



Agenda Date: 7/29/16

Agenda Item: IIF

**STATE OF NEW JERSEY**  
**Board of Public Utilities**  
**44 South Clinton Avenue, 3<sup>rd</sup> Floor, Suite 314**  
**Post Office Box 350**  
**Trenton, New Jersey 08625-0350**  
**[www.nj.gov/bpu/](http://www.nj.gov/bpu/)**

ENERGY

IN THE MATTER OF THE PETITION OF SOUTH )  
JERSEY GAS COMPANY FOR APPROVAL OF A )  
MUNICIPAL CONSENT IN THE CITY OF VINELAND, )  
CUMBERLAND COUNTY, NEW JERSEY ) DECISION AND ORDER  
DOCKET NO. GE15101212

**Parties of Record:**

**Stacy M. Barnes, Esq.**, South Jersey Gas Company  
**Stefanie A. Brand, Esq.**, New Jersey Division of Rate Counsel

BY THE BOARD:

South Jersey Gas Company ("SJG" or "Company"), a regulated utility subject to the jurisdiction of the Board of Public Utilities ("Board"), is a corporation duly organized under the laws of the State of New Jersey engaged in the business of transmission and distribution of natural gas to approximately 360,000 customers within its service territory.

SJG currently provides natural gas service within the City of Vineland ("City") to approximately 16,087 residential, 1,594 commercial customers and seventy-four (74) industrial customers. The Company's consent to use the streets within the City for the provision of gas service expired on September 16, 1997,<sup>1</sup> pursuant to the fifty (50) year statutory limitation set forth in N.J.S.A. 48:3-15. A copy of the original ordinance is attached to this Order as Exhibit "A". On September 15, 2015, pursuant to Ordinance No. 2015-33, the City renewed its consent and granted SJG continued permission to lay and construct its pipes, mains, and related appurtenances and facilities within the streets, alleys, squares and public places within the City for a period of fifty (50) years to furnish gas service in the City. By letter dated October 19, 2015, the Company accepted and agreed to the terms of the consent. Copies of the Ordinance and the letter of acceptance are attached to this Order as Exhibits "B" and "C" respectively.

<sup>1</sup> The Board notes that municipal consents often expire some time prior to their renewal even when the Company initiates the renewal process prior to the expiration of the previous term. This is primarily the result of the time necessary for a municipality to fulfill the legal requirements that attend to all formal actions it must take along with the additional time for hearing and Board approval as required by law. The Board has been assured that pending review of its petition, SJG has continued to provide service to its customers within the City in an uninterrupted manner.

On October 26, 2015, pursuant to N.J.S.A. 48:2-14 and N.J.A.C. 14:1-5.5, SJG filed a petition requesting that the Board approve the consent adopted by the City. As required by law and after notice, a hearing in this matter was held on February 17, 2016. William Agee, Esq., the Board's duly appointed hearing officer, presided over the hearing. Appearances were made on behalf of the Company, the Division of Rate Counsel ("Rate Counsel") and Board Staff. No other party participated in the hearing or filed any written submission with the Board related to this proceeding.

At the hearing, the Company relied on its petition and exhibits filed with the Board and presented the testimony of Joseph Schneider, its General Manager of System Engineering and Planning. According to the petition, SJG anticipates growth in its defined service territory to be approximately one (1) percent annually for the next three (3) to five (5) years. Mr. Schneider testified that the Company has the capacity to meet the existing and future needs of customers within the municipality.

Rate Counsel, in its written comments to the petition dated March 15, 2016, indicated that it does not object to the Company's petition, and noted that the term of the municipal consent related to the use of streets is limited to fifty (50) years. However, Rate Counsel requests that approval of the petition include certain restrictions which are incorporated in this Order.

Following its receipt of Rate Counsel's comments, SJG filed correspondence with the Board on March 17, 2016 indicating that it had no additional comments.

