



STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 1st Floor
Post Office Box 350
Trenton, New Jersey 08625-0350
www.nj.gov/bpu/

ENERGY

IN THE MATTER OF THE MERGER OF SOUTH)	ORDER FURTHER
JERSEY INDUSTRIES, INC. AND BOARDWALK)	MODIFYING PROCEDURAL
MERGER SUB, INC.)	SCHEDULE
)	
)	DOCKET NO. GM22040270

Parties of Record:

Brian O. Lipman, Esq., Director, New Jersey Division of Rate Counsel
Colleen A. Foley, Esq., Saul Ewing Arnstein & Lehr, IIF US Holding 2 LP, NJ Boardwalk Holdings LLC, and Boardwalk Merger Sub, Inc.
Kenneth T. Maloney, Esq., Cullen and Dykman, South Jersey Industries, Inc., SJI Utilities, Inc., South Jersey Gas, and Elizabethtown Gas
Deborah M. Franco, Esq., VP/Rates, Regulatory & Sustainability, SJI Utilities on behalf of South Jersey Industries, Inc., SJI Utilities, Inc., South Jersey Gas, and Elizabethtown Gas
Martin C. Rothfelder, Esq., Environmental Defense Fund
Steven S. Goldenberg, Esq., New Jersey Large Energy Users Coalition

BY COMMISSIONER MARY-ANNA HOLDEN:

BACKGROUND AND PROCEDURAL HISTORY

On April 25, 2022, IIF US Holding 2 LP (“IIF US 2”), NJ Boardwalk Holdings LLC (“Boardwalk”), Boardwalk Merger Sub, Inc. (“Merger Sub”), South Jersey Industries, Inc. (“SJI”), SJI Utilities, Inc. (“SJIU”), Elizabethtown Gas Company (“ETG”), and South Jersey Gas Company (“SJG”) (collectively, “Joint Petitioners”), filed a petition with the New Jersey Board of Public Utilities (“Board”) seeking authority for approval of an indirect change of control of ETG and SJG (“Joint Petition”). The proposed transaction would be effectuated by a merger of SJI and Merger Sub, a wholly-owned subsidiary of Boardwalk, which is in turn a wholly-owned, indirect subsidiary of IIF US 2 (“Proposed Transaction”).¹

On June 8, 2022, the Board retained the Joint Petition for hearing pursuant to N.J.S.A. 48:2-32, and designated myself as the Presiding Commissioner authorized to rule on all motions that arise

¹ See Joint Petition at pp. 1-2.

during the pendency of these proceedings, as well as modify any schedules that may be set as necessary to secure a just and expeditious determination of the issues.² On August 10, 2022, I granted intervenor status to the Environmental Defense Fund (“EDF”) and the New Jersey Large Energy Users Coalition (“NJLEUC”), and participant status to Atlantic City Electric Company, Public Service Electric and Gas Company, and the New Jersey Laborers-Employers Cooperation and Education Trust.³

On August 17, 2022, I issued a Prehearing Order with Procedural Schedule (“August 17 Procedural Schedule”).⁴ On October 24, 2022, I issued a Modified Procedural Schedule, and ordered that it supersede the August 17 Procedural Schedule. (“October 2022 Modified Procedural Schedule”).⁵ On November 29, 2022, I issued a Second Modified Procedural Schedule, and ordered that it supersede the October 2022 Modified Procedural Schedule (“Second Modified Procedural Schedule”).⁶

On December 28, 2022, I received correspondence from the Joint Petitioners, which is the subject of this Order and my Decision as provided below.

