

Agenda Date: 7/29/16 Agenda Item: IIE

ENERGY

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/

		ENERGI
IN THE MATTER OF THE PETITION OF SOUTH)	DECISION AND ORDER
JERSEY GAS COMPANY FOR APPROVAL OF A)	
MUNICIPAL CONSENT IN THE TOWNSHIP OF)	
MONROE, GLOUCESTER COUNTY, NEW JERSEY)	DOCKET NO. GE15101198

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 Monroe ("Township") to approximately 11,472 residential, 626 commercial customers, and 3 (three) industrial customers. The Company's consent to use the streets within the Township for the provision of gas service expired on September 11, 1997, 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 18, 2015 pursuant to Ordinance No. O:31-2015, 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 September 22, 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 14, 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 <u>HEREBY FINDS</u> 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 <u>FURTHER FINDS</u> 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 <u>N.J.S.A.</u> 48:3-15. Accordingly, the Board, pursuant to <u>N.J.S.A.</u> 48:2-14, <u>HEREBY APPROVES</u> 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.
- 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

UPENDRA J. CHIVUKULA

COMMISSIONER

DIMNNÈ SOLOMON **COMMISSIONER**

ATTEST:

TRÉNE KIM ASBÜRY **SECRETARY**

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

3

IN THE MATTER OF THE PETITION OF SOUTH JERSEY GAS COMPANY FOR APPROVAL OF A MUNICIPAL CONSENT IN THE TOWNSHIP OF MONROE, GLOUCESTER COUNTY, NEW JERSEY - DOCKET NO. GE15101198

SERVICE LIST

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Stacey M. Barnes, Esq.
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Township of Monroe:

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

Sharon Wright, Deputy Clerk Monroe Township 125 Virginia Avenue Williamstown, NJ 08094

Exhibit A

AN ORDINANCE GIVING AND GRANTING CONSENT AND PER-MISSION TO SOUTH JERSEY GAS COMPANY TO FURNISH GAS FOR LIGHT, HEAT AND POWER IN THE TOWNSHIP OF IN THE COUNTY OF

BE IT ORDAINED by the Township Committee of the Township of in the County of :

- 1. That consent and permission to furnish gas for light, heat and power in the Township of in the County of 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.

forming Estosite

APPROPRIE

Exhibit B

ORDINANCE 0:31-2015

AN ORDINANCE OF THE TOWNSHIP COUNCIL OF THE TOWNSHIP OF MONROE 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 MONROE, COUNTY OF GLOUCESTER, STATE OF NEW JERSEY

WHEREAS, South Jersey Gas Company, a corporation in the State of New Jersey, provides natural gas service to the Township of Monroe pursuant to the municipal consent first granted to South Jersey Gas Company in that certain consent is provided pursuant to local ordinance; and

WHEREAS, South Jersey Gas Company now seeks, pursuant to N.J.S.A. 48:3-15, the consent of the Township of Monroe to renew the previously adopted ordinance applicable for the use of the streets in the Township of Monroe by adopting the following Ordinance; and

WHEREAS, South Jersey Gas Company shall adhere to all the requirement for street openings and repairs consistent with Chapter 249 of the Code of the Township of Monroe entitled "Streets and Sidewalks" and any other applicable ordinances or amendments.

NOW, THEREFORE, BE IT ORDAINED by the Township Council of the Township of Monroe, County of Gloucester, State of New Jersey as follows:

SECTION I. The 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 with the township of Monroe in the manner prescribed by N.J.S.A. 4:9-21, and subject to requirements of Chapter 249 and/or any other applicable ordinances, resolutions or amendments 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 II. This consent is granted for the entire geographical area of the Township of Monroe and extend to the boundaries of the Township of Monroe and shall remain in effect for a period of fifty (50) years from the date of final adoption of this Ordinance.

SECTION III. 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 IV. All Ordinances or parts of Ordinances inconsistent with the provisions of this Ordinance are hereby repealed to the extent of such inconsistency.

LAW OFFICE OF

Charles A. Fiore

34 SOUTH MAIN STREET

F.O. BOX 525

WILLIAMSTOWN, NEW JERSEY 08094

ORDINANCE 0:31-2015

AN ORDINANCE OF THE TOWNSHIP COUNCIL OF THE TOWNSHIP OF MONROE 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 MONROE, COUNTY OF GLOUCESTER, STATE OF NEW JERSEY

SECTION V. This Ordinance shall take effect immediately after final passage and publication as required by law, and acceptance by South Jersey Gas Company.

ATTEST:

CNCL PRES, FRANK CALIGIU

TWP. CLERK, SUSAN McCORMICK, RMC OR DEPUTY CLERK, SHARON WRIGHT, RMC

CERTIFICATION OF CLERK

The foregoing Ordinance was introduced at a meeting of the Township Council of the Township of Monroe held on the 24th day of August 2015, and will be considered for final passage and adoption at a meeting of the Township Council of the Township of Monroe to be held on September 14, 2015 at the Municipal Building, 125 Virginia Avenue, Williamstown, New Jersey 08094, at which time any person interested therein will be given an opportunity to be heard

TWP. CLERK, SUSAN McCORMICK, RMC OR DEPUTY CLERK, SHARON WRIGHT, RMC

The foregoing ordinance was hereby approved by the Mayor of the Township of Monroe on this 8th day of Septembr, 2015.

ROLL CALL VOTE

. 1 st Reading							
Name	Aye	Nay	Abstain	Absent			
Cnel, Bryson Cnel, Dilks	V						
Cnel. Dilks	1	1					
Cuel. DiLucia	1/						
Cael. Heffner			V				
Cncl. McIlvaine							
Cocl. Miller	1		1				
Cncl. Pres., Caligiuri	V						
Tally:	G)				

2nd Reading					
Name	Aye,	Nay	Abstain	Absent	
Cnel. Bryson					
Cnel. Dilks	<u> </u>				
Cnel. DiLucia	/				
Cacl. Heffner			V		
Cacl. McIlvaine	1/2				
Cncl. Miller	<u> </u>				
Cncl. Pres., Caligiuri				L	
Tally:	(2				

Exhibit C



Stacey M. Barnes, Esq.
Director, Legal Compliance

Office of General Counsel and Corporate Secretary

September 22, 2015

(Via Certified Mail & E-mail: swright@monroetownshipnj.org)

Sharon Wright, Deputy Clerk Monroe Township 125 Virginia Avenue Williamstown, NJ 08094

Re:

Acceptance of Ordinance No. O:31-2015 Granting Municipal Consent to South Jersey Gas

Company to Use the Streets for the Provision of Natural Gas Service

Dear Ms. Wright:

I am writing on behalf of South Jersey Gas Company ("SJG") to advise that we received a fully executed copy of Ordinance No. O:31-2015 (copy attached) granting municipal consent for SJG to provide gas and lay its mains and pipes in the Township of Monroe. Pursuant to the requirements of N.J.S.A. 48:3-16, SJG hereby accepts Ordinance No. O:31-2015, 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

SMB/Im Enclosure

cc: John St

John Stanziola, Director, Regulatory Affairs Abbey Greenberg, Stakeholder Relations Specialist