After a full review of the entire record, the Board **HEREBY FINDS** that the municipal consent for use of the streets, which is the subject of this matter, is necessary and proper for the public convenience and properly serves the public interest, and that SJG has the ability to continue to provide safe, adequate and proper service. The Board **FURTHER FINDS** that the Company has the necessary experience, financial capability, capacity, and facilities in the City to continue to provide adequate and appropriate service to its existing customers, as well as expected future customers, and that the fifty (50) year duration of the municipal consent to use the streets is consistent with N.J.S.A. 48:3-15. Accordingly, the Board, pursuant to N.J.S.A. 48:2-14, **HEREBY APPROVES** the consent granted to SJG by the City to continue to provide gas service, and for the continued use of its public streets for that purpose for a period of fifty (50) years.

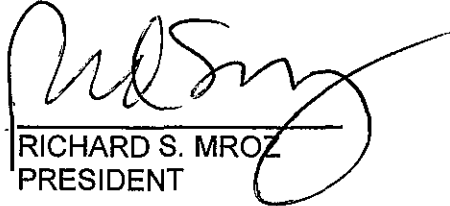
The approval granted hereinabove shall be subject to the following provisions:

1. This Order shall not be construed as directly or indirectly fixing for any purposes whatsoever the value of any tangible or intangible assets now owned or hereafter to be owned by SJG.
2. This Order shall not effect nor in any way limit the exercise of the authority of this Board of the State in any future petition or in any proceedings with respect to rates, franchises, services, financing, accounting, capitalization, depreciation, or in any other matters affecting SJG.

This Order shall be effective as of August 8, 2016.

DATED: 7/29/16

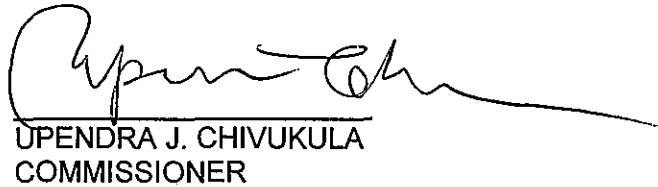
BOARD OF PUBLIC UTILITIES  
BY:

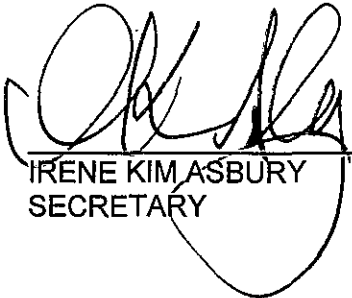
  
RICHARD S. MROZ  
PRESIDENT

  
JOSEPH L. FIORDALISO  
COMMISSIONER

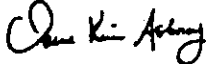
  
MARY-ANNA HOLDEN  
COMMISSIONER

  
DIANNE SOLOMON  
COMMISSIONER

  
UPENDRA J. CHIVUKULA  
COMMISSIONER

ATTEST:   
IRENE KIM ASBURY  
SECRETARY

I HEREBY CERTIFY that the within  
document is a true copy of the original  
in the files of the Board of Public Utilities.



IN THE MATTER OF THE PETITION OF SOUTH JERSEY GAS COMPANY FOR APPROVAL  
OF A MUNICIPAL CONSENT IN THE CITY OF VINELAND, CUMBERLAND COUNTY, NEW  
JERSEY - DOCKET NO. GE15101212

SERVICE LIST

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**South Jersey Gas Company:**

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[sbarnes@sjindustries.com](mailto:sbarnes@sjindustries.com)

**City of Vineland:**

Clerk, Board of Chosen Freeholders  
164 West Broad Street  
Bridgeton, NJ 08302

Christine A. Scarpa  
Deputy Municipal Clerk  
City of Vineland  
640 E. Wood Street  
Vineland, NJ 08362

# Exhibit A

ORDINANCE NO. 388

AN ORDINANCE GIVING AND GRANTING CONSENT AND PERMISSION TO SOUTH JERSEY GAS COMPANY TO FURNISH GAS FOR LIGHT, HEAT AND POWER IN THE BOROUGH OF ~~VINELAND~~ IN THE COUNTY OF ~~CUMBERLAND~~

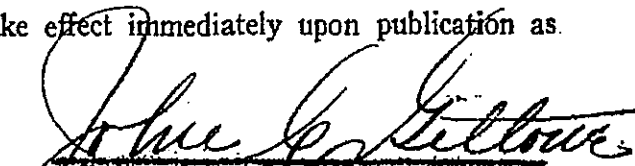

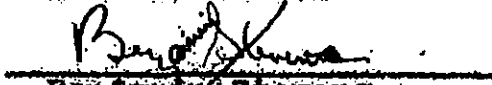
~~Board of Commissioners~~  
BE IT ORDAINED by the ~~Borough Council~~ of the Borough of ~~Vineland~~ in the County of ~~Cumberland~~ :

1. That consent and permission to furnish gas for light, heat and power in the Borough of ~~Vineland~~ in the County of ~~Cumberland~~ is hereby given and granted to South Jersey Gas Company, subject to approval of such consent and permission by the Board of Public Utility Commissioners of the State of New Jersey.

