



Agenda Date: 11/21/17  
Agenda Item: IIA

**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 NEW JERSEY )  
NATURAL GAS COMPANY FOR APPROVAL OF A )  
MUNICIPAL FRANCHISE IN THE TOWNSHIP OF )  
OCEAN, OCEAN COUNTY, NEW JERSEY )

DECISION AND ORDER

DOCKET NO. GE17080834

**Parties of Record:**

**Andrew K. Dembia, Esq.**, on behalf of Petitioner, New Jersey Natural Gas Company  
**Stefanie A. Brand, Esq.**, Director, New Jersey Division of Rate Counsel

**BY THE BOARD:**

New Jersey Natural Gas Company ("NJNG" or "Company"), a regulated public utility subject to the jurisdiction of the New Jersey 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 500,000 residential, commercial and industrial customers located in Monmouth and Ocean counties, and parts of Middlesex, Burlington and Morris counties in New Jersey.

NJNG currently provides natural gas service within the Township of Ocean ("Township"). The Company's five (5) year consent to use the streets within the Township for the provision of gas service expired on October 1, 2017. On July 13, 2017 pursuant to Ordinance No. 2017-8, the Township renewed its consent and granted NJNG continued permission to lay, maintain and operate its conductors, mains and pipes, together with the appurtenances therein, in all the public streets, alleys, squares and public places within the Township for a period of five (5) years to furnish gas service in the Township. By letter dated July 27, 2017, the Company accepted and agreed to the terms of the consent. Copies of the Ordinance and the letter of acceptance are attached to this Order as Exhibits "A" and "B" respectively.

On August 2, 2017, 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 approve the consent adopted by the Township. As required by law and after notice, a hearing in this matter was held on October 12, 2017. A copy of the hearing notice is attached to this Order as Exhibit "C." William Agee, Esq., the Board's duly appointed hearing officer, presided over the hearing. Appearances were made on behalf of the Company, the New Jersey 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 John Wyckoff, Director of Engineering. According to Mr. Wyckoff, NJNG does not anticipate any significant growth in the Township for the next five (5) years and it has not experienced any interruption of service in the Township during the past five (5) years. He also stated that the Company presently provides service to approximately 3,700 customers in the Township.

Rate Counsel, in its written comments to the petition dated October 25, 2017, indicated that it does not object to the Board's approval of the municipal franchise. It notes that the ordinance limits the consent to a period of five (5) years, and states that it is consistent with the applicable statutory provisions. However, Rate Counsel requests that approval of the petition include certain restrictions which are incorporated in this Order.

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 NJNG 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 Township to continue to provide adequate and appropriate service to its existing customers, and that the five (5) 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 NJNG by the Township to continue to provide gas service, and for the continued use of its public streets for that purpose for a period of five (5) 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 NJNG.
2. This Order shall not effect nor in any way limit the exercise of the authority of this Board or 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 NJNG.

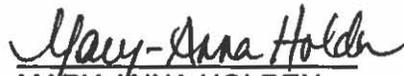
This Order shall be effective as of December 1, 2017.

DATED: 11/21/17

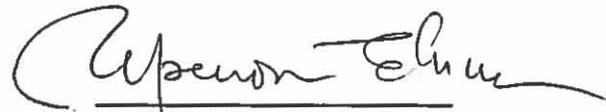
BOARD OF PUBLIC UTILITIES  
BY:

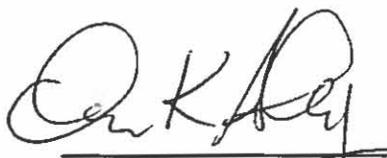
  
RICHARD S. MROZ  
PRESIDENT

  
JOSEPH L. FIORDALISO  
COMMISSIONER

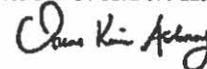
  
MARY-ANNA HOLDEN  
COMMISSIONER

  
DIANNE SOLOMON  
COMMISSIONER

  
UPENDRA J. CHIVUKULA  
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 NEW JERSEY NATURAL GAS COMPANY FOR  
APPROVAL OF A MUNICIPAL FRANCHISE IN THE TOWNSHIP OF OCEAN, OCEAN  
COUNTY, NEW JERSEY - DOCKET NO. GE17080834

