



New Jersey Board of Public Utilities

NEWS RELEASE

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Contact:
Susanne LaFrankie
(609) 292-0701
J. Gregory Reinert
(609) 777-3305

N.J. Board of Public Utilities Amends Prior Orders Approving Proposed Pipeline Project following Appellate Division Decision

- Approval conditioned upon the Pinelands Commission's issuance of a final determination -

TRENTON, N.J. – The N.J. Board of Public Utilities (Board) today amended its prior Pipeline Safety and Municipal Land Use Orders that authorized South Jersey Gas Company (SJG) to construct a proposed 21.6 mile natural gas transmission pipeline to condition its approval upon the N.J. Pinelands Commission's issuance of a final decision finding that the pipeline is consistent with the Pinelands Comprehensive Management Plan (CMP). The Board entered the Orders in response to the Appellate Division's decision regarding appeals of the Board's Orders.

In a decision issued on November 7, 2016, the Appellate Division affirmed the Board's decisions issued on July 23, 2015, and December 16, 2015, but remanded the matters to the Board for the entry of amended Orders so that the approval of the Pipeline is conditioned upon the N.J. Pinelands Commission's entry of a final decision finding that the Pipeline is consistent with the minimum standards of the CMP. The Board approved the amended Orders, which specify the Board's "approval of the pipeline and its construction is conditioned upon the issuance by the (Pinelands) Commission of a final decision finding that the pipeline is consistent with the minimum standards of the Comprehensive Management Plan (CMP)" and "approval of SJG's petition under N.J.S.A. 40:55D-19 is conditioned upon the Pinelands Commission's issuance of a final determination finding that the Pipeline meets the minimum standards of the CMP."

Today's Board action is the fifth in a series of matters before the Board concerning the proposed pipeline. The Board first issued an Order in April 2013 approving a gas service agreement between SJG and the B.L. England facility owner, R.C. Cape May Holdings Corporation. In June 2013, the Board approved the route, finding that the proposed pipeline meets the pipeline safety requirements of N.J.A.C. 14:7 and federal safety requirements, and authorized SJG to construct the proposed 21.6 mile natural gas transmission pipeline. In July 2015, the Board approved two (2) amendments to its prior June 2013 Order, adding a restriction that SJG cannot connect any new customer to that portion of the pipeline located within the Pineland's Forest Area without first obtaining the Board's approval, and relocating a planned interconnection and regulator station site from an area within the Forest Area to a location outside the Forest Area.

On December 16, 2015, the Board issued an Order pursuant to N.J.S.A. 40:55D-19 of the Municipal Land Use Law finding that zoning, site plan review and all other municipal land use ordinances and regulations shall not apply to the project.

SJG's proposed 21.6 mile natural gas transmission pipeline is intended to serve the B.L. England power plant at Beesley's Point in Upper Township and will also increase reliability of service through redundancy improvements for customers in Atlantic and Cape May Counties. The project will provide redundancy for 142,000 SJG customers, while the conversion of the power plant from coal, oil and diesel fuels to cleaner natural gas will improve the environment and maintain electric service grid reliability.

Due to environmental concerns, SJG identified six (6) alternate routes for the pipeline. The New Jersey Department of Environmental Protection (DEP) concluded that the chosen route has the least environmental impact of the other alternate routes based upon wetlands impacts, potential adverse impacts to threatened and endangered species habitat and minimization of stream and open water crossings. DEP and the Army Corps of Engineers are the governmental agencies with the expertise concerning environmental permitting issues, and they have determined that the project and route comply with relevant standards.

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