

Ana J. Murteira
Senior Counsel – Property

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CASE MANAGEMENT

JAN 07 2019

BOARD OF PUBLIC UTILITIES
TRENTON, NJ



January 4, 2019

VIA E-MAIL 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

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MAIL ROOM

JAN 07 2019

BOARD OF PUBLIC UTILITIES
TRENTON, NJ

EM 19010033

Re: Notice of Intercompany Title Transfer of MGP Property
Block 1083, Lot 30,
246-250 Passaic Street, Passaic, 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 1083, Lot 30 in the City of Passaic, County of Passaic, and State of New Jersey known as 246-250 Passaic Street (the Property").

1. The Property was a part of the former Passaic Gas Works and is contiguous to PSE&G's existing Passaic Substation. NJP acquired the Property as part of its remedial requirements pursuant to its MGP Program. The Property was purchased on December 28, 2016 at a purchase price of \$550,000.00. PSE&G recently completed the remediation of contaminated soils at the Property and will prepare a Remedial Action Report for the Property pursuant to New Jersey Department of Environmental Protection (NJDEP) regulations and guidelines. It is important to note that the written Agreement between PSE&G and NJP to transfer legal title to the Property specifically states that the transfer cannot occur until such time as the Remedial Action Report is submitted to the NJDEP.

2. The Property is currently vacant. The Property currently has an existing underground electric duct bank that runs through a portion of it and will remain.

CMS
Legal
DAG
RPA
S. Peterson
Energy

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 the expansion of its existing Passaic Substation located directly adjacent to the Property. On January 3, 2019, 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 \$559,791.08. For a copy of the Agreement see Exhibit A hereto.

4. Attached as Exhibit B hereto is a copy of an appraisal prepared by Hendricks Appraisal Company LLC dated November 5, 2018 listing the fair market value of the Property to be \$600,000.00.

5. The assessed value of the Property is currently \$261,000.00.

6. The Verification of Roger J. Trudeau, Manager-Corporate Real Estate Transactions is attached to this filing.

7. 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 eleven 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: Stefanie A. Brand, Esq., Director - Division of Rate Counsel
(via electronic & overnight mail)
Stacy Peterson, Director – Division of Energy, BPU (via electronic mail only)
Bethany Rocque-Romaine, Esq., BPU (via electronic mail only)
Megan Lupo, Esq, BPU (via electronic mail only)

**STATE OF NEW JERSEY
BOARD OF PUBLIC UTILITIES**

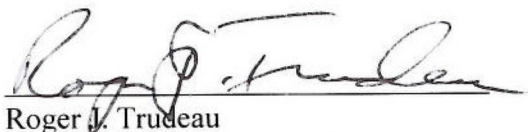
IN THE MATTER OF NOTICE OF INTERCOMPANY)	
TITLE TRANSFER OF MGP PROPERTY)	VERIFICATION
BLOCK 1083, LOT 30,)	
246-250 PASSAIC STREET,)	DOCKET NO.:
PASSAIC, NEW JERSEY)	

1. I, ROGER J. TRUDEAU, am the Manager-Corporate Real Estate Transactions of PSEG Services Corporation, Agent to Public Service Electric and Gas Company.

2. I have read the attached Notice of Intercompany Title Transfer of MGP Property dated January 4, 2019 and on my own personal knowledge, I know that the facts set forth herein are true and they are incorporated in this Verification by reference.

3. I certify that the above statements made by me are true. I am aware that if any of the foregoing statements made by me are willfully false, I am subject to punishment.

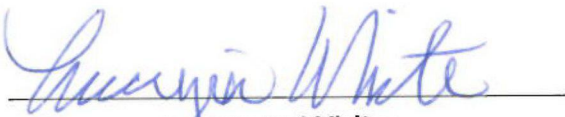
Dated: January 4, 2019



Roger J. Trudeau

Manager – Corporate Real Estate Transactions

Sworn and subscribed to before me this
4th day of January, 2019.



Lucrezia White
Notary Public
New Jersey

My Commission Expires 9-1-21
No. 2349234

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TRENTON, NJ