



Agenda Date: 4/27/16  
Agenda Item: IIM

**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 OF A	)	
MUNICIPAL CONSENT IN THE BOROUGH OF	)	
CHESILHURST, CAMDEN COUNTY, NEW JERSEY	)	DOCKET NO. GE15070802

**Parties of Record:**

**Stacy M. Barnes, Esq.**, South Jersey Gas Company  
**Stefanie A. Brand, Esq.**, New Jersey Division of Rate Counsel

**BY THE BOARD:**

South Jersey Gas Company ("SJG" or "Company"), a regulated utility subject to the jurisdiction of the Board of Public Utilities ("Board"), is a corporation duly organized under the laws of the State of New Jersey engaged in the business of transmission and distribution of natural gas to approximately 360,000 customers within its service territory.

SJG currently provides natural gas service within the Borough of Chesilhurst ("Borough") to approximately 347 residential and 22 commercial customers. The Company's consent to use the streets within the Borough for the provision of gas service expired on September 25, 1997,<sup>1</sup> pursuant to the fifty (50) year statutory limitation set forth in N.J.S.A. 48:3-15. On May 14, 2015, pursuant to Ordinance No. 2015-3, the Borough renewed its consent and granted SJG continued permission to lay and construct its pipes, mains, and related appurtenances and facilities within the streets, alleys, squares and public places within the Borough for a period of fifty (50) years to furnish gas service in the Borough. By letter dated June 8, 2015, 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 July 14, 2015, pursuant to N.J.S.A. 48:2-14 and N.J.A.C. 14:1-5.5, SJG filed a petition requesting that the Board approve the consent adopted by the Borough. As required by law and

<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, SJG has continued to provide service to its customers within the Borough in an uninterrupted manner.

after notice, a hearing in this matter was held on September 28, 2015, William Agee, Esq., the Board's duly appointed hearing officer. Appearances were made on behalf of the Company, the 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 Joseph Schneider, its General Manager of System Engineering and Planning. Mr. Schneider testified that SJG is experiencing an increase in customers within its service territory due to conversion from other fuels to natural gas. According to the petition, SJG anticipates growth in its defined service territory to be approximately one (1) percent annually for the next three (3) to five (5) years. SJG further represents that it has the capacity to ensure continuation of its natural gas service and does not foresee any concerns regarding its ability to meet the existing and future demands of the Borough.

Rate Counsel, in its written comments to the petition dated November 5, 2015, indicated that it does not object to the Company's petition, and noted that the term of the municipal consent related to the use of streets is limited to fifty (50) years. 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 SJG 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 fifty (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 SJG 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 fifty (50) years.

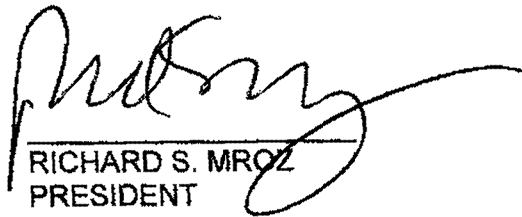
The approval granted hereinabove shall be subject to the following provisions:


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 SJG.
2. This Order shall not effect nor in any way limit the exercise of the authority of this Board 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 SJG.

This Order shall be effective as of May 7, 2016.


DATED: 4/27/16

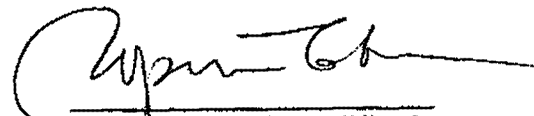
BOARD OF PUBLIC UTILITIES  
BY:

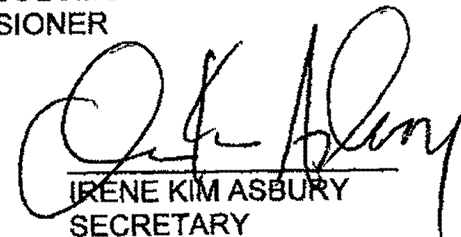
  
RICHARD S. MROZ  
PRESIDENT

  
JOSEPH L. FIORDALISO  
COMMISSIONER

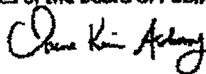
  
MARY-ANNA HOLDEN  
COMMISSIONER

  
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 SOUTH JERSEY GAS COMPANY FOR APPROVAL  
OF A MUNICIPAL CONSENT IN THE BOROUGH OF CHESILHURST, CAMDEN COUNTY,  
NEW JERSEY - DOCKET NO. GE15070802

SERVICE LIST

**Rate Counsel:**

Stefanie A. Brand, Esq., Director  
Division of Rate Counsel  
140 East Front Street, 4<sup>th</sup> floor  
Post Office Box 003  
Trenton, NJ 08625-0003  
[sbrand@rpa.state.nj.us](mailto:sbrand@rpa.state.nj.us)  
[smassey@rpa.state.nj.us](mailto:smassey@rpa.state.nj.us)

