



STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 3rd Floor, Suite 314
Post Office Box 350
Trenton, New Jersey 08625-0350
www.nj.gov/bpu/

ENERGY

IN THE MATTER OF THE PETITION OF NEW JERSEY)
NATURAL GAS FOR APPROVAL OF A MUNICIPAL)
FRANCHISE IN THE BOROUGH OF MANASQUAN,)
MONMOUTH COUNTY, NEW JERSEY) DECISION AND ORDER

DOCKET NO. GE18040463

Parties of Record:

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

BY THE BOARD:

New Jersey Natural Gas (“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 to approximately 530,000 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 Borough of Manasquan (“Borough”) to approximately 3,289 residential and 292 commercial customers. The Company’s consent to use the streets within the Borough for the provision of gas service expired on May 31, 2018.¹ On March 19, 2018, pursuant to Ordinance No. 2251-18, the Borough renewed its consent and granted NJNG continued permission to lay, maintain and operate its conductors, mains, pipes and related appurtenances within the public streets, alleys, squares and public places within the Borough for a period of twenty (20) years to furnish gas service in the Borough. By letter dated April 23, 2018, 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.

¹ 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, NJNG represents that it has continued to provide service to its customers within the Borough in an uninterrupted manner.

On April 25, 2018, pursuant to N.J.S.A. 48:2-14 and N.J.A.C. 14:1-5.5, NJNG filed the instant 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 June 12, 2018. William Agee, Esq., the Board's duly appointed hearing officer, presided over the hearing. A copy of the hearing notice is attached to this Order as Exhibit "C." 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 B. Wyckoff, Director of Engineering. According to Mr. Wyckoff's testimony and discovery responses, NJNG anticipates growth in the Borough over the next five (5) years of approximately forty (40) to fifty (50) customers. Mr. Wyckoff also testified that the Company has the capacity to meet the anticipated level of growth within the municipality and has no plans to change its gas distribution system within the Borough.

Rate Counsel, in its written comments to the petition dated June 21, 2018, indicated that it does not object to the approval of the Company's petition since the Company represented that it has the capacity necessary to continue to provide natural gas service to its customers in the Borough, and since the term of the municipal consent related to the use of streets is limited to a term of twenty (20) years, which is less than the statutory term maximum of fifty (50) years. However, Rate Counsel requested 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 Borough to continue to provide adequate and appropriate service to its existing customers, as well as expected future customers, and that the twenty (20) 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 Borough to continue to provide gas service, and for the continued use of its public streets for that purpose for a period of twenty (20) years.

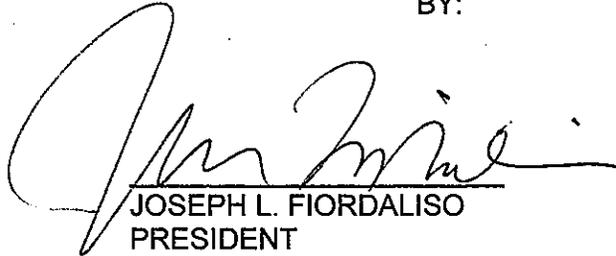
The approval granted hereinabove shall be subject to the following provisions:

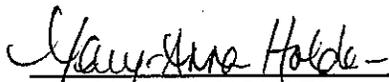
1. This Order shall not be construed as directly or indirectly fixing for any purposes whatsoever the value of any tangible or intangible assets now owned or hereafter to be owned by NJNG.
2. This Order shall not effect nor in any way limit the exercise of the authority of this Board or of this State 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 August 4, 2018.

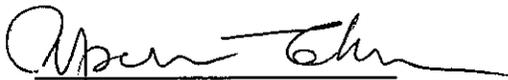
DATED: 7/25/18

BOARD OF PUBLIC UTILITIES
BY:

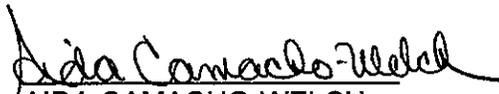

JOSEPH L. FIORDALISO
PRESIDENT


MARY-ANNA HOLDEN
COMMISSIONER


DIANNE SOLOMON
COMMISSIONER


UPENDRA J. CHIVUKULA
COMMISSIONER


ROBERT M. GORDON
COMMISSIONER

ATTEST: 
AIDA CAMACHO-WELCH
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 FOR APPROVAL OF
A MUNICIPAL FRANCHISE IN THE BOROUGH OF MANASQUAN, MONMOUTH COUNTY,
NEW JERSEY - DOCKET NO. GE18040463

