



Agenda Date: 10/14/20  
Agenda Item: IIC

**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 RESOLUTION OF THE ) ORDER APPROVING RENEWAL  
BOROUGH OF FAIR HAVEN, MONMOUTH ) OF FRANCHISE AGREEMENT  
COUNTY, NEW JERSEY, AUTHORIZING )  
RENEWAL OF THE FRANCHISE AGREEMENT )  
WITH NEW JERSEY NATURAL GAS COMPANY ) DOCKET NO. GE20020167

**Parties of Record:**

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

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, parts of Middlesex, Burlington, and Morris counties in New Jersey.

NJNG currently provides natural gas service within the Borough of Fair Haven ("Borough") to 2,079 residential customers and 108 commercial customers. The Company's 50 year consent to use the streets within the Borough for the provision of gas service expired on March 24, 2019.<sup>1</sup> On March 11, 2019 by Resolution No. 2019-60 ("Resolution"), the Borough renewed NJNG's franchise for a period of 50 years and has granted NJNG consent to lay, maintain, and operate gas facilities in the Borough. A copy of the Resolution is attached to this Order as Exhibit "A". By letter to the Borough dated March 14, 2019, NJNG accepted and agreed to the terms and conditions of the Resolution consistent with N.J.S.A. 48:3-16. Copies of the letter of acceptance and the hearing notice are attached to this Order as Exhibits "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, NJNG represents that it has continued to provide service to its customers within the Borough in an uninterrupted manner.

On February 25, 2020, NJNG filed a petition with the Board, pursuant to N.J.S.A. 48:2-14 and N.J.A.C. 14:1-5.5, seeking approval of the franchise renewal agreement granted by the Borough. As required by law and after notice, a municipal consent hearing in this matter was held on July 28, 2020. Lanhi Saldana, 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 comments with the Board related to this matter.

At the hearing, the Company relied on its petition and exhibits filed with the Board and presented the testimony of John B. Wyckoff, Vice President of Operations and Engineering. According to Mr. Wyckoff's testimony and discovery responses, NJNG anticipates growth in the Borough over the next five (5) years of approximately 25 to 35 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 August 19, 2020, indicated that it does not object to the Company's petition since the Company represented that it has the capacity necessary to continue to provide natural gas service to the Borough. The term of the municipal consent related to the use of streets is limited to a term of 50 years. However, Rate Counsel requested that approval of the petition include certain restrictions which are incorporated in this Order.

### **DISCUSSION AND FINDINGS**

After careful review and consideration of the petition and exhibits submitted in this matter, the Board **HEREBY FINDS** that the renewal of the franchise agreement granted to NJNG by the Borough of Fair Haven is necessary and proper for the public convenience and properly serve 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, and that the 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 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 50 years.

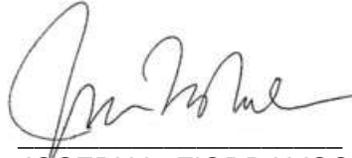
The approval granted hereinabove shall be subject to the following provisions:

1. As required by N.J.S.A. 48:3-15, and limited by the Resolution, the municipal consent to construct, maintain and operate gas lines in the streets and other public places in the Borough is limited to a term not exceeding 50 years.
2. 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.
3. 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.

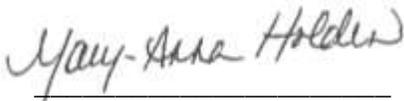
This Order shall be effective on October 24, 2020.

DATED: October 14, 2020

BOARD OF PUBLIC UTILITIES  
BY:



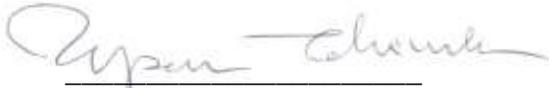
JOSEPH L. FIORDALISO  
PRESIDENT



MARY-ANNA HOLDEN  
COMMISSIONER



DIANNE SOLOMON  
COMMISSIONER

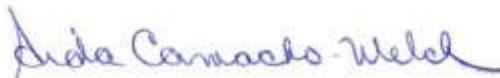


UPENDRA J. CHIVUKULA  
COMMISSIONER



ROBERT M. GORDON  
COMMISSIONER

ATTEST:



AIDA CAMACHO-WELCH  
SECRETARY

IN THE MATTER OF THE RESOLUTION OF THE BOROUGH OF FAIR HAVEN, MONMOUTH COUNTY, NEW JERSEY, AUTHORIZING RENEWAL OF THE FRANCHISE AGREEMENT WITH NEW JERSEY NATURAL GAS COMPANY: RESOLUTION NO. 2019-60, PURSUANT TO N.J.S.A. 48:2-14 AND N.J.A.C. 14:1-5.5.  
BPU DOCKET NO. GE20020167

SERVICE LIST

**Borough of Fair Haven:**

Allyson M. Cinquegrana  
Municipal Clerk  
Borough of Fair Haven  
748 River Road  
Fair Haven, New Jersey 07704

**New Jersey Natural Gas Company:**

1415 Wyckoff Road  
P.O. Box 1464  
Wall, NJ 07719

Mark G. Kahrer  
[mkahrer@njng.com](mailto:mkahrer@njng.com)

Andrew Dembia  
[adembia@njng.com](mailto:adembia@njng.com)

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DIVISION OF LAW**

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Michael Beck  
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Shelly Massey, Paralegal  
[smassey@rpa.nj.gov](mailto:smassey@rpa.nj.gov)

# Exhibit A: Resolution

COUNCIL OF THE BOROUGH OF FAIR HAVEN  
MONMOUTH COUNTY, NEW JERSEY  
**RESOLUTION**

**Motion by:** Councilwoman Sorensen

**Second by:** Councilwoman Koch

**AFFIRMATIVE:** Councilmembers Koch, Peters, Rodriguez and Sorensen

**NEGATIVE:** None

**ABSTAIN:** None

**ABSENT:** Councilmembers Banahan and Rice

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**RESOLUTION NO. 2019-60**

**TITLE: A RESOLUTION AUTHORIZING RENEWAL OF THE FRANCHISE AGREEMENT WITH NEW JERSEY NATURAL GAS COMPANY**

**WHEREAS,** New Jersey Natural Gas Company has heretofore been granted a franchise and consent to lay, maintain and operate gas facilities in the Borough of Fair Haven; and

**WHEREAS,** New Jersey Natural Gas Company is desirous of obtaining a franchise and consent of the municipality to continue serving the municipality.

**NOW, THEREFORE, BE IT RESOLVED,** that the Borough of Fair Haven hereby consents and authorizes New Jersey Natural Gas Company to lay, maintain and operate for a period of fifty (50) years from the date hereof, its conductors, mains and pipes together with all appurtenances thereto, in, under and over all the public streets, alleys, squares and public places in the Borough of Fair Haven for the purpose of conducting, transmitting and distributing gas or any mixture of gases of various types, including natural gas, upon the following terms and conditions and rules, regulations and ordinances of the Borough of Fair Haven:

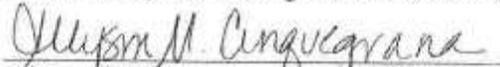
1. That New Jersey Natural Gas Company shall agree that, in all cases in which street openings or excavations are made for the purpose of aforesaid, the pavement and surface of the streets, alleys, squares or roadways shall be restored to the same condition as existed prior to the opening thereof, and as required by Municipal Ordinances; and
2. That New Jersey Natural Gas Company shall conduct the work or the laying or maintaining of gas pipes therein in a careful and prudent manner; and
3. That New Jersey Natural Gas Company shall safeguard the public interest in continuous and uninterrupted service at and after the expiration of the term of the grant; and
4. That New Jersey Natural Gas Company shall maintain its property in good order throughout the full term of the grant; and
5. That New Jersey Natural Gas Company shall continuously afford safe, adequate and proper service at just and reasonable rates.