2. The said South Jersey Gas Company shall lay and construct its pipes and mains within the Borough in the manner required by R.S. 48:9-21 and subject to reasonable regulations with respect to the opening of streets and public places imposed by the ~~Borough Council~~ ~~Board of Commissioners of the Borough of Vineland.~~

3. South Jersey Gas Company shall within thirty (30) days after the passage of this ordinance file with the Borough Clerk a bond in the amount of One Thousand Dollars (\$1,000) conditioned for the restoration of any street or public place which may be opened by it in a manner satisfactory to the ~~Borough Council~~ ~~Board of Commissioners of the Borough of Vineland.~~

4. This ordinance shall take effect immediately upon publication as required by law.

  
John G. Stevens, Mayor  
  
Anna G. Cassell  
  
Benjamin Stevens

ATTEST:

I, **LEON R. HARKIN**, Clerk of the  
Borough of **Vineland**, in the County of  
**Cumberland**, do hereby certify that the foregoing

ordinance granting consent and permission to the South Jersey Gas Company  
to furnish gas for light, heat and power in the Borough of **Vineland**

, in the County of **Cumberland**,

is a true copy of said ordinance as introduced at a meeting of the **Board of**  
**Commissioners** ~~Borough~~  
~~Council~~ of said Borough held on the **19th** day of **August**, 1947,  
**Board.**  
and finally passed at a meeting of said ~~Council~~ held on the **16th** day of  
**September**, 1947.

  
.....  
**Leon R. Harkin** Borough Clerk



KNOW ALL MEN BY THESE PRESENTS, that SOUTH JERSEY GAS COMPANY, a corporation of the State of New Jersey, hereinafter called "Obligor," is held and firmly bound unto ~~the~~

**BOROUGH OF VINELAND, in the County of Cumberland,**

hereinafter called "Obligee," in the sum of ~~One thousand dollars (\$1,000.00)~~ **Five thousand dollars (\$5,000.00)** lawful money of the United States of America, for the payment whereof said Obligor binds itself and its successors firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH that if the Obligor shall properly and in a good workmanlike manner restore any street or public place which may be opened by it in a manner satisfactory to Obligee, then this obligation shall be null and void; otherwise to be and remain in full force and effect.

IN WITNESS WHEREOF, said Obligor has caused its corporate seal to be hereto affixed and this bond to be signed by its Vice-President and attested by its Secretary, this **1st** day of **October**, 1947. **\*One thousand dollars\* changed to \$5,000.00 before execution.**

SOUTH JERSEY GAS COMPANY.

(Signed)

By..... **E. J. Maneray**.....  
Vice-President

ATTEST:

**Form and execution approved**

**W. H. Feller**..... (Signed) **Philip L. Lippert**  
Secretary **Solicitor for Obligee**

S E A L

I, clerk of said Obligee, do hereby certify that the foregoing is a true copy of the bond filed on the **14th** day of **October**, 1947, by said Obligor with said Obligee in compliance with Section 4 of the ordinance granting consent and permission to Obligor to furnish gas for light, heat and power in the municipality of Obligee.

