



**STATE OF NEW JERSEY**  
**Board of Public Utilities**  
44 South Clinton Avenue, 9<sup>th</sup> Floor  
Post Office Box 350  
Trenton, New Jersey 08625-0350  
[www.nj.gov/bpu/](http://www.nj.gov/bpu/)

ENERGY

IN THE MATTER OF THE BOARD'S ESTABLISHMENT )	ORDER DESIGNATING
OF A GENERIC PROCEEDING TO REVIEW THE )	COMMISSIONER AND
PRUDENCY OF COSTS INCURRED BY NEW JERSEY )	SETTING MANNER OF
UTILITY COMPANIES IN RESPONSE TO MAJOR )	SERVICE
STORM EVENTS IN 2011 AND 2012; and )	
)	DOCKET NO. AX13030196
IN THE MATTER OF THE BOARD'S ESTABLISHMENT )	
OF A GENERIC PROCEEDING TO REVIEW THE )	
PRUDENCY OF THE COSTS INCURRED BY SOUTH )	
JERSEY GAS COMPANY IN RESPONSE TO MAJOR )	
STORM EVENTS IN 2011 AND 2012 )	DOCKET NO. GO13060600

**Parties of Record:**

**Ira G. Megdal, Esq.**, South Jersey Gas Company  
**Stefanie A. Brand, Esq.**, Director, New Jersey Division of Rate Counsel

**BY THE BOARD:**

The Board of Public Utilities ("Board") is empowered to ensure that regulated public utilities provide safe, adequate and proper service to the citizens of New Jersey. N.J.S.A. 48:2-23. Pursuant to N.J.S.A. 48:2-13, the Board has been vested by the Legislature with the general supervision and regulation of and jurisdiction and control over all public utilities, "so far as may be necessary for the purpose of carrying out the provisions of [Title 48]." The courts of this State have held that the grant of power by the Legislature to the Board is to be read broadly, and that the provisions of the statute governing public utilities are to be construed liberally. See, e.g. In re Public Service Electric and Gas Company, 35 N.J. 358, 371 (1961); Township of Deptford v. Woodbury Terrace Sewerage Corp., 54 N.J. 418, 424 (1969); Bergen County v. Dep't of Public Utilities, 117 N.J. Super. 304 (App. Div. 1971). The Board is also vested with the authority, pursuant to N.J.S.A. 48:2-19, to investigate any public utility, and, pursuant to N.J.S.A. 48:2-16 and 48:2-40, to issue orders to public utilities.

In 2011 and 2012, New Jersey was struck by five unusually damaging major storm events which caused severe damage to the State's utility infrastructure: Hurricane Irene on August 28, 2011; an unseasonal and powerful snowstorm on October 29, 2011; a derecho wind storm on June 20, 2012; Superstorm Sandy on October 29, 2012; and ten days later a powerful nor'easter on November 7, 2012.

On March 20, 2013, the Board issued an Order (effective April 1, 2013) establishing a generic proceeding to review the prudence of costs incurred by New Jersey utilities in response to multiple major storm events in 2011 and 2012 ("Generic Storm Costs Proceeding"). Amongst other items, the Order requires any utility that seeks reimbursement for these costs from its ratepayers to file a detailed expense report by July 1, 2013, for evaluation and prudence review under its own separate docket within the Generic Storm Costs Proceeding. March Order at 3.

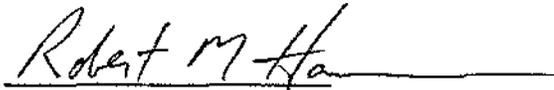
On June 28, 2013, South Jersey Gas Company ("SJG") filed a petition with the Board requesting the recovery of its preparation, response and restoration costs associated with Superstorm Sandy in 2012. The petition indicates that the costs total approximately \$718,891.08, and SJG is requesting that it be permitted to fully recover these costs in its next base rate proceeding. Petition at 4-5.

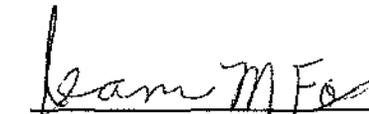
The Board has determined that the petition should be retained by the Board for hearing and, pursuant to N.J.S.A. 48:2-32, the Board **HEREBY DESIGNATES** Commissioner Dianne Solomon as the presiding officer with authority to rule on all motions that arise during the pendency of these proceedings and modify any schedules that may be set as necessary to secure a just and expeditious determination of the issues.

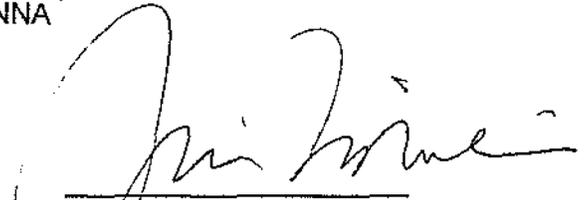
In the interests of economy, all parties are **HEREBY DIRECTED** to serve all documents electronically, while still providing hard copies to the Board for those documents which must be filed with the Board, with hard copies to each party upon request.

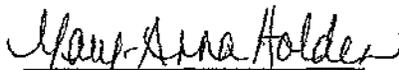
DATED: 11/22/13

BOARD OF PUBLIC UTILITIES  
BY:

  
ROBERT M. HANNA  
PRESIDENT

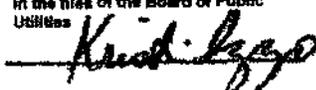
  
JEANNE M. FOX  
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JOSEPH L. FIORDALISO  
COMMISSIONER

  
MARY-ANNA HOLDEN  
COMMISSIONER

  
DIANNE SOLOMON  
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  


IN THE MATTER OF THE BOARD'S ESTABLISHING A GENERIC PROCEEDING TO  
REVIEW THE PRUDENCY OF COSTS INCURRED BY SOUTH JERSEY GAS COMPANY IN  
RESPONSE TO MAJOR STORM EVENTS IN 2011 AND 2012  
DOCKET NOs. AX13030196 and GO13060600

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