



**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 PETITION OF SOUTH )  
JERSEY GAS COMPANY FOR APPROVAL OF A )  
MUNICIPAL CONSENT IN THE TOWNSHIP OF )  
MULLICA, ATLANTIC COUNTY, NEW JERSEY )

DECISION AND ORDER

DOCKET NO. GE13111085

**Parties of Record:**

**Stacy A. Mitchell, Esq.**, on behalf of Petitioner, South Jersey Gas Company  
**Stefanie A. Brand, Esq.**, Director, 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 Mullica ("Township") to approximately 672 residential customers, 35 commercial customers and 1 industrial customer. The Company's consent to use the streets within the Township for the provision of gas service expired on November 5, 1997.<sup>1</sup> On October 8, 2013, the Township adopted Ordinance 10-2013 by which it renewed its consent and granted SJG permission to lay and construct its pipes and mains and related appurtenances and facilities within the streets, alleys, squares and public places within the Township for a period of 50 years in the manner prescribed by N.J.S.A. 48:9-21. By letter dated October 16, 2013, the Company accepted and agreed to the terms of the consent. Copies of the original and renewal Ordinances and the letter of acceptance are attached to this Order as Exhibits "A," "B" and "C" respectively.

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<sup>1</sup> 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 November 13, 2013, pursuant to N.J.S.A. 48:2-14 and N.J.A.C. 14:1-5.5, SJG filed a petition requesting that this 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 December 11, 2013, before Edward D. Beslow, Esq., the Board's duly appointed Hearing Examiner. 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 hearing, the Company relied on its petition and exhibits filed with the Board and presented the testimony of Robert Fatzinger, its Senior Vice-President, Engineering Services. According to Mr. Fatzinger's testimony, SJG anticipates growth in its defined service territory to be approximately 1% for the next 3 to 5 years. According to the Company, it has the capacity to ensure continuation of its natural gas service and does not foresee any concerns regarding its ability to meet the existing and future demands of the Township.

Rate Counsel, in its written comments to the petition, dated January 21, 2014, stated that it had no objection to the granting of the relief requested by SJG provided that the Board clarified that the consent to the term of the consent to use the streets is limited to 50 years. Rate Counsel also recommended that the Board's Order specifically provide that the approval of the consent does not include an authorization to include in rate base any specific assets that may be constructed as a result of approval of the petition.

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 interest, and that SJG has the ability to provide safe, adequate and proper service. The Board **FURTHER FINDS** 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. Accordingly, the Board, pursuant to N.J.S.A. 48:2-14, **HEREBY APPROVES** the consent granted to SJG by the Township for the continued use of its public streets for a period of 50 years for the provision of gas service in the Township as sought in the Company'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 SJG.
2. 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.
3. In an appropriate subsequent proceeding, SJG shall have the burden of demonstrating whether, and to what extent, any of the costs associated with this petition shall be allocated to ratepayers.

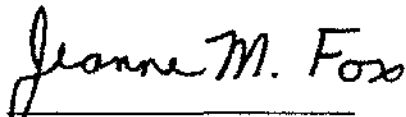
4. The rates for service to the Company's customers in the Township shall continue to be those set out in the Company's current tariff approved by and on file with the Board. These rates shall remain in effect until otherwise approved by the Board.
5. Approval of this municipal consent does not constitute 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.
6. The Company has agreed to a 50-year limitation on the consent for the use of the streets as set out in N.J.S.A. 48:3-15. The term of the consent as to the right to provide service is not limited by this Order and shall remain effective as granted by the Township.

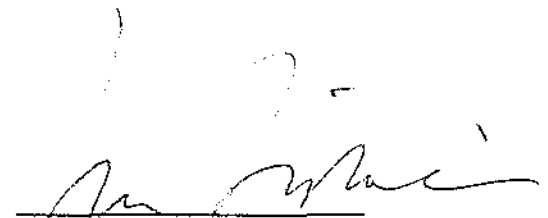
This Order shall be effective as of May 2, 2014.

DATED: 4/24/14

BOARD OF PUBLIC UTILITIES  
BY:

  
DIANNE SOLOMON  
PRESIDENT

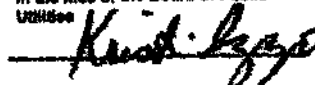
  
JEANNE M. FOX  
COMMISSIONER

  
JOSEPH L. FIORDALISO  
COMMISSIONER

  
MARY-ANNA HOLDEN  
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 PETITION OF SOUTH JERSEY GAS COMPANY FOR  
APPROVAL OF A MUNICIPAL CONSENT IN THE TOWNSHIP OF MULLICA,  
ATLANTIC COUNTY, NEW JERSEY - DOCKET NO. GE13111085

SERVICE LIST

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# **EXHIBIT A**

709

AN ORDINANCE giving and granting consent and permission to South Jersey Gas Company, a corporation of the State of New Jersey, to furnish gas for light, heat and power in the Township of Mullica, in the County of Atlantic and State of New Jersey.

