



STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 9th Floor
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 TO IMPLEMENT AN)
INFRASTRUCTURE INVESTMENT PROGRAM)
("IIP") AND ASSOCIATED RECOVERY)
MECHANISM PURSUANT TO N.J.S.A. 48:2-21)
AND N.J.A.C. 14:3-2A) ORDER SUSPENDING
PROCEDURAL SCHEDULE
DOCKET NO. GR20110726

Parties of Record:

Stefanie A. Brand, Esq., Director, New Jersey Division of Rate Counsel
Deborah M. Franco, Esq., SJI Utilities, on behalf of South Jersey Gas Company
Martin C. Rothfelder, Esq., Rothfelder Stern, L.L.C., on behalf of the Environmental Defense Fund

BY COMMISSIONER DIANNE SOLOMON:

BACKGROUND

On November 19, 2020, South Jersey Gas Company ("SJG" or "Company") filed a petition with the New Jersey Board of Public Utilities ("Board") seeking approval of its proposed Infrastructure Investment Program ("IIP" or "Program"), including an associated cost recovery mechanism, pursuant to N.J.S.A. 48:2-21 and N.J.A.C. 14:3-2A.1 et seq. ("Petition").

According to SJG, the proposed IIP is a five-year program designed to modernize and enhance the safety and reliability of its gas distribution system by replacing its vintage, at-risk facilities, including the replacement of 825 miles of coated steel main installed prior to the 49 CFR 192 code adoption (pre-code), and vintage plastic mains in SJG's distribution system. SJG also proposed to install 43,500 excess flow valves on new service lines. The projected total expenditures associated with the proposed IIP are approximately \$742.5 million, excluding Allowance for Funds Used During Construction and the cost of an independent IIP monitor, which SJG proposed to recover under a proposed IIP Rider over the five-year IIP.

By Order dated January 7, 2021, the Board determined that the Petition should be retained by the Board, and pursuant to N.J.S.A. 48:2-32, designated myself, Commissioner Dianne Solomon, as the Presiding Commissioner with authority to rule on all motions that arise during the pendency of these proceedings, and modify any schedules that may be set as necessary to secure a just

and expeditious determination of the issues.¹ In the January 2021 Order, the Board also directed that any entity seeking to intervene or participate file the appropriate application with the Board by January 27, 2021, and any party wishing to file a motion for admission of counsel *pro hac vice* must do so concurrently with any motion to intervene or participate.

On March 8, 2021, I issued a Prehearing Order with Procedural Schedule and Order on Motions to Intervene or Participate.² In the March 2021 Order, intervenor status was granted to the Environmental Defense Fund and participant status was granted to Public Service Electric and Gas Company. By Order dated May 4, 2021, I granted a request filed by SJG to modify the Procedural Schedule.³ The May 2021 Order also approved a modified Procedural Schedule which superseded the Procedural Schedule provided in the March 2021 Order.

Via correspondence dated June 29, 2021, SJG requested that the Procedural Schedule approved in the May 2021 Order be suspended “to allow the parties to discuss factual issues raised by the [C]ompany’s filing and explore possibilities for settlement.” SJG further provided that it will work with the parties to develop a revised Procedural Schedule within 30 days.

DISCUSSION AND FINDINGS

I reviewed SJG’s June 29, 2021 correspondence and request for suspension of the Procedural Schedule. To allow for further settlement discussions, and having received no objections from any party, I **HEREBY GRANT** SJG’s request to suspend the Procedural Schedule.

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: July 9, 2021

BY:



DIANNE SOLOMON
COMMISSIONER

¹ In re the Petition of South Jersey Gas Company to Implement an Infrastructure Investment Program (IIP) and Associated Recovery Mechanism Pursuant to NJSA 48:2-21 and NJAC 14:3-2A, Order Designating a Commissioner, Setting A Bar Date and Manner of Service, BPU Docket No. GR20110726, Order dated January 7, 2021, (“January 2021 Order”).

² In re the Petition of South Jersey Gas Company to Implement an Infrastructure Investment Program (IIP) and Associated Recovery Mechanism Pursuant to NJSA 48:2-21 and NJAC 14:3-2A, Prehearing Order Setting Procedural Schedule and Rulings on Motions to Intervene and Participate, BPU Docket No. GR20110726, Order dated March 8, 2021, (“March 2021 Order”).

³ In re the Petition of South Jersey Gas Company to Implement an Infrastructure Investment Program (IIP) and Associated Recovery Mechanism Pursuant to NJSA 48:2-21 and NJAC 14:3-2A, Order Modifying Procedural Schedule, BPU Docket No. GR20110726, Order dated May 4, 2021, (“May 2021 Order”).

