey
- Maintains **consistent system pressure during extreme weather and peak demand**
- **Created ~275 jobs** during construction
- Helps **reduce the risk of service interruptions** during high-demand events

McKee City LNG Facility – Hamilton Township, NJ

Erie St. LNG Facility – Elizabeth, NJ

The McKee City and Erie St. LNG facilities strengthen system reliability by storing natural gas and supplying it during periods of peak demand, such as extreme cold. This ensures consistent energy delivery when capacity is constrained and demand is highest.

- Provides **multiple days of critical supply during peak demand** periods, helping ensure reliable service during extreme cold
- Helps **reduce exposure to price spikes** by storing gas when demand is lower and used when needed most
- **Serving multiple territories**, Southern NJ (SJG) and Union County NJ (ETG)