\* \* \*

BE IT ORDAINED by the Township Committee of the Township of Mullica, County of Atlantic, New Jersey:

Section 1. That consent and permission to furnish gas for light, heat and power in the Township of Mullica, in Atlantic County, New Jersey, is hereby given and granted to South Jersey Gas Company, a corporation of the State of New Jersey, subject to approval of such consent and permission by the Board of Public Utility Commissioners of the State of New Jersey.


Section 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. 48:9-31, and subject to reasonable regulations imposed by ordinance or resolution with respect to the opening of streets and public places.

Section 3. The 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 (\$1,000.00) conditioned for the restoration of any street or public place which may be opened by it, as provided by ordinance or resolution, and in a manner satisfactory to the Township Engineer.

Section 4. This ordinance shall take effect immediately upon final passage and publication as required by law.

\* \* \*

THIS IS TO CERTIFY that the foregoing ordinance was adopted on third and final reading at a regular meeting of the Township Committee of Mullica Township, held the 5th day of November, 1947.

  
Karl B. Bissell, Twp. Clerk

seal

# **EXHIBIT B**

TOWNSHIP OF MULLICA  
ORDINANCE NO. 10-2013

AN ORDINANCE GRANTING RENEWED CONSENT AND PERMISSION TO  
SOUTH JERSEY GAS COMPANY TO USE THE PUBLIC STREETS TO FURNISH  
GAS FOR LIGHT, HEAT AND POWER IN MULLICA TOWNSHIP

WHEREAS, South Jersey Gas Company, a corporation of the State of New Jersey, provides natural gas service to Mullica Township pursuant to the municipal consent first granted to South Jersey Gas Company in that certain Ordinance adopted on November 5, 1947; and

WHEREAS, South Jersey Gas Company now seeks, pursuant to N.J.S.A. 48:3-15, the consent of Mullica Township to renew the Ordinance adopted November 5, 1947 applicable to the use of the streets in Mullica Township by adopting the following Ordinance;

NOW, THEREFORE, BE IT ORDAINED by Township Committee of Mullica Township, Atlantic County, and State of New Jersey as follows:

Section 1. That 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 within Mullica Township in the manner prescribed by N.J.S.A. 48:9-21, and subject to reasonable regulations imposed by ordinance or resolution 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 2. This consent is granted for the entire geographical area of Mullica Township and extend to the boundaries of Mullica Township and shall remain in effect for a period of fifty (50) years from the date of final adoption of this Ordinance.

Section 3. 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 4. This Ordinance shall take effect immediately upon posting, publication, final passage in the manner prescribed by law, and acceptance by South Jersey Gas Company.

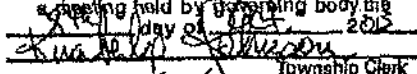
Introduced: September 24, 2013

Adopted: October 8, 2013

  
JAMES R. BROWN  
MAYOR

ATTEST:

  
KIMBERLY JOHNSON  
TOWNSHIP CLERK

Certified to be a true and correct copy of an ordinance which passed final reading at a meeting held by governing body the 8th day of October 2013  
  
Township Clerk



# **EXHIBIT C**



**South Jersey Gas**

*Where we put all of our energy\**

**Gina Merritt-Epps, Esq.**  
**Office of General Counsel and Corporate Secretary**  
*General Counsel and Corporate Secretary*

October 16, 2013

*(via email at [kjohnson@mullicatownship.org](mailto:kjohnson@mullicatownship.org))*


Kimberly Johnson, Township Clerk  
The Township Of Mullica  
4528 White Horse Pike  
P. O. Box 317  
Elwood, NJ 08217

Re: Acceptance of Ordinance No. 10-2013 Granting Municipal Consent to South Jersey Gas Company to Furnish Gas for Light, Heat and Power

Dear Ms. Johnson:

I am writing on behalf of South Jersey Gas Company ("SJG") to advise that we received a fully executed copy of Ordinance No. 10-2013 (copy attached) granting municipal consent for SJG to provide gas and lay its mains and pipes in the Township of Mullica. Pursuant to the requirements of N.J.S.A. 48:3-16, SJG hereby accepts Ordinance No. 10-2013, as passed.

Very truly yours,

  
Gina Merritt-Epps  
[gmerritt@sjindustries.com](mailto:gmerritt@sjindustries.com)

Enclosure

cc: (all via e-mail)  
John Stanziola, Director, Regulatory Affairs  
Sherri Vasu, Supervisor, Revenue Analyst Permits  
Abbey Greenberg, Public Affairs Specialist  
Ira G. Megdal, Esq.  
Stacy A. Mitchell, Esq.