# Exhibit B

CITY OF VINELAND

ORDINANCE NO. 2015-33

AN ORDINANCE GRANTING RENEWED CONSENT AND PERMISSION TO SOUTH JERSEY GAS COMPANY TO USE THE PUBLIC STREETS TO FURNISH GAS FOR LIGHT, HEAT AND POWER IN THE CITY OF VINELAND

WHEREAS, South Jersey Gas Company, a corporation of the State of New Jersey, provides natural gas service to the City of Vineland pursuant to the municipal consent first granted to South Jersey Gas Company in that certain Ordinance No. 388 adopted on September 16, 1947 in the Borough of Vineland, now City of Vineland; and

WHEREAS, South Jersey Gas Company now seeks, pursuant to N.J.S.A. 48:3-15, the consent of the City of Vineland to renew Paragraph 2 of Ordinance No. 388 applicable to the use of the streets in the Borough of Vineland, now the City of Vineland, by adopting this Ordinance;

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF VINELAND, County of Cumberland and State of New Jersey as follows:

Section 1. That exclusive consent and permission is hereby renewed and granted to South Jersey Gas Company to lay and construct its pipes and mains and related appurtenances and facilities within the streets, alleys, squares and public places within the City of Vineland in the manner prescribed by N.J.S.A. 48:9-21, and subject to reasonable regulations imposed by ordinance or resolution with respect to the opening of streets and public places, subject to approval of such consent and permission by the Board of Public Utilities.

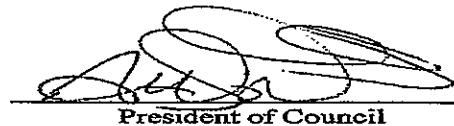
Section 2. This consent is granted for the entire geographical area of the City of Vineland and extend to the boundaries of the City of Vineland and shall remain in effect for a period of fifty (50) years from the date of final adoption of this Ordinance.

Section 3. If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held by any Court of competent jurisdiction to be unconstitutional or invalid, such decision shall not affect the remaining portions of this Ordinance.

Section 4. This Ordinance shall take effect immediately upon posting, publication, final passage in the manner prescribed by law, and acceptance by South Jersey Gas Company.

Passed first reading: August 25, 2015

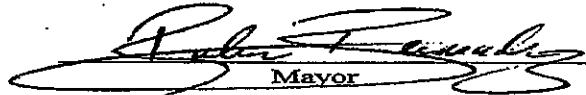
Passed final reading: September 8, 2015



President of Council

arf

Approved by the Mayor: September 15, 2015



Mayor


rb

ATTEST:

  
Deputy City Clerk                      cas

I, Christine Scarpa, Deputy Municipal Clerk of the City of Vineland, Cumberland County, New Jersey, do hereby certify that the foregoing Ordinance is a true and correct copy of an Ordinance adopted by the Council of the City of Vineland at a meeting held on September 8, 2015, at City Hall, Vineland, New Jersey, and approved by the Mayor of the City of Vineland, New Jersey, on September 15, 2015.

(SEAL)

  
Christine A. Scarpa,  
Deputy Municipal Clerk

# Exhibit C



**South Jersey Gas**

*Where we put all of our energy\**

**Stacey M. Barnes, Esq.**  
Director, Legal Compliance  
*Office of General Counsel and Corporate Secretary*

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October 19, 2015

(Via Certified Mail & E-mail: [cscarpa@vinelandcity.org](mailto:cscarpa@vinelandcity.org))

Christine A. Scarpa  
Deputy Municipal Clerk  
640 E. Wood Street  
Vineland, NJ 08362

Re: Acceptance of Ordinance No. 2015-33 Granting Municipal Consent to South Jersey Gas Company to Use the Streets for the Provision of Natural Gas Service

Dear Ms. Scarpa:

I am writing on behalf of South Jersey Gas Company ("SJG") to advise that we received a fully executed copy of Ordinance No. 2015-33 (copy attached) granting municipal consent for SJG to provide gas and lay its mains and pipes in the City of Vineland. Pursuant to the requirements of N.J.S.A. 48:3-16, SJG hereby accepts Ordinance No. 2015-33, as passed.

Please do not hesitate to call if you have any questions. Thank you.

Very truly yours,

Stacey M. Barnes, Esq.  
Director, Legal Compliance  
[sbarnes@sjindustries.com](mailto:sbarnes@sjindustries.com)

SMB/Injm

Enclosure

cc: John Stanziola, Director, Regulatory Affairs  
Abbey Greenberg, Public Affairs Specialist

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1 South Jersey Plaza, Folsom, New Jersey 08037 ♦ [www.sjindustries.com](http://www.sjindustries.com)  
Tel. 609-581-9000 ♦ Fax 609-581-1012 ♦ TDD Only 1-800-547-9085