JOINT PETITIONERS’ DECEMBER 28, 2022 CORRESPONDENCE

Via correspondence dated December 28, 2022, the Joint Petitioners proposed “next steps” for my review and consideration (“December 2022 Correspondence”). According to the Joint Petitioners, the parties are engaged in settlement negotiations, and as such, proposed, in pertinent part, the following:

1. If a Stipulation of Settlement (“Stipulation”) is unopposed and filed with the Board of Public Utilities (“Board”) on or before January 6, 2023, the Joint Petitioners respectfully request that the Board act on this matter at its January 11, 2023 public Board Agenda session or at its next, most feasible, meeting.
2. In the event the Stipulation is not unanimous, the Joint Petitioners request that Your Honor accept written comments on the proposed stipulation, with initial comments due on or before January 13, 2023 and reply comments on January 17, 2023. Thereafter, the Joint Petitioners request

² In re the Merger of South Jersey Industries Inc. and Boardwalk Merger Sub, Inc., Order Designating Commissioner, Setting Manner of Service and Bar Date, BPU Docket No. GM22040270, June 8, 2022 (“June 2022 Order”) (directing all entities seeking to intervene or participate to file the appropriate application with the Board on or before July 8, 2022, and any party wishing to file for admission of counsel *pro hac vice* should do so concurrently).

³ In re the Merger of South Jersey Industries, Inc. and Boardwalk Merger Sub, Inc., Decision on EDF Motion for Reconsideration and Motion to Intervene, BPU Docket No. GM22040270, August 10, 2022; In re the Merger of South Jersey Industries, Inc. and Boardwalk Merger Sub, Inc., Order on Motions to Intervene and Participate, BPU Docket No. GM22040270, August 10, 2022.

⁴ In re the Merger of South Jersey Industries, Inc. and Boardwalk Merger Sub, Inc., Prehearing Order with Procedural Schedule, BPU Docket No. GM22040270, August 17, 2022.

⁵ In re the Merger of South Jersey Industries, Inc. and Boardwalk Merger Sub, Inc., Order Modifying Procedural Schedule, BPU Docket No. GM22040270, October 24, 2022.

⁶ In re the Merger of South Jersey Industries, Inc. and Boardwalk Merger Sub, Inc., Order Setting Procedural Schedule, BPU Docket No. GM22040270, November 29, 2022.

that the Board act on this matter at its public Board Agenda session on January 25, 2023 or at its next, most feasible, meeting.

The Joint Petitioners further requested that the Second Modified Procedural Schedule be suspended, thereby relieving the parties of their obligations provided therein. Finally, the Joint Petitioners noted that Board Staff, the New Jersey Division of Rate Counsel, and NJLEUC did not object to the terms of the December 2022 Correspondence, and EDF indicated that it “will endeavor to meet the schedule proposed in [the December 2022 Correspondence].”

DISCUSSION AND FINDINGS

I reviewed, in detail, my prior Orders in this matter, the Second Modified Procedural Schedule, and the December 2022 Correspondence. I appreciate the parties’ willingness to work toward an amicable resolution in an expeditious, yet prudent, manner. I agree with the spirit and overall concept of the December 2022 Correspondence.

As such, I **HEREBY GRANT** the Joint Petitioners’ request, subject to the following modifications:

1. The Second Modified Procedural Schedule is hereby suspended, and the following Procedural Schedule shall be in full force and effect as of the date of this Order:
 - a. If a unanimous Stipulation resolving all issues in this matter is filed with the Board on or before close of business on January 6, 2023, the Board shall act on this matter at its next, most feasible, Board Agenda Meeting, the scheduling of which shall remain at the Board’s discretion.
 - b. If a non-unanimous Stipulation is filed by close of business on January 6, 2023, in lieu of oral argument, the parties shall proceed as follows:
 - i. On or before January 13, 2023, any party may file, with the Board, written comments regarding any aspect of the proposed Stipulation for the Board’s review and consideration;
 - ii. On or before January 17, 2023, any party may file, with the Board, written reply comments for the Board’s review and consideration;
 - iii. After the submission of the initial and reply comments, no further comments will be considered by the Board; and
 - iv. The Board shall act on this matter at its next, most feasible, Board Agenda Meeting, the scheduling of which shall remain at the Board’s discretion.
2. By suspension of the Second Modified Procedural Schedule, the parties are relieved of their obligations provided therein, and as such, evidentiary hearings will not be conducted in this matter.

I **HEREBY ORDER** that the above Procedural Schedule is binding as of the date of this Order. In the event of a discrepancy between the December 2022 Correspondence and this Order, the terms of this Order control.

I **HEREBY DIRECT** that this Order be posted on the Board's website.