SERVICE LIST

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**New Jersey Natural Gas Company:**

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[renee.greenberg@law.njoag.gov](mailto:renee.greenberg@law.njoag.gov)

**Township of Ocean:**

Honorable Diane B. Ambrosio, RMC CMR  
Administrator/ Municipal Clerk  
Township of Ocean, Ocean County  
50 Railroad Avenue  
Waretown, NJ 08758  
[clerk@twpoceannj.gov](mailto:clerk@twpoceannj.gov)

Honorable Betty Vasil, Clerk of the Board  
Ocean County Board of Chosen Freeholders  
Administration Building  
101 Hooper Avenue  
P.O. Box 2191  
Toms River, NJ 08754

Honorable Scott M. Colabella, County Clerk  
Ocean County Superior Court  
118 Washington Street  
P.O. Box 2191  
Toms River, NJ 08754  
[scolabella@co.ocean.nj.us](mailto:scolabella@co.ocean.nj.us)

# Exhibit A

**ORDINANCE 2017-8**

**ORDINANCE OF THE TOWNSHIP OF OCEAN, OCEAN COUNTY,  
NEW JERSEY, CONSENTING TO THE FRANCHISE RENEWAL  
RIGHTS FOR NEW JERSEY NATURAL GAS COMPANY TO LAY  
AND MAINTAIN GAS MAINS, PIPES, AND SERVICE PIPES, IN  
AND UNDER THE SURFACE OF ANY OR ALL OF THE ROADS,  
STREETS, AVENUES, HIGHWAYS, AND PUBLIC PLACES, FOR  
THE PURPOSE OF FURNISHING NATURAL GAS TO THE  
TOWNSHIP OF OCEAN**

WHEREAS, New Jersey Natural Gas Company obtained the consent of this municipality to exercise its franchise rights by Ordinance 2012-5 dated October 1, 2012, to lay and maintain gas mains, pipes and service pipes in and under the surface of any or all of the roads, streets, avenues, highways, and public places, for the purpose of furnishing gas therein, and

WHEREAS, said consent is limited to a period of five (5) years, and by the terms thereof, expires October 1, 2017; and

WHEREAS, New Jersey Natural Gas Company is desirous of obtaining consent of the Municipality to continue service in the Municipality.

NOW, THEREFORE, BE IT ORDAINED by the Township Council of the Township of Ocean, in the County of Ocean, and State of New Jersey, as follows:

**SECTION I.** New Jersey Natural Gas Company be and is hereby authorized to lay, maintain, and operate its conductors, mains, and pipes, together with the appurtenances therein, in all the public streets, alleys, squares and public places in this municipality which are under the control and jurisdiction of the Township of Ocean for the purpose of conducting, transmitting and distributing gas, or any mixture of gases of various types including natural gas, for a period of five (5) years from the date hereof, upon the following terms and conditions:

- A.) New Jersey Natural Gas Company shall agree that, in all cases in which street openings or excavations are made for the purposes aforesaid, the pavement and the surface of the streets, alley, squares or roadways shall be restored to the same condition as existed prior to the opening thereof; and
- B.) New Jersey Natural Gas Company shall conduct the work or the laying or maintaining of gas pipes therein in a careful and prudent manner;
- C.) New Jersey Natural Gas Company shall file with the Clerk of this Municipality, within sixty (60) days from the date hereof, its acceptance of the terms and provisions of the franchise consent herein granted and its agreement to be bound by the terms and provisions thereof.

- D.) The terms of the franchise incorporated within this ordinance shall not become effective until approved by the Board of Public Utilities of the State of New Jersey.

**BE IT FURTHER ORDAINED** that prior to the beginning of any street openings or excavations for the purposes aforesaid, New Jersey Natural Gas Company shall apply, in writing, on forms to be supplied by New Jersey Natural Gas Company, to the Township Clerk, acting as agent of this governing body for permission to make any street opening or excavation.