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New Jersey Natural Gas Company:

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P.O. Box 1464
Wall, NJ 07719

Andrew K. Dembia, Esq.
adembia@njng.com

Borough of Manasquan:

Honorable Barbara Ilaria, RMC, CMR, Clerk
Borough of Manasquan
Borough Hall
201 East Main Street
Manasquan, NJ 08736

Honorable Marion Masnick, Clerk
Monmouth County Freeholders
Monmouth County Hall of Records
One East Main Street
P.O. Box 1255
Freehold, NJ 07728

Board of Public Utilities:

44 South Clinton Avenue, 3rd Floor, Suite 314
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Honorable Christine Giordano
Hanlon, Clerk
Monmouth County
Market Yard
33 Mechanic Street
Freehold, NJ 07228

Mark G. Kitrick, Esq.
Municipal Attorney
2329 Route 34 South
Suite 104
Manasquan, NJ 08736

Exhibit A

**BOROUGH OF MANASQUAN
ORDINANCE 2251-18**

**ORDINANCE OF THE BOROUGH COUNCIL OF THE
BOROUGH OF MANASQUAN, MONMOUTH COUNTY,
NEW JERSEY, GRANTING CONSENT TO NEW JERSEY
NATURAL GAS COMPANY TO LAY, MAINTAIN, AND
OPERATE NATURAL GAS FACILITIES IN THE
MUNICIPALITY.**

WHEREAS, on September 17, 2012, the Borough of Manasquan ("Municipality") granted New Jersey Natural Gas Company ("NJNG") a franchise and consent for a period of five (5) years to lay, maintain and operate natural gas facilities in the Municipality for the purpose of furnishing natural gas in the Municipality, which franchise and consent expires on May 31, 2018; and

WHEREAS, NJNG has continued to serve natural gas to the Municipality's residents and now makes application to the Municipality to continue to exercise NJNG's franchise rights in the Municipality and to continue to maintain and operate its natural gas facilities in the Municipality;

NOW, THEREFORE, BE IT RESOLVED by the Borough Council of the Borough of Manasquan, Monmouth County, New Jersey, on this 5th day of March, 2018 that NJNG be and is hereby authorized to lay, maintain and operate its conductors, mains and pipes, together with appurtenances thereto, in all the public streets, alleys, squares and public places in the Municipality for the purposes of conducting natural gas or any mixture of gases of various types including natural gas for the purpose of transmitting and distributing such gas in the Municipality for a period of twenty (20) years upon the following terms and conditions:

NJNG shall:

- (a) first notify the Municipality in advance by application, in writing, of the streets, alleys, squares and public places to be opened for the laying or repairing of natural gas mains and pipes in the Municipality, together with a map or plan of such work;
- (b) secure a permit for such work; and
- (c) conduct the work of laying or repairing such facilities in a careful and prudent manner and no street shall remain open longer than absolutely necessary to lay or repair the work.

By its acceptance of this Ordinance, NJNG also agrees to save harmless the Municipality from all claims, demands or damages by reason of its negligence in the construction, maintenance or operation of said mains and pipes occupying the streets, alleys, squares, and public places under the provisions of the consent granted by this Ordinance.

NJNG agrees that, in all cases in which street openings or excavations are made for the purposes aforesaid, the pavement and the surface of the streets, alleys, squares or roadways shall be restored to the same condition as existed prior to the opening of such pavement or surface.

Nothing contained in this consent shall be construed to impose any obligation on the part of the Municipality to open any streets, roads, avenues or highways, or

parts of any street, road, avenue or highway, not previously dedicated or opened to the public use, and nothing therein contained shall be construed in any court or place as an acceptance of any unaccepted street, road, avenue or highway or any part of an unaccepted street, road, avenue or highway.

NJNG, its successors and assigns, shall at all times during the term of the franchise, furnish safe, adequate and proper service to the Municipality and keep and maintain its property and equipment in such conditions as to enable it to do so.