IN THE MATTER OF THE PETITION OF SOUTH JERSEY GAS COMPANY TO IMPLEMENT
AN INFRASTRUCTURE INVESTMENT PROGRAM (“IIP”) AND ASSOCIATED RECOVERY
MECHANISM PURSUANT TO N.J.S.A. 48:2-21 AND N.J.A.C. 14:3-2A

BPU DOCKET NO. GR20110726

SERVICE LIST

<p><u>South Jersey Gas Company</u></p> <p>Deborah M. Franco, Esq. VP -Rates, Regulatory and Sustainability SJI Utilities, LLC 520 Green Lane Union, NJ 07083 dfranco@sjindustries.com</p> <p>Kenneth T. Maloney Cullen and Dykman, LLP 1101 14th Street, N.W., Suite 750 Washington, DC 20005 kmaloney@cullenllp.com</p> <p>SJI Utilities, LLC One South Jersey Place Atlantic City, NJ 08401</p> <p>Cindy Capozzoli Director, Rates ccapozzoli@sjindustries.com</p> <p>Karen Crispin Sr. Rate Analyst Kcrispin@sjindustries.com</p> <p>James G. Fredericks Rate Analyst Lead jfredericks@sjindustries.com</p> <p>Nichole Timony Rate Analyst Associate ntimony@sjindustries.com</p> <p>Carolyn A. Jacobs cjacobs@sjindustries.com</p> <p>Brent Schomber Vice President, Operations bschomber@sjindustries.com</p>	<p><u>Board of Public Utilities</u></p> <p>44 South Clinton Avenue, 9th Floor Post PO Box 350 Trenton, NJ 08625-0350</p> <p>Aida Camacho-Welch, Secretary board.secretary@bpu.nj.gov</p> <p>Robert Brabston, Esq. Executive Director robert.brabston@bpu.nj.gov</p> <p>Christine Sadovy, Chief of Staff christine.sadovy@bpu.nj.gov</p> <p><u>Office of General Counsel</u></p> <p>Abe Silverman, Esq., General Counsel abe.silverman@bpu.nj.gov</p> <p>Carol Artale, Esq., Deputy General Counsel carol.artale@bpu.nj.gov</p> <p>Heather Weisband, Esq., Senior Counsel heather.weisband@bpu.nj.gov</p> <p><u>Division of Energy</u></p> <p>Stacy Peterson, Director stacy.peterson@bpu.nj.gov</p> <p>Paul Lupo, Bureau Chief paul.lupo@bpu.nj.gov</p> <p>John Zarzycki john.zarzycki@bpu.nj.gov</p> <p>Cindy Bianco Cindy.bianco@bpu.nj.gov</p> <p>Jamie Saunders Jamie.saunders@bpu.nj.gov</p>
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New Jersey Division of Rate Counsel

140 East Front Street, 4th Floor
Post Office Box 003
Trenton, NJ 08625-0003

Stefanie A. Brand, Esq., Director
sbrand@rpa.nj.gov

Brian O. Lipman, Esq., Litigation Manager
blipman@rpa.nj.gov

Felicia Thomas-Friel, Esq.,
Managing Attorney
ftthomas@rpa.nj.gov

Henry Ogden, Esq.
hogden@rpa.nj.gov

Maura Caroselli, Esq.
mcaroselli@rpa.nj.gov

Shelly Massey, Paralegal
smassey@rpa.nj.gov

Rate Counsel Consultants

Acadian Consulting Group
Building 5, Suite F
Baton Rouge, LA 70808

David Dismukes, Ph.D
Michael Dupree, Case Manager
Daviddismukes@acadianconsulting.com
Michaeldeupree@acadianconsulting.com

Rod Walker Consultancy

Rod Walker, Senior Consultant
Jeremy Walker, Project Analyst
rwalker@rwalkerconsultancy.com
jwalker@rwalkerconsultancy.com

Robert J. Henkes
Henkes Consulting
7 Sunset Road
Old Greenwich, CT 06870
rhenkes@optonline.net

Division of Law

25 Market Street, 7th floor
Post Office Box 112
Trenton, NJ 08625

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

Michael Beck, DAG
michael.beck@law.njoag.gov

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

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

Public Service Electric and Gas Company

80 Park Plaza, T5
P.O. Box 570
Newark, NJ 07102

Matthew W. Weissman, Esq.
Managing Counsel – State Regulatory
matthew.weissman@pseg.com

Danielle Lopez, Esq
Associate Counsel—Regulatory
danielle.lopez@pseg.com

Bernard Smalls, Paralegal
bernard.smalls@pseg.com

Michele Falcao, Regulatory Case Supervisor
michele.falcao@pseg.com

Environmental Defense Fund

Ted Kelly, Esq.
1875 Connecticut Ave, NW
17th Floor
New York, NY 10010
tekelly@edf.org

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

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