**SECTION II.** Any section, subsection, clause, phrase, ordinances or parts of Ordinances inconsistent herewith are hereby repealed.

**SECTION III.** This Ordinance shall take affect after second reading and publication as required by law.

**NOTICE**

**NOTICE IS HEREBY GIVEN** that the foregoing Ordinance was introduced and passed by the Township Committee of the Township of Ocean on first reading at a meeting held on the 8<sup>th</sup> day of June, 2017. The Ordinance will be considered for second and final reading at a meeting of the Township Committee which is scheduled for the 13<sup>th</sup> day of July, 2017, at 7:00 p.m., or as soon thereafter as the matter may be reached, at the Municipal Building located at 50 Railroad Avenue, Waretown, New Jersey, at which time the public is invited to ask questions, raise objections, or provide public comment with regard to the proposed adoption of this Ordinance.

  
DIANE B. AMBROSIO, RMC, Municipal Clerk

# Exhibit B



July 27, 2017

Via Federal Express Overnight Delivery

Honorable Diane B. Ambrosio, RMC CMR  
Administrator/Municipal Clerk  
Township of Ocean, Ocean County  
50 Railroad Avenue  
Waretown, New Jersey 08758

**Re: ORDINANCE OF THE TOWNSHIP OF OCEAN, OCEAN COUNTY, NEW JERSEY, CONSENTING TO THE FRANCHISE RENEWAL RIGHTS FOR NEW JERSEY NATURAL GAS COMPANY TO LAY AND MAINTAIN GAS MAINS, PIPES, AND SERVICE PIPES, IN AND UNDER THE SURFACE OF ANY AND ALL OF THE ROADS, STREETS, AVENUES, HIGHWAYS, AND PUBLIC PLACES, FOR THE PURPOSE OF FURNISHING NATURAL GAS TO THE TOWNSHIP OF OCEAN ORDINANCE 2017-8**

Dear Ms. Ambrosio:

New Jersey Natural Gas Company ("NJNG") hereby accepts the terms and provisions of the franchise consent granted by the Township Council on July 13, 2017 and hereby agrees to be bound by the terms and provisions thereof. See Ordinance 2017-8 attached hereto.

Please be advised that NJNG will submit the Ordinance to the New Jersey Board of Public Utilities for approval.

Respectfully submitted,

A handwritten signature in cursive script that reads 'Andrew K. Dembia'.

Andrew K. Dembia, Esq.  
Regulatory Affairs Counsel

AKD:fk

# Exhibit C



September 11, 2017

**BY CERTIFIED MAIL - RETURN RECEIPT REQUESTED**

Diane B. Ambrosio, RMC CMR  
Administrator/Municipal Clerk  
Township of Ocean, Ocean County  
50 Railroad Avenue  
Waretown, New Jersey 08758

Carl W. Block, County Administrator  
Ocean County  
101 Hooper Ave. Admin Building  
Toms River, NJ 08754-2191

Scott M. Colabella, County Clerk  
Ocean County Court House  
118 Washington St.  
PO Box 2191  
Toms River, New Jersey 08754

**RE: In the Matter of the Petition of New Jersey Natural Gas Company for  
the Approval of a Municipal Franchise in the Township of Ocean,  
Ocean County  
BPU Docket No. GE17080834**

Dear the Parties Addressed:

Pursuant to the provisions of N.J.S.A. 48:2-14, New Jersey Natural Gas Company ("NJNG") has applied to the New Jersey Board of Public Utilities ("Board") for approval of the Township of Ocean's ("Township") Ordinance 2017-8, which granted NJNG permission to continue to provide natural gas service in the Township as provided in said ordinance. Please be advised that the Board has set October 12, 2017 at 11:00 AM at the Board's offices located at 44 South Clinton Avenue, Trenton, New Jersey 08625 in Conference Room 7W as the time and place for the hearing on this matter. You are welcome to attend to put your views on the record if you desire.

Respectfully submitted,

A handwritten signature in cursive script that reads 'Andrew K. Dembia'.

Andrew K. Dembia, Esq.  
Regulatory Affairs Counsel

AKD:fk

C: Service List