



STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 3rd Floor, Suite 314
Post Office Box 350
Trenton, New Jersey 08625-0350
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 WEST)	
CAPE MAY, CAPE MAY COUNTY, NEW JERSEY)	DOCKET NO. GE18070781

Parties of Record:

Van L. McPherson III, 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 New Jersey 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 386,000 customers within its service territory.

SJG currently provides natural gas service within the Borough of West Cape May ("Borough") to approximately 903 residential customers and fifty (50) commercial customers. The Company's consent to use the streets within the Borough for the provision of gas service expires on July 1, 2019, pursuant to the fifty (50) year statutory limitation set forth in N.J.S.A. 48:3-15. On June 27, 2018, pursuant to Ordinance No. 543-18 ("Ordinance"), 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 July 13, 2018, 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 23, 2018, 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 after notice, a hearing in this matter was held on September 21, 2018. Megan Lupo, Esq., the Board's duly appointed hearing officer, presided over the hearing. A copy of the hearing notice is attached to this Order as Exhibit "C." 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 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 Jonathan Oliva, its Manager of Engineering and Project Management. According to his testimony, SJG has the capacity to meet the existing and future needs of customers located within the Borough.

Rate Counsel, in its written comments to the petition dated October 12, 2018, 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, and since the term of the municipal consent related to the use of streets is limited to the statutory maximum term of 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.

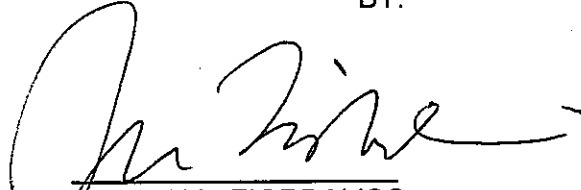
The approval granted hereinabove shall be subject to the following provisions:

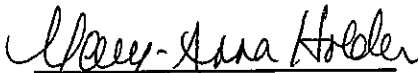
1. As required by N.J.S.A. 48:3-15, the municipal consent to construct, maintain and operate gas lines in the streets and other public places in the Borough is limited to a term not exceeding fifty (50) years.
2. This Order shall not be construed as directly or indirectly fixing, for any purposes whatsoever, the value of any tangible or intangible assets now owned or hereafter to be owned by the Company.
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 SJG.

This Order shall be effective as of November 29, 2018.

DATED: 11/19/18

BOARD OF PUBLIC UTILITIES
BY:

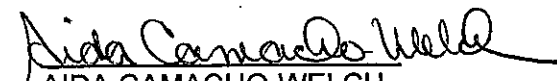

JOSEPH L. FIORDALISO
PRESIDENT


MARY-ANNA HOLDEN
COMMISSIONER


DIANNE SOLOMON
COMMISSIONER


UPENDRA J. CHIVUKULA
COMMISSIONER


ROBERT M. GORDON
COMMISSIONER

ATTEST: 
AIDA CAMACHO-WELCH
SECRETARY

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 FOR APPROVAL OF A
MUNICIPAL CONSENT IN THE BOROUGH OF WEST CAPE MAY, CAPE MAY COUNTY,
NEW JERSEY - DOCKET NO. GE18070781

SERVICE LIST

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Trenton, NJ 08625-0003

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Exhibit A

**BOROUGH OF WEST CAPE MAY
COUNTY OF CAPE MAY
STATE OF NEW JERSEY**

ORDINANCE NO. 543-18

**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 THE BOROUGH OF WEST CAPE MAY**

WHEREAS, South Jersey Gas Company ("SJG"), a corporation of the State of New Jersey, provides natural gas service to the Borough of West Cape May pursuant to the municipal consent first granted to New Jersey Natural Gas on July 1, 1969 for a period of fifty (50) years, which SJG later acquired pursuant to New Jersey Board of Public Utilities Order at Docket No. 837-654, dated September 29, 1983; and

WHEREAS, a copy of the previous resolution authorizing municipal consent is attached hereto as Exhibit A;

WHEREAS, the consent is set to expire July 1, 2019; and

WHEREAS, SJG now seeks, pursuant to N.J.S.A. 48:3-15, the consent of the Borough of West Cape May to continue service in the Borough; and

NOW, THEREFORE, BE IT ORDAINED by the Borough Commission of the Borough of West Cape May as follows:

Section 1. South Jersey Gas Company be and is hereby authorized to lay, maintain, and operate its conductors, mains, and pipes, together with the appurtenances therein, in all the public streets, alleys, squares and public places in this municipality which are under the control and jurisdiction of the Borough of West Cape May for the purpose of conducting, transmitting and distributing gas, or any mixture of gases of various types including natural gas, for a period of fifty (50) years commencing on July 1, 2019 and ending on July 1, 2069, upon the following terms and conditions:

- A. Prior to the beginning of any street openings or excavations for the purposes aforesaid, South Jersey Gas Company shall comply with the provisions of Section 17-1 for the excavation of streets, and any amendments thereto.
- B. South Jersey Gas Company shall agree that, in all cases in which street openings or excavations are made for the purposes aforesaid, the pavement and the surface of the streets, alley, squares or roadways shall be restored to as good condition as it was before the commencement of work thereon at no cost to the Borough of West Cape May. No streets, roads, avenues and highways shall be encumbered for a longer period than shall be necessary to execute the work.
- C. South Jersey Gas Company shall conduct the work or the laying or maintaining of gas pipes therein in a careful and prudent manner;
- D. All lines, underground conduits, together with all associated equipment fixtures and appurtenances (hereinafter "FACILITIES"), shall be located, installed and maintained so as not to interfere with any public water, sanitary sewer, storm drainage or other public facilities, fixtures and appurtenances (hereinafter "PUBLIC FACILITIES")

South Jersey Gas Company further agrees to remove and relocate, at its sole expense, all FACILITIES heretofore hereafter located and installed, that reasonably interfere with construction, re-construction and maintenance of any PUBLIC FACILITY.


