



Agenda Date: 6/7/10  
Agenda Item: IIC

**STATE OF NEW JERSEY**  
**Board of Public Utilities**  
**Two Gateway Center**  
**Newark, NJ 07102**  
**[www.nj.gov/bpu/](http://www.nj.gov/bpu/)**

**ENERGY**

IN THE MATTER OF THE PETITION OF NEW JERSEY )  
NATURAL GAS FOR APPROVAL OF A MUNICIPAL )  
FRANCHISE IN THE TOWNSHIP OF MINE HILL, )  
MORRIS COUNTY )  
DOCKET NO. GE10010068

(SERVICE LIST ATTACHED)

Tracey Thayer, Esq., Wall, New Jersey, on behalf of Petitioner, New Jersey Natural Gas  
Henry M. Ogden, Esq., Newark, New Jersey, on behalf of the Division of Rate Counsel

**BY THE BOARD:**

New Jersey Natural Gas ("NJNG" 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 distribution and transportation of natural gas. NJNG distributes natural gas and provides transportation service to over 487,000 residential, commercial and industrial customers located in Monmouth and Ocean counties and parts of Middlesex, Burlington and Morris counties in New Jersey.

NJNG is currently providing natural gas service within the Township of Mine Hill ("Township") in Morris County, New Jersey to approximately 589 customers as of March 31, 2010. The Company's current franchise with the Township expired on April 6, 2010, after a term of fifty (50) years.

On January 7, 2010, the Township Council adopted a Resolution renewing NJNG's franchise for a period of fifteen (15) years. A copy of this Resolution is attached as Exhibit "A" to this Order. By letter dated January 25, 2010, a copy of which is attached as Exhibit "B" to this Order, NJNG accepted and agreed to the terms and conditions of the franchise.



On January 28, 2010, 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 notice, a hearing in this matter was held on April 20, 2010, at the Board's Newark offices. Appearances were made on behalf of the Company, the Board's Staff and the Department of the Public Advocate, Division of Rate Counsel ("Rate Counsel"). 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 testimony of John B. Wyckoff, its Manager of Engineering. Mr. Wyckoff testified that the Company continues to have sufficient capacity, staff and expertise to ensure its ability to continue to provide safe, adequate and proper service to its customers located within the Township, and that there had been no major complaints or problems within the recent past. Mr. Wyckoff stated that he did not believe that the number of customers presently served in the Township would increase in any meaningful way. He also indicated that customers in the Township would continue to be served by the local business office located in the Township of Rockaway.

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 interests and that New Jersey Natural Gas continues to have the ability to provide safe, adequate and proper service to its customers located in the Township of Mine Hill. Accordingly, the Board, pursuant to N.J.S.A. 48:2-14, HEREBY APPROVES the consent granted to the Company by the Township for the provision of gas utility service in the Township as sought in NJNG's petition.

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.

The rates for service to NJNG's customers in the Township shall continue to be those set in the Company's current tariff approved by and on file with the Board. These rates shall remain in effect until otherwise approved by the Board.

3. 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:

6/7/10

BOARD OF PUBLIC UTILITIES  
BY:



LEE A. SOLOMON  
PRESIDENT



JEANNE M. FOX  
COMMISSIONER



JOSEPH L. FIORDALISO  
COMMISSIONER

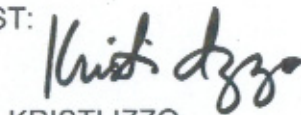


NICHOLAS ASSELTA  
COMMISSIONER



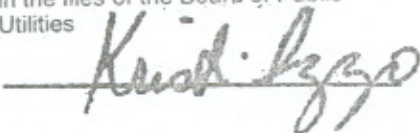
ELIZABETH RANDALL  
COMMISSIONER

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





I/M/O THE PETITION OF NEW JERSEY NATURAL GAS FOR APPROVAL OF A MUNICIPAL  
FRANCHISE IN THE TOWNSHIP OF MINE HILL, MORRIS COUNTY

BPU DOCKET NO. GE10010068

SERVICE LIST

Tracey Thayer, Esq.  
Director, Regulatory Affairs Counsel  
New Jersey Natural Gas  
1415 Wyckoff Road  
P.O. Box 1464  
Wall, New Jersey 07719

Babette Tenzer, DAG  
Division of Law  
124 Halsey Street  
P.O. Box 45029  
Newark, New Jersey 07102

Henry M. Ogden, Esq.  
Division of Rate Counsel  
31 Clinton Street  
P.O. Box 46005  
Newark, New Jersey 07101

Jerome May, Director  
Division of Energy  
Board of Public Utilities  
Two Gateway Center  
Newark, New Jersey 07102

Ricky John, PhD  
Division of Energy  
Board of Public Utilities  
Two Gateway Center  
Newark, New Jersey 07102

NEW JERSEY NATURAL GAS COMPANY FRANCHISE RESOLUTION

WHEREAS, New Jersey Natural Gas Company has heretofore been granted consent to lay, maintain and operate gas facilities in the Township of Mine Hill; and

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

NOW, THEREFORE, BE IT RESOLVED that the Township of Mine Hill hereby consents and authorizes New Jersey Natural Gas Company to continue to lay, maintain and operate, for a period of (15) fifteen years, from the date of the adoption of this Resolution its conductors, mains and pipes together with all appurtenances thereto, in, under and over all the public streets, alleys, squares, and public places in the Township of Mine Hill for the purpose of conducting, transmitting and distributing gas in any mixture of gases of various types, including natural gas, upon the following terms and conditions:

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

(2) New Jersey Natural Gas Company shall comply with all ordinances and regulations of the Township in effect during the term of this Consent governing and controlling openings and excavations within the public streets and roadways of the Township of Mine Hill; and

(3) New Jersey Natural Gas Company shall conduct the work of laying or repairing gas mains and pipelines in a careful and prudent manner and shall hold the Township of Mine Hill harmless and free from all claims, losses and expenses arising out of or as the result of such work by New Jersey Natural Gas Company.

BE IT FURTHER RESOLVED, that the New Jersey Natural Gas Company shall file with the Clerk of this Municipality within sixty (60) days of the date hereof, its acceptance of the terms and provisions of the 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 unless and until it is approved by the Board of Public Utilities of the State of New Jersey.

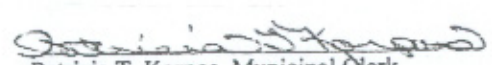
January 7, 2010

TOWNSHIP OF MINE HILL COUNCIL

  
Council President

Richard E. Leary, Mayor

Attest:

  
Patricia T. Korpos, Municipal Clerk



January 25, 2010

Honorable Patricia T. Korpos  
Municipal Clerk  
Township of Mine Hill  
Municipal Building  
10 Baker Street  
Mine Hill, NJ 07803

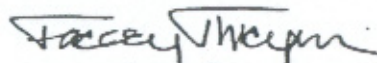
Re: Approval of Franchise  
RESOLUTION Dated January 7, 2010

Dear Ms. Korpos,

New Jersey Natural Gas Company ("NJNG") hereby accepts the terms and provisions of the Franchise Consent granted by the Township Committee on January 7, 2010 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,



Tracey Thayer, Esq.  
Director, Regulatory Affairs Counsel

TT:fk