



**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 BOROUGH OF )  
SWEDESBORO, GLOUCESTER COUNTY, NEW )  
JERSEY ) DOCKET NO. GE15040488

**Parties of Record:**

**Stacy A. Mitchell, Esq.**, Cozen O'Connor, P.C., on behalf of Petitioner, South Jersey Gas Company  
**Stefanie A. Brand, Esq., Director**, New Jersey Division of Rate Counsel

BY THE BOARD: <sup>1</sup>

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 364,000 customers within its service territory.

SJG currently provides natural gas service within the Borough of Swedesboro ("Borough") to approximately 1,082 residential, 152 commercial, and 10 industrial customers. The Company's consent to use the streets within the Borough for the provision of gas service expired on September 23, 1997,<sup>2</sup> pursuant to the fifty (50) year statutory limitation set forth in N.J.S.A. 48:3-15. On April 20, 2015, the Borough adopted Ordinance No. 0-5-2015, by which it renewed its consent and granted SJG continued permission to lay and construct its pipes, mains, and related appurtenances and facilities within the streets, alleys, squares and public places within the Borough for a period of fifty (50) years to furnish gas service in the Borough. By letter dated April 23, 2015, the Company accepted and agreed to the terms of the consent. Copies of the

<sup>1</sup> Commissioner Upendra J. Chivukula recused himself due to a potential conflict of interest and as such took no part in the discussion or deliberation of this matter.

<sup>2</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 City in an uninterrupted manner.

Ordinance and the letter of acceptance are attached to this Order as Exhibits "A" and "B" respectively.

On April 27, 2015, pursuant to N.J.S.A. 48:2-14 and N.J.A.C. 14:1-5.5, SJG filed a petition requesting that the Board approve the consent adopted by the Borough. As required by law and after notice, a hearing in this matter was held on May 22, 2015, William Agee, Esq., the Board's duly appointed hearing officer. 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 the hearing, the Company relied on its petition and exhibits filed with the Board and presented the testimony of Joseph Schneider, its General Manager of System Engineering and Planning. Mr. Schneider testified that SJG is experiencing an increase in customers within its service territory due to conversion from other fuels to natural gas. According to the petition, SJG anticipates growth in its defined service territory to be approximately one (1) percent annually for the next three (3) to five (5) years. SJG further represents that 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 Borough.

Rate Counsel, in its written comments to the petition dated June 5, 2015, indicated that it does not object to the Company's petition, and noted that the term of the municipal consent related to the use of streets is limited to fifty (50) years. However, Rate Counsel requests that approval of the petition include certain restrictions which are incorporated in this Order.

Following the receipt of Rate Counsel's comments, SJG filed correspondence with the Board dated June 5, 2015 indicating that it had no additional comments.

After a full review of the entire record, the Board **HEREBY FINDS** that the municipal consent for use of the streets, which is the subject of this matter, is necessary and proper for the public convenience and properly serves the public interest, and that SJG has the ability to continue 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 Borough to continue to provide adequate and appropriate service to its existing customers, as well as expected future customers, and that the fifty (50) year duration of the municipal consent to use the streets is consistent with N.J.S.A. 48:3-15. Accordingly, the Board, pursuant to N.J.S.A. 48:2-14, **HEREBY APPROVES** the consent granted to SJG by the Borough to continue to provide gas service, and for the continued use of its public streets for that purpose for a period of fifty (50) years.

The approval granted hereinabove shall be subject to the following provisions:

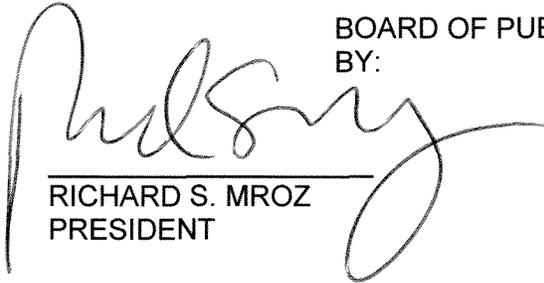
1. This Order shall not be construed as directly or indirectly fixing for any purposes whatsoever the value of any tangible or intangible assets now owned or hereafter to be owned by SJG.
2. This Order shall not effect nor in any way limit the exercise of the authority of this Board of the State in any 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 Borough 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.

This Order shall be effective as of August 29, 2015.

DATED: 8/19/15

BOARD OF PUBLIC UTILITIES  
BY:



RICHARD S. MROZ  
PRESIDENT



JOSEPH L. FIORDALISO  
COMMISSIONER

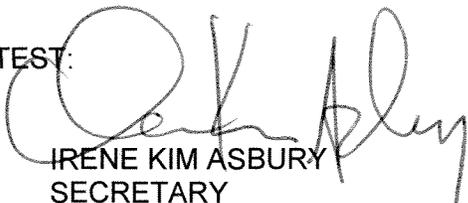


MARY-ANNA HOLDEN  
COMMISSIONER



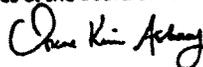
DIANNE SOLOMON  
COMMISSIONER

ATTEST:



IRENE KIM ASBURY  
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 BOROUGH OF SWEDESBORO, GLOUCESTER  
COUNTY, NEW JERSEY - DOCKET NO. GE15040488

SERVICE LIST

**South Jersey Gas Company:**

Stacy A. Mitchell, Esq.  
Cozen O'Connor, P.C  
457 Haddonfield Road, Suite 300  
Post Office Box 5459  
Cherry Hill, New Jersey 08002  
[smitchell@cozen.com](mailto:smitchell@cozen.com)