Nothing in this Ordinance shall be construed to grant NJNG, its successors and assigns, an exclusive right, or to prevent the granting of permission and consent to other companies for like purposes, on any streets, roads, avenues or highways of this Municipality.

NJNG shall conduct the work of laying or repairing gas mains and pipelines in a careful and prudent manner.

NJNG shall file with the Municipal Clerk, within sixty (60) days from the date of this Ordinance, its acceptance of the terms and provisions of this franchise consent and its agreement to be bound by the terms and provisions of the franchise consent once it is approved by the New Jersey Board of Public Utilities.

This Ordinance shall not become effective until it is approved by the New Jersey Board of Public Utilities.

NOTICE

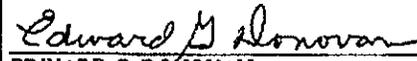
PUBLIC NOTICE IS HEREBY GIVEN that Ordinance No. 2251-18 is being introduced at a meeting of the Mayor and Council of the Borough of Manasquan on the 5th day of March, 2018, and read for the first time. The said Ordinance is going to be considered for final passage by the Mayor and Council at Borough Hall, 201 East Main Street, Manasquan, NJ 08736 at 7:00 p.m. on the 19th day of March 2018. At such time and place, or at any such time or place to which said meeting may be adjourned, all interested persons will be given an opportunity to be heard concerning said ordinance. A copy of this ordinance can be obtained without cost by any member of the general public at the office of the Municipal Clerk in Borough Hall between the hours of 9:00 a.m. and 4:00 p.m. on Monday through Friday, except on legal holidays.



Barbara Maria, RMC
Municipal Clerk

Mark G. Kitrick, Esquire
Municipal Attorney
2329 Route 34 South
Suite 104
Manasquan, NJ 08736

Passed on First Reading and Introduction: March 5, 2018
Approved on Second Reading and Final Hearing: March 19, 2018



EDWARD G. DONOVAN
Mayor

Exhibit B



April 23, 2018

Via Federal Express Overnight Delivery

Honorable Barbara Ilaria, RMC CMR
Municipal Clerk
Borough Hall
201 East Main Street
Manasquan, New Jersey 08736

**Re: ORDINANCE OF THE BOROUGH COUNCIL OF THE
BOROUGH OF MANASQUAN, MONMOUTH COUNTY, NEW
JERSEY, GRANTING CONSENT TO NEW JERSEY NATURAL
GAS COMPANY TO LAY, MAINTAIN AND OPERATE
NATURAL GAS FACILITIES IN THE MUNICIPALITY
ORDINANCE 2251-18**

Dear Ms. Ilaria:

New Jersey Natural Gas Company ("NJNG") hereby accepts the terms and provisions of the franchise consent granted by the Borough Council on March 19, 2018 and hereby agrees to be bound by the terms and provisions thereof. See Ordinance 2251-18 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 black ink that reads 'Andrew K. Dembia'. The signature is written in a cursive, flowing style.

Andrew K. Dembia, Esq.
Regulatory Affairs Counsel

AKD:fk

Exhibit C

P-3



May 16, 2018

BY CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Honorable Barbara Ilaria, RMC, CMR, Clerk
Borough of Manasquan
Borough Hall
201 East Main Street
Manasquan, New Jersey 08736

Honorable Marion Masnick, Clerk
Monmouth County Freeholders
Monmouth County Hall of Records
One East Main Street
P.O. Box 1255
Freehold, NJ 07728

Honorable Christine Giordano Hanlon, Clerk
Monmouth County
Market Yard
33 Mechanic Street
Freehold, NJ 07728

**RE: In the Matter of the Petition of New Jersey Natural Gas for the
Approval of a Municipal Franchise in the Borough of Manasquan,
Monmouth County**

BPU Docket No. GE18040463

NOTICE OF MUNICIPAL CONSENT HEARING

Dear Honorable Clerks:

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 Borough of Manasquan's ("Borough") Ordinance 2251-18, which granted NJNG permission to continue to provide natural gas service in the Borough as provided in said Ordinance. Please be advised that the Board has set June 12, 2018 at 1:30 PM 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