



STATE OF NEW JERSEY
Board of Public Utilities
Two Gateway Center
Newark, NJ 07102
www.nj.gov/bpu/

ENERGY

IN THE MATTER OF THE PETITION OF)
NEW JERSEY NATURAL GAS FOR APPROVAL) DECISION AND ORDER
OF A MUNICIPAL FRANCHISE IN THE)
TOWNSHIP OF BARNEGAT,)
OCEAN COUNTY) DOCKET NO. GE09030191

(SERVICE LIST ATTACHED)

BY THE BOARD:

New Jersey Natural Gas ("NJNG" or "Company"), a regulated utility subject to the jurisdiction of the Board of Public Utilities (the "Board"), is a corporation duly organized under the laws of the State of New Jersey engaged in distribution and transportation of natural gas. NJNG distributes natural gas and provides transportation service to over 476,000 residential, commercial and industrial customers located in Monmouth County, Ocean County and parts of Middlesex County, New Jersey.

NJNG is currently providing natural gas service within the Township of Barnegat ("Township") in Ocean County, New Jersey. The Company's current franchise with the Township will expire on June 4, 2009.

On February 17, 2009, the Township, by resolution, renewed NJNG's franchise for a period of fifty (50) years. A copy of this resolution is attached as Exhibit "A" to this Order. By letter dated February 23, 2009, NJNG accepted and agreed to the terms and conditions of the franchise pursuant to N.J.S.A. 48:3-16, which acceptance is attached as Exhibit "B" to this Order.

On March 5, 2009, pursuant to N.J.S.A. 48:2-14 and N.J.A.C. 14:1-5.5, NJNG filed a petition requesting that the Board give its approval to the consent adopted by the Township. As required by law, and after appropriate and sufficient notice, a hearing in this matter was held on May 13, 2009, at the Board's Newark offices before Carol Artale, Esq., the Board's duly designated Hearing Officer. Appearances were made on behalf of the Company, the Department of the Public Advocate's Division of Rate Counsel ("Rate Counsel") and Board Staff. Rate Counsel did not object to the approval of the relief requested by NJNG. No other party participated in the hearing or filed any written submission with the Board related to this proceeding.

At hearing, the Company relied on the petition and exhibits filed with the Board and presented its manager of engineering, John Wykoff, as a witness.

After a full review of the entire record, the Board HEREBY FINDS that the municipal consent, which is the subject of this matter, is necessary and proper for the public convenience and properly conserves the public interest and that the Company has the necessary experience, financial capability and facilities as well as the ability to install the appropriate infrastructure to allow it to provide safe, adequate and proper service in the Township. Accordingly, the Board, pursuant to N.J.S.A. 48:2-14, HEREBY APPROVES the consent granted to NJNG by the Township for the provision of gas utility service in the Township as sought in NJNG's petition at rates set out in the Company's current tariff which has been approved by and is on file with the Board. Said rates shall remain in effect until otherwise approved by the Board.


The approvals 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 NJNG.
2. This Order shall not effect nor in any way limit the exercise of the authority of this Board or of this 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 NJNG.
3. In an appropriate subsequent proceeding, NJNG shall have the burden of demonstrating whether, and to what extent, any of the costs associated with this petition shall be allocated to ratepayers.

4. Approval of this municipal consent does not constitute Board approval of any costs or expenses associated with this petition. Any determination as to the appropriateness or reasonableness of the costs and expenses related to the franchise, including, but not limited to, cost of construction, contributions in aid of construction, depreciation on contributed plant, the cost of connection, or any related capital improvements, and the allocation of such costs and expenses, shall be made in an appropriate subsequent proceeding.

DATED: 6/10/09

BOARD OF PUBLIC UTILITIES
BY:



JEANNE M. FOX
PRESIDENT



FREDERICK F. BUTLER
COMMISSIONER



JOSEPH L. FIORDALISO
COMMISSIONER



NICHOLAS ASSELTA
COMMISSIONER



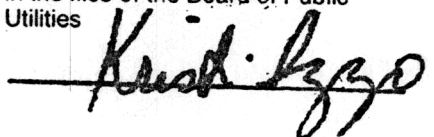
ELIZABETH RANDALL
COMMISSIONER

ATTEST:



KRISTI IZZO
SECRETARY

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



KRISTI IZZO

TOWNSHIP OF BARNEGAT

WHEREAS New Jersey Natural Gas Company, its successors and assigns, obtained the consent of the Township of Barnegat ("Municipality") to exercise its franchise rights by ordinance originally dated June 4, 1959, to lay and maintain gas mains, pipes and service pipes, in and under the surface of any or all of the roads, streets, avenues, highways and public places, for the purpose of furnishing gas therein; and

WHEREAS said consent is limited to a period of fifty (50) years, and, by the terms thereof, expires on June 4, 2009; and

WHEREAS New Jersey Natural Gas Company is desirous of obtaining consent of the Municipality to continue serving the Municipality;

NOW, THEREFORE, BE IT RESOLVED THAT New Jersey Natural Gas Company be and hereby is authorized to lay, maintain, and operate its conductors, mains, and pipes together with the appurtenances thereto in all the public streets, alleys, squares and public places in the Township of Barnegat, for the purpose of conducting, transmitting and distributing gas, or any mixture of gases of various types, including natural gas, in this Municipality for a period of fifty (50) years from the date hereof, upon the following terms and conditions:

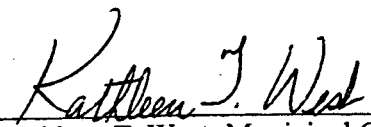
New Jersey Natural Gas Company shall agree that, in all cases in which street openings or excavations are made for the purposes aforesaid, the pavement and surface of the streets alleys, squares or roadways shall be restored to the same condition as existed prior to the opening thereof; and

New Jersey Natural Gas Company shall conduct the work of laying or repairing gas mains and pipe lines in a careful and prudent manner.

BE IT FURTHER RESOLVED that New Jersey Natural Gas Company shall file with the clerk of this Municipality, within sixty (60) days from date hereof, its acceptance of the terms and provisions of the franchise consent herein granted and its agreement to be bound by the terms and provisions thereof;

BE IT FURTHER RESOLVED that this resolution shall not become effective until it is approved by the Board of Public Utilities of the State of New Jersey.

This is to certify that the attached is a true copy of the resolution adopted by the Borough Council of the Township of Barnegat at a meeting held on FEB 17, 2009


Kathleen T. West, Municipal Clerk

Dated: 2/17/09



February 23, 2009

Honorable Kay West, R.M.C.
Municipal Clerk
Barnegat Township
900 West Bay Avenue
Barnegat, New Jersey 08005

**Re: Request for Approval of Franchise
RESOLUTION 2009-162, Dated February 17, 2009**

Dear Ms. West,

New Jersey Natural Gas Company ("NJNG") hereby accepts the terms and provisions of the Franchise Consent granted by the Mayor and Borough Council on February 17, 2009 and hereby agrees to be bound by the terms and provisions thereof.

Please be advised that NJNG will present the resolution to the New Jersey Board of Public Utilities (BPU) for approval. We will provide you with a copy of the final Decision and Order upon its issuance from the BPU.

Very truly yours,

A handwritten signature in black ink that reads "Tracey Thayer".

Tracey Thayer, Esq.
Director, Regulatory Affairs Counsel

TT:fk



In the Matter of the Petition of New Jersey Natural Gas for Approval of a Municipal Franchise in
the Township of Barnegat, Ocean County

BPU DOCKET NO. GE09030191

SERVICE LIST

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Honorable Kathleen T. West
Municipal Clerk
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