

Agenda Date: 3/20/24 Agenda Item: 6A

STATE OF NEW JERSEY Board of Public Utilities 44 South Clinton Avenue, 1st Floor Trenton, New Jersey 08625-0350 www.nj.gov/bpu/

IN THE MATTER OF ALLEGED VIOLATIONS OF THE) UNDERGROUND FACILITY PROTECTION ACT,) N.J.S.A. 48:2-73 to 91 BY J&R CONSTRUCTION, LLC) AND SUNNY WORLD, LLC) RELIABILITY AND SECURITY

ORDER APPROVING SETTLEMENT

DOCKET NOS. GS23110797K et al.

Party of Record:

Jennifer McCave, Esq., Attorney for J&R Construction, LLC and Sunny World, LLC

BY THE BOARD:

By this Order, the New Jersey Board of Public Utilities ("Board") considers a Stipulation of Settlement ("Stipulation") between Board Staff ("Staff") and J&R Construction, LLC and Sunny World, LLC ("Excavator") (collectively, "Parties") to resolve 22 alleged violations of the Underground Facility Protection Act, N.J.S.A. 48:2-73 et seq. ("Act") and applicable rules and regulations (collectively, "Applicable Laws").

I. BACKGROUND AND INVESTIGATION

The Excavator engaged in numerous excavations in New Jersey between September 16, 2016 and January 10, 2023. In the course of the excavations, the Excavator came into contact with and damaged natural gas infrastructure belonging to Public Service Electric and Gas Company, New Jersey Natural Gas Company, and/or South Jersey Gas Company. Staff commenced an investigation and found probable violations of the Act to which Staff made the Excavator aware. These probable violations included the alleged failure to use reasonable care during excavation and properly hand dig and locate underground facilities.

II. SUMMARY OF SETTLEMENT TERMS:¹

On January 29, 2024, the Parties entered into the Stipulation, which provides for the following:

- 1. The Stipulation represents a settlement of the One-Call Matters concerning the Excavator's alleged violations of the Applicable Laws.
- 2. The Parties agree that on or before January 31, 2024, as a compromise of civil penalties, the Excavator shall make a one-time payment of Sixty Thousand Dollars (\$60,000.00) to the Treasurer of the State of New Jersey. The payment shall be mailed to Curtis Elvin, Chief Fiscal Officer, Board of Public Utilities, 44 South Clinton Avenue, 9th Floor, P.O. Box 350, Trenton, New Jersey 08625, with a copy provided to Matko Ilic, Deputy Attorney General, at the Department of Law and Public Safety, 25 Market Street, P.O. Box 112, Trenton, NJ 08625.
- 3. After execution by the Parties, the Stipulation shall be presented to the Board for consideration.
- 4. If approved by the Board, the Stipulation shall constitute the entire agreement between Staff and the Excavator with respect to the above-referenced matter and shall operate as a complete and final disposition of the investigation by the Board subject only to the terms of the Stipulation.
- 5. Should the Excavator default in paying the amounts set forth in Paragraph 2 of the Stipulation, the Board shall be entitled to enforce the Board's decision pursuant to the Penalty Enforcement Law of 1999, as amended, N.J.S.A. 2A:58-10 et seq., or enter a judgment in the Superior Court of New Jersey or other appropriate forum against the Excavator for any unpaid amount set forth in Paragraph 2 of the Stipulation and to take such steps as it deems reasonable to collect the amount due plus interest thereon and to otherwise enforce the Stipulation.
- 6. The Parties agree that the terms of the Stipulation shall not be cited or otherwise used by or against each other or other parties or argued as binding persuasive precedent in this or any other forum, except in any proceeding to enforce the Stipulation or the terms and conditions thereof and/or the Board Order adopting the Stipulation.
- 7. The Stipulation may not be amended in any way, or any part of its provisions waived, except by writing executed by all the Parties to the Stipulation. In the event the Board modifies any provision of the Stipulation, absent express written consent of the Parties, the Stipulation shall be void and the Parties shall be restored to their positions prior to the execution of the Stipulation.

On January 31, 2024, the Excavator paid \$60,000 to the Treasurer of the State of New Jersey.

¹ Although summarized in this Order, the detailed terms of the Stipulation are controlling, subject to the findings and conclusions in this Order. Paragraphs are numbered to coincide with the Stipulation.