**BE IT FURTHER RESOLVED,** that this franchise consent, upon approval of the Board of Public Utilities of the State of New Jersey, shall supersede the Resolution granted by the Borough of Fair Haven on March 24, 1969; and

**BE IT FURTHER RESOLVED,** that 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; and

**BE IT FURTHER RESOLVED**, that this resolution shall not become effective unless and until it is approved by the Board of Public Utilities of the State of New Jersey.

I, Allyson M. Cinquegrana, Municipal Clerk of the Borough of Fair Haven in the County of Monmouth and the State of New Jersey, do hereby certify that the foregoing is a correct and true copy of a resolution adopted by the Mayor and Council of the Borough of Fair Haven in the County of Monmouth in the State of New Jersey at a meeting held on March 11, 2019.

  
Allyson M. Cinquegrana, RMCCMR  
Municipal Clerk

# Exhibit B: Letter of Acceptance



March 14, 2019

**VIA FEDERAL EXPRESS**

Allyson M. Cinquegrana, RMC/CMR  
Municipal Clerk  
Borough of Fair Haven  
748 River Road  
Fair Haven, New Jersey 07704

**Re: RESOLUTION OF THE COUNCIL OF THE BOROUGH OF FAIR HAVEN, MONMOUTH COUNTY, NEW JERSEY, AUTHORIZING RENEWAL OF THE FRANCHISE AGREEMENT WITH NEW JERSEY NATURAL GAS COMPANY  
RESOLUTION NO. 2019-60**

Dear Ms. Cinquegrana:

New Jersey Natural Gas Company ("NJNG") hereby accepts the terms and provisions of the resolution authorizing renewal of the franchise agreement granted by the Council of the Borough of Fair Haven on March 11, 2019 and hereby agrees to be bound by the terms and provisions thereof. See Resolution No. 2019-60 (the "Resolution") herein enclosed.

NJNG will submit the Resolution to the New Jersey Board of Public Utilities (the "BPU") for approval and provide you with advance notice of the BPU hearing on this matter.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Alex Gonzalez'.

Alex Gonzalez, Esq.  
Assistant General Counsel

AG:km  
enclosure

204186

# Exhibit C: Hearing Notice



June 30, 2020

**BY ELECTRONIC MAIL**

Allyson M. Cinquegrana, RMC/CMR  
Municipal Clerk  
Borough of Fair Haven  
748 River Road  
Fair Haven, New Jersey 07704

Marion Masnick, Clerk of the Board  
Monmouth County Board of Freeholders  
Monmouth County Hall of Records  
One East Main Street  
P.O. Box 1255  
Freehold, New Jersey 07728

Christine Giordano Hanlon, County Clerk  
Monmouth County Market Yard  
33 Mechanic Street  
Freehold, New Jersey 07728

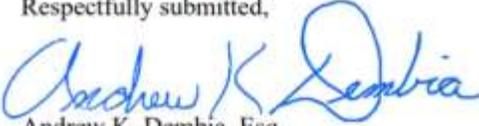
**RE: In the Matter of the Petition of New Jersey Natural Gas Company for the Approval of a Municipal Franchise in the Borough of Fair Haven, Monmouth County BPU Docket No. GE20020167**

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 Borough of Fair Haven's ("Borough") Resolution No. 2019-60, which granted NJNG permission to continue to provide natural gas service in the Borough as provided in said Resolution. Please be advised that the Board has set July 28, 2020 at 10:00am EST, as the date and time for the Municipal Consent Hearing. Due to the COVID-19 pandemic, this Municipal Consent Hearing will be held via Zoom. The Zoom log-in information is as follows:

<https://zoom.us/j/2458136397?pwd=V3ZURkMxRnhDVk43SFEybGZsRktFZz09>  
Passcode: 871017

My assistant, Maura Clark is the Zoom meeting organizer. A Zoom meeting invitation will be sent to you in advance of the scheduled date for this Municipal Consent Hearing. You are welcome to participate in the Zoom meeting to put your views on the record if you so desire. Also, notice of the hearing is posted on the Company's web site, njng.com, so interested members of the public may view the hearing.

Respectfully submitted,  
  
Andrew K. Dembia, Esq.  
Regulatory Affairs Counsel

AKD:sf  
C: Service List