Brian Lipman, Litigation Manager  
Division of Rate Counsel  
140 East Front Street, 4<sup>th</sup> floor  
Post Office Box 003  
Trenton, NJ 08625-0003  
[blipman@rpa.state.nj.us](mailto:blipman@rpa.state.nj.us)

Brian Weeks, Esq.  
Division of Rate Counsel  
140 East Front Street, 4<sup>th</sup> floor  
Post Office Box 003  
Trenton, NJ 08625-0003  
[bweeks@rpa.state.nj.us](mailto:bweeks@rpa.state.nj.us)

Felicia Thomas-Friel, Esq.  
Division of Rate Counsel  
140 East Front Street, 4<sup>th</sup> floor  
Post Office Box 003  
Trenton, NJ 08625-0003  
[ftthomas@rpa.state.nj.us](mailto:ftthomas@rpa.state.nj.us)

Shelly Massey, Paralegal  
Division of Rate Counsel  
140 East Front Street, 4<sup>th</sup> floor  
Post Office Box 003  
Trenton, NJ 08625-0003  
[smassey@rpa.state.nj.us](mailto:smassey@rpa.state.nj.us)

**Deputy Attorneys General:**

Alex Moreau, DAG  
Department of Law & Public Safety  
Division of Law  
124 Halsey Street  
Post Office Box 45029  
Newark, NJ 07101-45029  
[alex.moreau@dol.lps.state.nj.us](mailto:alex.moreau@dol.lps.state.nj.us)

**Board of Public Utilities:**

Irene Kim Asbury, Esq.  
Secretary of the Board  
Board of Public Utilities  
44 South Clinton Avenue, 3rd Floor, Suite 314  
Post Office Box 350  
Trenton, NJ 08625-0350  
[Irene.Asbury@bpu.state.nj.us](mailto:Irene.Asbury@bpu.state.nj.us)

William Agee, Esq.  
Legal Specialist  
Counsel's Office  
Board of Public Utilities  
44 South Clinton Avenue, 3rd Floor, Suite 314  
Post Office Box 350  
Trenton, NJ 08625-0350  
[William.Agee@bpu.state.nj.us](mailto:William.Agee@bpu.state.nj.us)

Maureen Wagner, Esq.  
Legal Specialist  
Board of Public Utilities  
44 South Clinton Avenue, 3rd Floor, Suite 314  
Post Office Box 350  
Trenton, NJ 08625-0350  
[Maureen.Wagner@bpu.state.nj.us](mailto:Maureen.Wagner@bpu.state.nj.us)

Megan Lupo, Esq.  
Legal Specialist  
Counsel's Office  
Board of Public Utilities  
44 South Clinton Avenue, 3rd Floor, Suite 314  
Post Office Box 350  
Trenton, NJ 08625-0350  
[megan.lupo@bpu.state.nj.us](mailto:megan.lupo@bpu.state.nj.us)

Jerome May, Director  
Division of Energy  
Board of Public Utilities  
44 South Clinton Avenue, 3rd Floor, Suite 314  
Post Office Box 350  
Trenton, NJ 08625-0350  
[jerome.may@bpu.state.nj.us](mailto:jerome.may@bpu.state.nj.us)

Christopher Psihoules, DAG  
Department of Law & Public Safety  
Division of Law  
124 Halsey Street  
Post Office Box 45029  
Newark, NJ 07101-45029  
[patricia.krogman@dol.lps.state.nj.us](mailto:patricia.krogman@dol.lps.state.nj.us)

Carolyn Vachier, DAG  
Department of Law & Public Safety  
Division of Law  
124 Halsey Street  
Post Office Box 45029  
Newark, NJ 07101-45029  
[caroline.vachier@dol.lps.state.nj.us](mailto:caroline.vachier@dol.lps.state.nj.us)

Veronica Beke, DAG  
Department of Law & Public Safety  
Division of Law  
124 Halsey Street  
Post Office Box 45029  
Newark, NJ 07101-45029  
[Veronica.Beke@lps.state.nj.us](mailto:Veronica.Beke@lps.state.nj.us)

**Cozen O'Connor:**

Stacy A. Mitchell, Esq.  
Cozen O'Connor  
457 Haddonfield Road, Suite 300  
P.O. Box 5459  
Cherry Hill, NJ 08002

Ira G. Megdal, Esq.  
Cozen O'Connor  
457 Haddonfield Road, Suite 300  
P.O. Box 5459  
Cherry Hill, NJ 08002

**Clerk Office:**

Clerk, Borough of Paulsboro  
Gloucester County  
Attention: Kathy Van Scoy  
1211 Delaware Street  
Paulsboro, NJ 08066

Clerk, Board of Chosen Freeholders  
2 South Broad Street  
Woodbury, NJ 08096

Stacy Peterson  
Board of Public Utilities  
44 South Clinton Avenue, 3rd Floor, Suite 314  
Post Office Box 350  
Trenton, NJ 08625-0350  
[stacy.peterson@bpu.state.nj.us](mailto:stacy.peterson@bpu.state.nj.us)

