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RECEIVED
CASE MANAGEMENT



JUL 05 2018

July 2, 2018

BOARD OF PUBLIC UTILITIES
TRENTON, NJ

VIA ELECTRONIC AND OVERNIGHT MAIL

Aida Camacho-Welch, Secretary
New Jersey Board of Public Utilities
44 South Clinton Avenue, 9th floor
Post Office Box 350
Trenton, NJ 08625-0350

RECEIVED
MAIL ROOM

JUL 05 2018

BOARD OF PUBLIC UTILITIES
TRENTON, NJ

EM18070695

Re: Notice of Intercompany Title Transfer of MGP Property
Block 74, Lot 2,
Union Avenue, East Rutherford, NJ

Dear Secretary Camacho-Welch,

New Jersey Properties Inc. (“NJP”), a 100 percent owned subsidiary of Public Service Electric and Gas Company (“PSE&G”), having its principal and executive offices at 80 Park Plaza, Newark, New Jersey, 07102, hereby files this sixty (60) day Notice of Intercompany Title Transfer of MGP Property pursuant to the Board’s November 4, 1994 Order in Docket No. ER91111698J, addressing notice to the Board of the sale or disposition of MGP related real estate. The transaction at hand is not a sale, but represents a transfer of an asset from the wholly owned subsidiary (NJP) to its parent (PSE&G), which must be recorded at book value. As such, NJP and PSE&G have executed an Intercompany Agreement to Transfer Legal Title to Real Property for the vacant property known as Block 74, Lot 2 in the Township of East Rutherford, County of Bergen, and State of New Jersey known as Union Avenue (the Property”).

1. The Property was a part of the former VanWinkle Manufactured Gas Plant. NJP acquired the Property as part of its remedial requirements pursuant to its MGP Program. The Property was purchased on January 7, 1999 at a purchase price of \$325,000.00. Thereafter, PSE&G remediated the Property and recorded a Deed Notice on August 19, 2004. The New Jersey Department of Environmental Protection issued a No Further Action letter on September 22, 2004. Due to a change in the New Jersey Soil Clean-Up Standards, the original Deed Notice on this property was terminated and re-recorded on June 14, 2012.

2. The Property is currently vacant and has not been used by PSE&G as part of its utility system.

CMS
LEGAL

DAG
RPA
S. Peterson / ENERGY
TOC

ECONOMIST
ENERGY(4)-TOC

3. PSE&G and NJP would like to transfer legal title to the Property from NJP to PSE&G so that PSE&G can utilize the Property for its utility system. On June 20, 2018, an Intercompany Agreement to Transfer Legal Title to Real Property (the "Agreement") was executed between the parties subject to this Board's approval. Pursuant to the terms of the Agreement, the consideration for the transfer of the real estate will be the book cost of the Property, which is \$325,000.00. For a copy of the Agreement see Exhibit A hereto.

4. Attached as Exhibit B hereto is a copy of the current appraisal on the Property issued by J. McHale & Associates Inc. which lists the fair market value of the Property as \$690,000.00.

5. The assessed value of the Property is currently \$603,800.00.


6. Correspondence or communications with respect to this Notice may be addressed to:

Ana J. Murteira, Esq.
Senior Counsel – Property
80 Park Plaza, T5C
Newark, NJ 07102
973-430-6131
ana.murteira@pseg.com

I enclose herein five (5) additional copies of this Notice. Kindly have at least one copy stamped "received" and returned to me in the enclosed self-addressed, postage prepaid envelope.

Thank you for your consideration in this regard.

Respectfully submitted,
NEW JERSEY PROPERTIES INC.

By: 

Ana J. Murteira, Esq.
Senior Counsel – Property

cc: Stephanie Brand, Esq. Rate Counsel (via electronic & overnight mail)
Tom Walker, Director – Energy Division BPU (via electronic & overnight mail)
Bethany Rocque-Romaine, Esq., BPU (via electronic mail only)
Megan Lupo, Esq, BPU (via electronic mail only)

EXHIBIT A
INTERCOMPANY TRANSFER AGREEMENT

AGREEMENT TO TRANSFER LEGAL TITLE TO REAL PROPERTY

(intercompany)

THIS Agreement is made on June 20th, 2018

BETWEEN

NEW JERSEY PROPERTIES INC., a New Jersey Corporation, whose address is 80 Park Plaza, Newark, NJ 07102, referred to herein as the **Transferor**,

AND

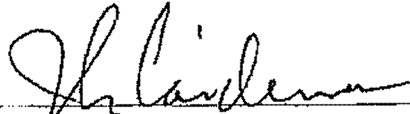
PUBLIC SERVICE ELECTRIC AND GAS COMPANY, a New Jersey Corporation, whose address is 80 Park Plaza, Newark, NJ 07102, referred to herein as the **Transferee**.

1. **Title Transfer Acknowledgement.** The Transferor agrees to transfer and the Transferee agrees to accept legal title to the property described in this agreement.
2. **Real Property.** The real property to be transferred consists of: (a) the land and all the buildings, other improvements and fixtures (if any) on the land; and (b) all of Transferor's right, title and interest relating to the land. The real property to be transferred is commonly known by street address: North East Corner (NEC) of Union Avenue and Van Winkle Street in the Borough of East Rutherford, County of Bergen and State of New Jersey. It is shown on the municipal tax map as Lot 2 in Block 74. This real property is more fully described in the attached Exhibit "A" and is hereinafter referred to as the "Property".
3. **Value of Transfer.** The Deed transferring title to the Property on the public record will reflect an intercompany transaction with the Property's book cost as the consideration amount. The Property's book cost is \$325,000.00.
4. **Time & Place of Transfer.** The Transferor is required by State of NJ, Board of Public Utilities ("BPU") regulation to provide 60 days written notice to the BPU of this transfer. The Parties agree to make 14 days from the date of the BPU's receipt of such written notice the estimated transfer date.
5. **Transfer by Deed.** A deed is a written document used to transfer legal ownership of the Property. In this transfer, the Transferor agrees to provide and the Transferee agrees to accept, a deed known as a Bargain and Sale Deed with Covenants Against Grantors' Acts.
6. **Physical Condition of the Property.** This Property is being transferred "as is".
7. **Miscellaneous Representations:**
 - a) Both parties acknowledge Transferor is a wholly owned subsidiary of Transferee and that this is an intercompany transfer.

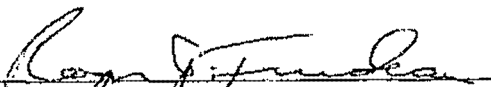
- b) Both parties agree to indemnify each other against any claims arising from the NJ Bulk Sales notification regulation.
- c) This transfer is not only subject to proper notice to the NJBPU, but is also subject to the Consent and Approval of the Board of Directors of New Jersey Properties Inc., the PSEG Affiliate Standards Council, and internal 930-1/940-1 written review and approvals.

SIGNED AND AGREED TO BY:

TRANSFEROR:
NEW JERSEY PROPERTIES INC.

By: 
Jorge L. Cardenas
Vice President

TRANSFeree:
PUBLIC SERVICE ELECTRIC AND
GAS COMPANY
BY: PSEG Services Corporation, Agent

By: 
Roger J. Trudeau
Manager-Corporate Real Estate
Transactions