This provisional ruling is subject to ratification or other alteration by the Board as it deems appropriate during the proceedings in this matter.

DATED: January 5, 2023

A handwritten signature in cursive script that reads "Mary-Anna Holden".

MARY-ANNA HOLDEN
COMMISSIONER

IN THE MATTER OF THE MERGER OF SOUTH JERSEY INDUSTRIES, INC. AND BOARDWALK MERGER SUB,
INC.

DOCKET NO. GM22040270

SERVICE LIST

<p><u>New Jersey Division of Rate Counsel</u> 140 East Front Street, 4th Floor P.O. Box 003 Trenton, NJ 08625</p> <p>Brian Lipman, Esq., Director blipman@rpa.nj.gov</p> <p>Maura Caroselli, Esq., Managing Attorney mcaroselli@rpa.nj.gov</p> <p>Megan Lupo, Esq. mlupo@rpa.nj.gov</p> <p>Sarah H. Steindel, Esq. ssteinde@rpa.nj.gov</p> <p>Karen Forbes kforbes@rpa.nj.gov</p> <p>Carlena Morrison cmorrison@rpa.nj.gov</p> <p>Mathew I. Kahal 1108 Pheasant Crossing Charlottesville, VA 22901 mkahal@comcast.net</p> <p>Susan M. Baldwin SM Baldwin Consulting 45 Acorn Path Groton, Massachusetts 01450 smbaldwinconsulting@gmail.com</p> <p>Max Chang Synapse Energy Economics, Inc. 485 Massachusetts Ave., Suite 2 Cambridge, MA 02139 mchang@synapse-energy.com</p> <p>John Rosenkranz rosenkranz@verizon.net</p>	<p><u>New Jersey Board of Public Utilities</u> Post Office Box 350 Trenton, NJ 08625-0350</p> <p>Robert Brabston, Executive Director robert.brabston@bpu.nj.gov</p> <p>Stacy Peterson, Deputy Executive Director stacy.peterson@bpu.nj.gov</p> <p><u>Counsel's Office</u></p> <p>Michael Beck, General Counsel michael.beck@bpu.nj.gov</p> <p>Carol Artale, Deputy General Counsel Carol.artale@bpu.nj.gov</p> <p>Heather Weisband, Senior Counsel heather.weisband@bpu.nj.gov</p> <p>Charles Gurkas charles.gurkas@bpu.nj.gov</p> <p><u>Division of Energy and Water</u></p> <p>Michael Kammer, Director mike.kammer@bpu.nj.gov</p> <p>Malike Cummings, Deputy Director malike.Cummings@bpu.nj.gov</p> <p>Bart Kilar bart.kilar@bpu.nj.gov</p> <p>David Brown david.brown@bpu.nj.gov</p> <p>Jacqueline Galka jacqueline.galka@bpu.nj.gov</p> <p>Christopher Oprysk christopher.oprysk@bpu.nj.gov</p> <p>Sri Medicherla sri.medicherla@bpu.nj.gov</p> <p>Dean Taklif dean.taklif@bpu.nj.gov</p> <p>Kyle Felton kyle.felton@bpu.nj.gov</p> <p>Cindy Bianco cindy.bianco@bpu.nj.gov</p>
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New Jersey Division of Law

NJ Dept. of Law & Public Safety
Richard J. Hughes Justice Complex
25 Market Street
P.O. Box 112
Trenton, NJ 08625

Daren Eppley, DAG
daren.eppley@law.njoag.gov

Pamela Owen, DAG
pamela.owen@law.njoag.gov

Matko Ilic, DAG
matko.ilic@law.njoag.gov

Terel Klein, DAG
terel.klein@law.njoag.gov

IIF US Holding 2 LP, NJ Boardwalk Holdings LLC, and Boardwalk Merger Sub, Inc.