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III. DISCUSSION AND FINDINGS

The Board carefully reviewed the record in this matter including, but not limited to, the Act, the Stipulation, and the 22 alleged violations provided therein. The Board <u>HEREBY FINDS</u> that the Stipulation is reasonable, in the public interest, and in accordance with the law. The Board <u>FURTHER FINDS</u> that the Stipulation best serves the interests of the Parties and protects the health and welfare of the citizens of the State of New Jersey. The Board <u>FURTHER FINDS</u> that the agreed-to amount of \$60,000 to the Treasurer of the State of New Jersey. Accordingly, the Board <u>HEREBY ADOPTS</u> the attached Stipulation as if fully set forth herein.

The Board **FURTHER FINDS** that the Stipulation only resolves the 22 alleged violations provided therein, and does not extend to any pending or future alleged violations of the Act involving the Excavator.

This Board Order shall be effective on March 27, 2024.

DATED: March 20, 2024

BOARD OF PUBLIC UTILITIES BY:

RISTINE GUHL -SA

PRESIDENT

ATTEST:

DR. ZENON CHRISTODOULOU COMMISSIONER

MARIAN ABDOU COMMISSIONER

MICHAEL BANGE COMMISSIONER

GOLDEN

SHERRI L. GOLDE SECRETARY

I HEREBY CERTIFY that the within document is a true copy of the original in the files of the Board of Public Utilities.

BPU DOCKET NOS. GS23110797K et al.

In the Matter of Alleged Violations of the Underground Facility Protection Act, N.J.S.A. 48:2-73 to 91 by J&R Construction, LLC and Sunny World, LLC

BPU DOCKET NOS. GS23110797K et al. (see attachment)

SERVICE LIST

J&R Construction, LLC and Sunny World, LLC

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Attorney General's Office

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STATE OF NEW JERSEY

BOARD OF PUBLIC UTILITIES

IN THE MATTER OF ALLEGED VIOLATIONS OF THE UNDERGROUND FACILITY PROTECTION ACT, N.J.S.A. 48:2-73 ET SEQ., BY J&R CONSTRUCTION, LLC AND SUNNY WORLD, LLC

STIPULATION OF SETTLEMENT

BPU Docket Nos. GS23110797K et al. (see attached Appendix)

This Stipulation and Agreement of Settlement ("Stipulation") is entered into by and between the Staff of the New Jersey Board of Public Utilities ("Board"), Bureau of One-Call and Meter Testing ("Board Staff"), and J&R Construction, LLC and Sunny World, LLC ("Excavator") (collectively referred to as the "Parties") as of this 202, 2024, January

WHEREAS, the Excavator engaged in multiple excavations in New Jersey between September 16, 2016 and January 10, 2023, and, in the course of excavation, came into contact with and damaged natural gas infrastructure belonging to Public Service Electric and Gas Company, New Jersey Natural Gas Company, and/or South Jersey Gas Company collectively ("One-Call Matters"); and

WHEREAS, the One-Call Matters, described in the attached Appendix, are as follows: GOC2022-0723, GOC2022-1498, GOC2022-1015, GOC2022-1219, GOC2022-0774, GOC2022-0677, GOC2022-0893, GOC2023-0012, GOC2022-0945, GOC2022-1511, GOC2022-0217, GOC2022-0185, GOC2021-1663, GOC2021-0512, GOC2022-0489, GOC2017-0735, GOC2021-0551, GOC2021-1295, GOC2021-1211, GOC2021-0864, GOC2021-1023, and GOC2021-0887; and

WHEREAS, Board Staff commenced an investigation of the One-Call Matters including an evaluation of the Excavator's compliance with applicable laws, rules and regulations pertaining to natural gas underground pipeline facilities, pursuant to the Underground Facility Protection Act, N.J.S.A. 48:2-73 et seq., and all rules and regulations promulgated thereto (collectively "Applicable Laws"); and

WHEREAS, as part of the investigation, Board Staff advised the Excavator that it had found certain probable violations of Applicable Laws; and

WHEREAS, the Parties reached an agreement to resolve any and all alleged claims against the Excavator arising from or relating to the One-Call Matters described in the Appendix in a comprehensive settlement in accordance with the terms of this Stipulation; and

WHEREAS, the Parties agree that this Stipulation represents a fair and reasonable settlement of all One-Call Matters listed in the Appendix or Board Staff's subsequent investigation of such One-Call Matters; and WHEREAS, the resolution of the One-Call Matters through the adoption of the stipulated positions set forth herein best serves the interests of the Parties, supports judicial economy and preservation of valuable judicial and administrative resources, and is therefore, in the public interest.