John F. Stanziola  
Director, Regulatory Affairs  
South Jersey Gas Company  
One South Jersey Plaza  
Route 54  
Folsom, NJ 08037  
[jstanzola@sjindustries.com](mailto:jstanzola@sjindustries.com)

Gina Merritt-Epps, Esq.  
South Jersey Gas Company  
One South Jersey Plaza  
Route 54  
Folsom, NJ 08037  
[gmerritt@sjindustries.com](mailto:gmerritt@sjindustries.com)

Abbey Greenberg  
Public Affairs Specialist –  
Government and Regulatory Affairs  
South Jersey Gas Company  
One South Jersey Plaza  
Route 54  
Folsom, NJ 08037  
[agreenberg@sjindustries.com](mailto:agreenberg@sjindustries.com)

Christopher Psihoules, DAG  
Division of Law  
124 Halsey Street  
Post Office Box 45029  
Newark, NJ 07101-45029  
[christopher.psihoules@dol.lps.state.nj.us](mailto:christopher.psihoules@dol.lps.state.nj.us)

**Board of Public Utilities:**

Board of Public Utilities  
Division of Energy  
44 South Clinton Avenue, 9<sup>th</sup> Floor  
Post Office Box 350  
Trenton, NJ 08625-0350

Jerome May, Director  
[jerome.may@bpu.state.nj.us](mailto:jerome.may@bpu.state.nj.us)

John Masiello  
[john.masiello@bpu.state.nj.us](mailto:john.masiello@bpu.state.nj.us)

Megan Lupo, Esq.  
[megan.lupo@bpu.state.nj.us](mailto:megan.lupo@bpu.state.nj.us)

**Rate Counsel:**

Division of Rate Counsel  
140 East Front Street, 4<sup>th</sup> Floor  
Post Office Box 003  
Trenton, NJ 08625-0003

Stefanie A. Brand, Esq., Director  
[sbrand@rpa.state.nj.us](mailto:sbrand@rpa.state.nj.us)  
[smassey@rpa.state.nj.us](mailto:smassey@rpa.state.nj.us)

Felicia Thomas-Friel, Esq.  
[ftthomas@rpa.state.nj.us](mailto:ftthomas@rpa.state.nj.us)

Brian O. Lipman, Litigation Manager  
[blipman@rpa.state.nj.us](mailto:blipman@rpa.state.nj.us)

Brian Weeks, Esq.  
[bweeks@rpa.state.nj.us](mailto:bweeks@rpa.state.nj.us)

# Exhibit A

0-5-2015  
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 THE BOROUGH OF SWEDESBORO

WHEREAS, South Jersey Gas Company, a corporation of the State of New Jersey, provides natural gas service to the Borough of Swedesboro pursuant to the municipal consent first granted to South Jersey Gas Company in an Ordinance passed on September 23, 1947; and

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

NOW, THEREFORE, BE IT ORDAINED by the MAYOR AND COUNCIL of the Borough of Swedesboro, County of Gloucester, 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 the Borough of Swedesboro 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 the Borough of Swedesboro and extends to the boundaries of the Borough of Swedesboro 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: 4-6-15  
Adopted: 4-20-15

Borough of Swedesboro

Thomas W. Fromm  
Thomas W. Fromm, Mayor

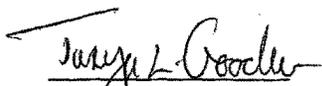
Attest:

Tanya L. Goodwin  
Tanya L. Goodwin, Clerk

LEGAL\16797697\1

**CERTIFICATION**

The Foregoing ordinance was introduced at a regular meeting of the Borough of Swedesboro held on the 6<sup>th</sup> day of April, 2015 and will be considered for final passage and amendment at a meeting to be held on the 20<sup>th</sup> day of April, 2015 at 7:00 p.m. at 1500 Kings Highway, Swedesboro, NJ, at which time any person interested therein will be given an opportunity to be heard.

  
Tanya L. Goodwin, Clerk

LEGALN16797697A1

# Exhibit B



**Stacey M. Barnes, Esq.**  
**Office of General Counsel and Corporate Secretary**

April 23, 2015

(Via email: [tgoodwin@swedesboro.comcastbiz.net](mailto:tgoodwin@swedesboro.comcastbiz.net))

Tanya Goodwin, Borough Clerk  
Borough Hall  
1500 Kings Highway  
Swedesboro, NJ 08085

Re: Acceptance of Ordinance No. 0-5-2015 Granting Municipal Consent to South Jersey Gas Company to Use the Streets for the Provision of Natural Gas Service

Dear Ms. Goodwin:

I am writing on behalf of South Jersey Gas Company ("SJG") to advise that we received a fully executed copy of Ordinance No. 0-5-2015 (copy attached) granting municipal consent for SJG to provide gas and lay its mains and pipes in the Borough of Swedesboro. Pursuant to the requirements of N.J.S.A. 48:3-16, SJG hereby accepts Ordinance No. 0-5-2015, as passed.

Please do not hesitate to call if you have any questions. Thank you.

Very truly yours,

Stacey M. Barnes, Esq.  
General Manager, Legal Compliance  
[sbarnes@sjindustries.com](mailto:sbarnes@sjindustries.com)

Enclosure

cc: John Stanziola, Director, Regulatory Affairs  
Abbey Greenberg, Public Affairs Specialist  
Stacy A. Mitchell, Esq.