



Agenda Date: 7/29/16

Agenda Item: IIG

STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 3rd Floor, Suite 314
Post Office Box 350
Trenton, New Jersey 08625-0350
www.nj.gov/bpu/

ENERGY

IN THE MATTER OF THE PETITION OF SOUTH)
JERSEY GAS COMPANY FOR APPROVAL OF A)
MUNICIPAL CONSENT IN THE TOWNSHIP OF)
WASHINGTON, GLOUCESTER COUNTY, NEW)
JERSEY) DOCKET NO. GE15101197

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 Township of Washington ("Township") to approximately 14,088 residential, 1,160 commercial customers, and seven (7) industrial customers. The Company's consent to use the streets within the Township for the provision of gas service expired on November 5, 1997,¹ 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 10, 2015 pursuant to Ordinance No. 13-2015, the Township 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 Township for a period of fifty (50) years to furnish gas service in the Township. By letter dated October 5, 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.

¹ 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 Township in an uninterrupted manner.

On October 19, 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 Township. 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 Township 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 Township 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.

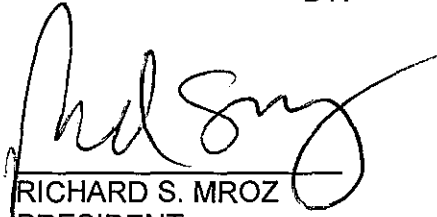
The approval granted hereinabove shall be subject to the following provisions:

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.

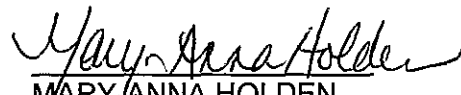
This Order shall be effective as of August 8, 2016.

DATED: 7/29/16

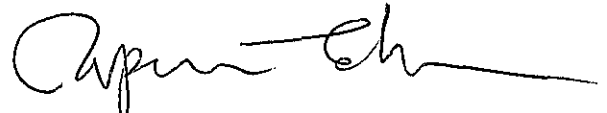
BOARD OF PUBLIC UTILITIES
BY:


RICHARD S. MROZ
PRESIDENT

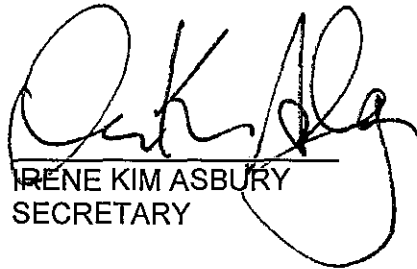

JOSEPH L. FIORDALISO
COMMISSIONER


MARY-ANNA HOLDEN
COMMISSIONER

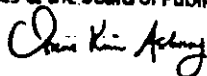

DIANNE SOLOMON
COMMISSIONER


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 TOWNSHIP OF WASHINGTON, GLOUCESTER
COUNTY, NEW JERSEY - DOCKET NO. GE15101197

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Township of Washington:

Clerk, Board of Chosen Freeholders
2 South Broad Street
Woodbury, NJ 08096

Jill S. McCrea, RMC
Township Clerk
Township of Washington
523 Egg Harbor Road
Sewell, NJ 08080

Exhibit A

(1st Co)

AN ORDINANCE GIVING AND GRANTING CONSENT AND PERMISSION TO SOUTH JERSEY GAS COMPANY TO FURNISH GAS FOR LIGHT, HEAT AND POWER IN THE TOWNSHIP OF **WASHINGTON,** IN THE COUNTY OF **GLOUCESTER**

BE IT ORDAINED by the Township Committee of the Township of **Washington** in the County of **Gloucester** :

1. That consent and permission to furnish gas for light, heat and power in the Township of **Washington** in the County of **Gloucester,** 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 Township 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 Township Committee.

3. South Jersey Gas Company shall within thirty (30) days after the passage of this ordinance file with the Township 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 Township Committee.

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

Roscoe Chew
Roscoe Chew, Chairman of
Township Committee

ATTEST:
Hiram W. Jones
Hiram W. Jones, Township Clerk

I, **HIRAM W. JONES**, Clerk of the
Township of **Washington**, in the County of
Gloucester, 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 Township of **Washington**
, in the County of **Gloucester**
is a true copy of said ordinance as introduced at a meeting of the Township
Committee of said Township, held on the **3rd** day of **September**, 1947,
and finally passed at a meeting of said Committee held on the **5th** day of
November, 1947.


.....
Hiram W. Jones, Township Clerk

Exhibit B

ORDINANCE 13 – 2015

**WASHINGTON TOWNSHIP
GLOUCESTER COUNTY**

**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 TOWNSHIP OF WASHINGTON**

WHEREAS, South Jersey Gas Company, a corporation of the State of New Jersey, provides natural gas service to the Township of Washington pursuant to the municipal consent first granted to South Jersey Gas Company in a certain Ordinance passed on November 5, 1947; and

WHEREAS, South Jersey Gas Company now seeks, pursuant to N.J.S.A. 48:3-15, the consent of the Township of Washington to renew said Ordinance applicable to the use of the streets in the Township of Washington by adopting the following Ordinance.

NOW, THEREFORE, BE IT ORDAINED, by the Township Council of the Township of Washington, County of Gloucester, 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 Township of Washington 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 Township of Washington and extend to the boundaries of the Township of Washington 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 provision shall not affect the remaining portions of this Ordinance.

Section 4. This Ordinance shall take effect thirty (30) days after final passage by Council or twenty (20) days after approval by the Mayor, whichever comes first. However, this Ordinance shall not take effect unless accepted by South Jersey Gas.

All ordinances or parts of ordinances of the Township of Washington heretofore adopted that are inconsistent with any of the terms and provisions of this Ordinance are hereby repealed to the extent of the inconsistency.

Public Hearing: September 9, 2015

	NEWMAN	FAZZIO	LONGFELLOW	DONATO	MARTIN
YES	✓	✓	✓	✓	✓
ABSTAIN					
NO					
ABSENT					
RECUSE					

TOWNSHIP OF WASHINGTON

BY: Michelle Martin
Michelle Martin
Council President

ATTEST:

Jill McCrea
Jill McCrea, Township Clerk

On this 10TH day of SEPT, 2015, I hereby approve the above Ordinance.

Barbara A. Wallace
Barbara A. Wallace, Mayor

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

October 5, 2015

Via Certified Mail & E-mail: jmccrea@twp.washington.nj.us

Bill S. McCrea, RMC
Township Clerk
Township of Washington
523 Egg Harbor Road
Sewell, NJ 08080

Re: Acceptance of Ordinance No. 13-2015 Granting Municipal Consent to South Jersey Gas Company to Use the Streets for the Provision of Natural Gas Service

Dear Ms. McCrea:

I am writing on behalf of South Jersey Gas Company ("SJG") to advise that we received a fully executed copy of Ordinance No. 13-2015 (copy attached) granting municipal consent for SJG to provide gas and lay its mains and pipes in the Township of Washington. Pursuant to the requirements of N.J.S.A. 48:3-16, SJG hereby accepts Ordinance No. 13-2015, 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

MB/lnjm

Enclosure

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