NOW THEREFORE, the Parties hereby agree as follows:

1. This Stipulation represents a settlement of the One-Call Matters concerning the Excavator's alleged violations of the Applicable Laws.

2. The Parties agree that on or before January 31, 2024, as a compromise of civil penalties, the Excavator shall make a one-time payment of Sixty Thousand Dollars (\$60,000.00) to the Treasurer of the State of New Jersey. The payment shall be mailed to Curtis Elvin, Chief Fiscal Officer, Board of Public Utilities, 44 South Clinton Avenue, 9th Floor, P.O. Box 350, Trenton, New Jersey 08625, with a copy provided to Matko Ilic, Deputy Attorney General, at the Department of Law and Public Safety, 25 Market Street, P.O. Box 112, Trenton, New Jersey 08625.

3. After execution by the Parties, the Stipulation shall be presented to the Board for consideration.

4. If approved by the Board, the Stipulation shall constitute the entire agreement between Board Staff and the Excavator with respect to the above-referenced matter and shall operate as a complete and final disposition of the investigation by the Board subject only to the terms of this Stipulation.

5. Should the Excavator default in paying the amounts set forth in Paragraph 2 above, the Board shall be entitled to enforce the Board's decision pursuant to the Penalty Enforcement Law of 1999, as amended, N.J.S.A. 2A:58-10 et seq., or enter a judgment in the Superior Court of New Jersey or other appropriate forum against the Excavator for any unpaid amount set forth in Paragraph 2 above and to take such steps as it deems reasonable to collect the amount due plus interest thereon and to otherwise enforce this Stipulation.

6. The Parties agree that the terms of this Stipulation shall not be cited or otherwise used by or against each other or other parties or argued as binding persuasive precedent in this or any other forum, except in any proceeding to enforce the Stipulation or the terms and conditions thereof and/or the Board Order adopting this Stipulation.

7. This Stipulation may not be amended in any way, or any part of its provisions waived, except by writing executed by all the Parties to this Stipulation. In the event the Board modifies any provision of this Stipulation, absent express written consent of the Parties, the Stipulation shall be void and the Parties shall be restored to their positions prior to the execution of the Stipulation.

8. This Stipulation may be executed in as many counterparts as there are signatures thereof, each of which shall be original, but all of which shall constitute one and the same/

instrument. No amendment or waiver of any substantive provision of this Stipulation shall be effective unless it is agreed to by the authorized representative of each party thereto.

9. This Stipulation shall be governed by and construed in accordance with the laws of the State of New Jersey.

NOW THEREFORE, the Parties cause this Stipulation to be executed by their duly authorized officers and officials.

Jennifer McCave By:

1/5/2024 Date:

Jennifer M. McCave, Esq. Attorney for J&R Construction, LLC and Sunny World, LLC

Matthew J. Platkin Attorney General of New Jersey Attorney for Board Staff

By: Matko llic

Matko Ilic Deputy Attorney General

RICARD T NAVESSA 12/21/2023

Date: 1/29/2024

Date of Alleged Violation	One-Call Case Number	Docket Number
06/20/2022	GOC2022-0723	GS23110797K
08/15/2022	GOC2022-1015	GS23110798K
09/15/2022	GOC2022-1219	GS23110799K
11/01/2022	GOC2022-1498	GS23110800K
06/06/2022	GOC2022-0774	GS23110801K
06/10/2022	GOC2022-0677	GS23110802K
07/25/2022	GOC2022-0893	GS23110803K
01/10/2023	GOC2023-0012	GS23110804K
08/01/2022	GOC2022-0945	GS23110805K
11/08/2022	GOC2022-1511	GS23110806K
03/29/2022	GOC2022-0217	GS23110807K
05/02/2022	GOC2022-0489	GS23110808K
03/08/2022	GOC2022-0185	GS23110809K
12/21/2021	GOC2021-1663	GS23110810K
05/11/2021	GOC2021-0512	GS23110811K
06/16/2017	GOC2017-0735	GS23110812K
05/21/2021	GOC2021-0551	GS23110813K
10/05/2021	GOC2021-1295	GS23110814K
09/29/2021	GOC2021-1211	GS23110815K
07/22/2021	GOC2021-0864	GS23110816K
08/31/2021	GOC2021-1023	GS23110817K
07/20/2021	GOC2021-0887	GS23110818K

APPENDIX