Colleen A. Foley, Esq.
Saul Ewing Arnstein & Lehr LLP
One Riverfront Plaza, Suite 1520
Newark, NJ 07102
colleen.foley@saul.com

Courtney L. Schultz, Esq.
Saul Ewing Arnstein & Lehr LLP
1500 Market St.
Centre Square West, 38th Floor
Philadelphia, PA 19102
courtney.schultz@saul.com

South Jersey Industries, Inc., SJ Utilities, Inc., South Jersey Gas, and Elizabethtown Gas

Kenneth T. Maloney, Esq.
Cullen and Dykman
1101 14th Street NW, Suite 750
Washington, DC 20005
kmaloney@cullenllp.com

Terrence Regan, Esq.
Cullen and Dykman
44 Wall Street
New York, NY 10005
tregan@cullenllp.com

520 Green Lane
Union, NJ 07083

Deborah M. Franco, VP/Rates, Regulatory & Sustainability
dfranco@sjindustries.com

Sheree Kelly, Esq.
skelly@sjindustries.com

Office of the Chief Economist

Benjamin Witherell, Chief Economist
benjamin.witherell@bpu.nj.gov

Jackie O'Grady
jackie.ogrady@bpu.nj.gov

Christine Lin
christine.lin@bpu.nj.gov

Farhana Rahman
farhana.rahman@bpu.nj.gov

Alice Bator, Director, Division of Audits
alice.bator@bpu.nj.gov

Reliability and Security

Francis Gaffney, Director
francis.gaffney@bpu.nj.gov

Juan Urena
juan.urena@bpu.nj.gov

Customer Assistance

Julie Ford-Williams, Director
julie.ford@bpu.nj.gov

Richard Lambert
richard.lambert@bpu.nj.gov

Infrastructure Investments Group

277 Park Avenue, 22nd Floor
New York, NY 10172

Amanda Wallace, Esq.
Managing Director
amanda.wallace@jpmorgan.com

Andrew E. Gilbert, Managing Director
andrew.e.gilbert@jpmorgan.com

Ellen Lapson
Lapson Advisory
370 Riverside Drive
New York, NY 10025
ellen@lapsonadvisory.com

New Jersey Large Energy Users Coalition

Steven S. Goldenberg, Esq.
Giordano, Halleran and Ciesla, P.C.
125 Half Mile Road
Suite 300
Red Bank, NJ 07701
sgoldenberg@ghclaw.com

South Jersey Industries, Inc., SJ Utilities, Inc., South Jersey Gas, and Elizabethtown Gas, Con't.

1 South Jersey Place
Atlantic City, NJ 08401

Cindy Capozzoli
ccapozzoli@sjindustries.com

Carolyn A. Jacobs
cjacobs@sjindustries.com

Melissa Orsen
morsen@sjindustries.com

Environmental Defense Fund

Martin C. Rothfelder, Esq.
Rothfelder Stern, L.L.C.
407 Greenwood Avenue, Unit #301
Trenton, NJ 08609
mrothfelder@rothhelderstern.com

Erin Murphy
Environmental Defense Fund
1875 Connecticut Avenue, NW
Washington, DC 20009
emurphy@edf.org

Mary Barber
Environmental Defense Fund
257 Park Avenue South
17th Floor
New York, NY 10010
mbarber@edf.org

Atlantic City Electric Company

500 N. Wakefield Drive
P.O. Box 6066
Newark, DE 19714-60s

Cynthia L. M. Holland, Esq.
cynthia.holland@exeloncorp.com

Heather Hall
Manager, Regulatory Affairs NJ
heather.hall@pepcoholdings.com

New Jersey Laborers-Employers Cooperation and Education Trust

Bradley M. Parsons, Esq.
Kroll Heineman Ptasiewicz & Parsons
Metro Corporate Campus One
99 Wood Avenue South, Suite 307
Iselin, New Jersey 08830
bparsons@krollfirm.com

PSE&G

Joseph. F. Accardo, Jr., Esq.
Katherine Smith, Esq.
Caitlyn White, Case Coordinator
PSEG Services Corporation
80 Park Plaza, T10
Newark, New Jersey 07102
joseph.accardojr@pseg.com
katherine.smith@pseg.com
caitlyn.white@pseg.com

Bernard Smalls, Paralegal
Michele Falcao, Regulatory Case Supervisor
PSEG Services Corporation
80 Park Plaza, T5 , P.O. Box 570
Newark, New Jersey 07102
bernard.smalls@pseg.com
michele.falcao@pseg.com