



Agenda Date: 06/30/17

Agenda Item: 2D

**STATE OF NEW JERSEY**

**Board of Public Utilities**

**44 South Clinton Avenue, 3<sup>rd</sup> Floor, Suite 314**

**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	)	DECISION AND ORDER
JERSEY GAS COMPANY FOR APPROVAL TO	)	APPROVING MODIFIED
MODIFY ITS CURRENT TARIFF PURSUANT TO	)	TARIFF
<u>N.J.A.C. 14:1-5.11</u>	)	
	)	DOCKET NO. GT17050522

**Parties of Record:**

**Stacey A. Mitchell, Esq.,** for South Jersey Gas Company  
**Stefanie A. Brand, Esq., Director,** New Jersey Division of Rate Counsel

BY THE BOARD:

**BACKGROUND**

The Federal Pipeline and Hazardous Materials Safety Administration (“PHMSA”) recently published a final rule amending Title 49 of the Code of Federal Regulations, Part 192 requiring natural gas distribution companies to install Excess Flow Valves (“EFVs”) on new or replaced gas service lines servicing single-family residences, multi-family residences and small commercial entities. An EFV is a safety device designed to shut off the flow of natural gas automatically if the service line should break. The new regulations also include the obligation to provide written or electronic notification to all customers of their right to request the installation of an EFV on their existing service line. The notification must include, among other items, a description of the EFV installation and replacement costs.

**PETITION**

By letter dated May 17, 2017, South Jersey Gas Company (“SJG” or “Company”) filed a petition (“Letter Petition”) with the New Jersey Board of Public Utilities (“Board”) seeking approval to modify Original Tariff 114 in response to the new Federal EFV mandate, allowing customers to request installation of an EFV on an existing service line. In addition, the Company represents that proposed tariff would ensure each individual customer seeking an EFV will bear the cost of such installation.

According to SJG, the proposed modification will expand the scope of changes that a customer may request to its existing service line at the customers expense, which is currently in SJG’s Section 5.2 of the General Terms and Conditions section of its tariff. The Company asserts in the Letter Petition that the proposed tariff modification will not impact SJG’s revenues or result in a change in rates.

By letter dated June 13, 2017, Rate Counsel stated that it had reviewed the amended federal regulation at 49 C.F.R. § 192.383, the proposed tariff language modification, as well as the customer on-bill notice and the Company's webpage information about EFVs. Rate Counsel further stated that it is not opposed to approval of the Letter Petition as it is satisfied that the proposed modification to the tariff should meet the necessary requirements under the new federal amendment for EFVs.

**DISCUSSION AND FINDING**

The Board has carefully reviewed the record in this matter including the Letter Petition and Rate Counsel's comments. Moreover, as represented by the Company, the modification expands the scope of changes that a customer may request and does not propose changes to rates. The Board **FINDS** that the proposed modification is reasonable, in the public interest and consistent with the intent of the Federal EFV mandate.

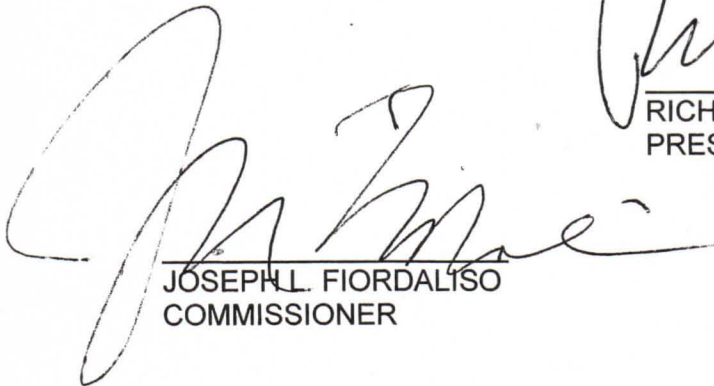
The Board **HEREBY APPROVES** the modification to Original Tariff Sheet 114 as requested by SJG. The Board **HEREBY ORDERS** SJG to file the revised tariff sheet by July 15, 2017, with an effective date of July 15, 2017.

The Company's costs will remain subject to audit by the Board. This Decision and Order shall not preclude nor prohibit the Board from taking any actions determined to be appropriate as a result of any such audit.

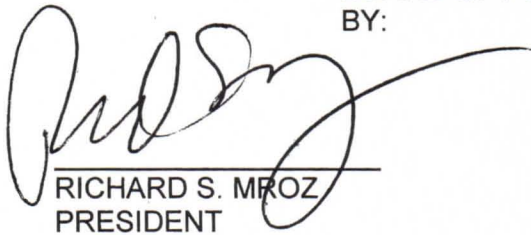
The effective date of this Order is July 10, 2017.

DATED: 6/30/17

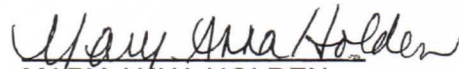
BOARD OF PUBLIC UTILITIES  
BY:



JOSEPH L. FIORDALISO  
COMMISSIONER



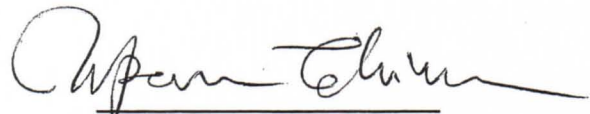
RICHARD S. MROZ  
PRESIDENT



MARY-ANNA HOLDEN  
COMMISSIONER

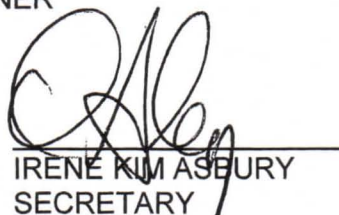


DIANNE SOLOMON  
COMMISSIONER



UPENDRA J. CHIVUKULA  
COMMISSIONER

ATTEST:



IRENE KIM ASBURY  
SECRETARY

**IN THE MATTER OF THE PETITION OF SOUTH JERSEY GAS COMPANY FOR APPROVAL  
TO MODIFY ITS CURRENT TARIFF PURSUANT TO N.J.A.C. 14:1-5.11  
BPU DOCKET NO. GT17050522**

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