John Masiello  
Division of Reliability and Security  
Board of Public Utilities  
44 South Clinton Avenue, 2<sup>nd</sup> Floor  
Post Office Box 350  
Trenton, NJ 08625-0350  
[john.masiello@bpu.state.nj.us](mailto:john.masiello@bpu.state.nj.us)

**South Jersey Gas Company:**

John Stanziola, Director  
Revenue Affairs  
South Jersey Gas Company  
One South Jersey Plaza  
Route 54  
Folsom, NJ 08037

Robert Fatzinger  
South Jersey Gas Company  
One South Jersey Plaza  
Route 54  
Folsom, NJ 08037

Stacey M. Barnes, Esq.  
South Jersey Gas Company  
One South Jersey Plaza  
Route 54  
Folsom, NJ 08037

Abbey Greenberg  
Public Affairs Specialist  
South Jersey Gas Company  
One South Jersey Plaza  
Route 54  
Folsom, NJ 08037

# Exhibit A

ORDINANCE NO. 2015-3

AN ORDINANCE GRANTING RENEWED CONSENT AND  
PERMISSION TO SOUTH JERSEY GAS COMPANY TO USE THE  
PUBLIC STREETS TO FURNISH GAS FOR LIGHT, HEAT AND  
POWER IN [BOROUGH OF CHESILHURST]

WHEREAS, South Jersey Gas Company, a corporation of the State of New Jersey, provides natural gas service to [BOROUGH OF CHESILHURST] pursuant to the municipal consent first granted to South Jersey Gas Company in that certain Ordinance [2015-3] passed on [MAY 14, 2015]; and

WHEREAS, South Jersey Gas Company now seeks, pursuant to N.J.S.A. 48:3-15, the consent of [BOROUGH OF CHESILHURST] to renew Section [1,2,3] of Ordinance [2015-3] applicable to the use of the streets in [BOROUGH OF CHESILHURST] by adopting the following Ordinance;

NOW, THEREFORE, BE IT ORDAINED by [MAYOR AND COUNCIL] of [BOROUGH OF CHESILHURST], County of [CAMDEN] and State of New Jersey as follows:

Section 1. That exclusive consent and permission is hereby renewed and granted to South Jersey Gas Company to lay and construct its pipes and mains and related appurtenances and facilities within the streets, alleys, squares and public places within [BOROUGH OF CHESILHURST] in the manner prescribed by N.J.S.A. 48:9-21, and subject to reasonable regulations imposed by ordinance or resolution with respect to the opening of streets and public places, subject to approval of such consent and permission by the Board of Public Utilities.

Section 2. This consent is granted for the entire geographical area of [BOROUGH OF CHESILHURST] and extend to the boundaries of [BOROUGH OF CHESILHURST] and shall remain in effect for a period of fifty (50) years from the date of final adoption of this Ordinance.


Section 3. If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held by any Court of competent jurisdiction to be unconstitutional or invalid, such decision shall not affect the remaining portions of this Ordinance.

Section 4. This Ordinance shall take effect immediately upon posting, publication, final passage in the manner prescribed by law, and acceptance by South Jersey Gas Company.

Introduced: APRIL 9, 2015

Adopted: MAY 14, 2015

[ATTEST]

  
Municipal Clerk

# Exhibit B





**South Jersey Gas**

*Where we put all of our energy\**

Stacey M. Barnes, Esq.  
Director, Legal Compliance  
*Office of General Counsel and Corporate Secretary*

---

June 8, 2015

(Via Certified Mail & E-mail: [sgroves@chesilhurstgov.net](mailto:sgroves@chesilhurstgov.net))

Borough of Chesilhurst  
Attention: Gloria D. Rose  
201 Grant Avenue  
Chesilhurst, NJ 08089

Re: Acceptance of Ordinance No. 2015-3 Granting Municipal Consent to South Jersey Gas Company  
to Use the Streets for the Provision of Natural Gas Service

Dear Mrs. Rose:

I am writing on behalf of South Jersey Gas Company ("SJG") to advise that we received a fully executed copy of Ordinance No. 2015-3 (copy attached) granting municipal consent for SJG to provide gas and lay its mains and pipes in the Borough of Chesilhurst. Pursuant to the requirements of N.J.S.A. 48:3-16, SJG hereby accepts Ordinance No. 2015-3, as passed.

Please do not hesitate to call if you have any questions. Thank you.

Very truly yours,

Stacey M. Barnes, Esq.  
Director, Legal Compliance  
[sbarnes@sjindustries.com](mailto:sbarnes@sjindustries.com)

SMB/ls

Enclosure

cc: John Stanziola, Director, Regulatory Affairs  
Abbey Greenberg, Public Affairs Specialist

---

1 South Jersey Plaza, Folsom, New Jersey 08037 • [www.sjindustries.com](http://www.sjindustries.com)  
Tel. 609-581-9000 • Fax 609-581-1012 • TDD Only 1-800-547-9066