South Jersey Gas Company shall indemnify and save harmless the Borough of West Cape May from all claims or suits for damages arising from the location construction, re-construction or maintenance of any FACILITY.

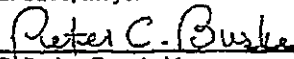
- E. Nothing herein contained shall be construed to grant unto South Jersey Gas Company, its successors and assigns, an exclusive right or to prevent the granting of permission and consent to other companies for like purposes of any streets, roads, avenues or highways of the Borough of West Cape May.
- F. South Jersey 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.
- G. The terms of the franchise incorporated within this ordinance shall not become effective until approved by the Board of Public Utilities of the State of New Jersey.

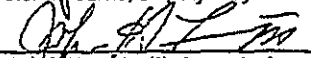
Section 2. Repealer. All ordinances or parts of ordinances in conflict with this ordinance are hereby repealed to the extent of that conflict.

Section 3. Severability. Should any portion of this ordinance be declared unconstitutional or invalid, the remaining portion of this ordinance shall not be affected thereby and shall remain in full force and effect, and to that end the provisions of this ordinance are declared to be severable.

Section 4. Effective Date. This ordinance shall take effect 20 days after passage and publication, according to law.


Carol E. Sabo, Mayor


Peter C. Burke, Deputy Mayor


John H. Francis, III, Commissioner


Suzanne M. Schumann, RMC
Municipal Clerk

Introduced: June 13, 2017
Adopted: June 27, 2018

I hereby certify that the foregoing is a true copy of an Ordinance duly passed and adopted by a majority of full membership of the Board of Commissioners of the Borough of West Cape May, County of Cape May, New Jersey, at a meeting held on June 27, 2018.

Municipal Clerk

Exhibit B



Stacey M. Barnes, Esq.
Assistant General Counsel, SJG & Compliance
Office of General Counsel

July 13, 2018

VIA EMAIL AND CERTIFIED MAIL
RETURN RECEIPT REQUESTED
ARTICLE NO.: 7017 1450 0002 1966 0474
Suzanne Schumann, RMC/CMR
Municipal Clerk
Registrar of Vital Statistics
Borough of West Cape May
732 Broadway
West Cape May, NJ 08204

Re: Acceptance of Ordinance No. 543-18 Granting Municipal Consent to South Jersey Gas Company to Use the Streets for the Provision of Natural Gas Service

Dear Ms. Schumann:

I am writing on behalf of South Jersey Gas Company ("SJG") to advise that we received a fully executed copy of Ordinance No. 543-18 (copy attached) granting municipal consent for SJG to provide gas and lay its mains and pipes in the Borough of West Cape May. Pursuant to the requirements of N.J.S.A. 48:3-16, SJG hereby accepts Ordinance No. 543-18, as passed.

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

Very truly yours,

A handwritten signature in black ink, appearing to read "SMB", written over a horizontal line.

Stacey M. Barnes, Esq.
sbarnes@sjindustries.com

SMB/cmm
Enclosure

cc: Lauren Hurtt, Supervisor, Public Affairs – via email
Stacy Mitchell, Esq., VP, Rates and Regulatory Affairs, SJG – via email

1 South Jersey Plaza, Folsom, New Jersey 08037 • www.sjindustries.com
Tel. 609-561-9000 • Fax 609-561-1012 • TDD Only 1-800-547-9085

Exhibit C



Van L. McPherson III, Esquire
Corporate Counsel, SJG
Office of General Counsel

August 28, 2018

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

ARTICLE NO.:
7017 0190 0000 4519 1573
Suzanne Schumann,
RMC/CMR, Municipal Clerk
Borough of West Cape May
732 Broadway
West Cape May, NJ 08204

ARTICLE NO.:
7017 0190 0000 4519 1580
Clerk, Board of Chosen Freeholders
Administration Building
4 Moore Road
Cape May Court House, NJ 08210

ARTICLE NO.:
7017 0190 0000 4519 1597
County Administrator
Administration Building
4 Moore Road
Cape May Court House, NJ 08210

**Re: In the Matter of the Petition of South Jersey Gas Company for Approval of a
Municipal Consent in the Borough of West Cape May, Cape May County
BPU Docket No. GE18070781**

To the Parties Addressed:

Pursuant to the provisions of N.J.S.A. 48:2-14, South Jersey Gas Company ("South Jersey") has applied to the New Jersey Board of Public Utilities (the "Board") for approval of the Borough of West Cape May's Ordinance No. 543-18, which granted South Jersey renewed permission to continue to use the streets in the Borough for the provision of natural gas service for fifty (50) years.

Please be advised that the Board has set Friday, September 21, 2018 at 11:00 a.m. at the Board's office located at 44 South Clinton Avenue, Trenton, New Jersey 08625 in Conference Room No. 2W (second floor) as the time and place for the hearing on this matter. You are welcome to attend and put your views on the record.

Very truly yours,

Van L. McPherson III
Corporate Counsel, SJG
vmcpherson@sjindustries.com

VLM/cmm

cc: Service List (via email)
J H Buehrer & Associates
(via Certified Mail - Return Receipt Requested - Article No.: 7017 0190 0000 4519 1603)

1 South Jersey Plaza, Folsom, New Jersey 08037 ♦ www.sjindustries.com
Tel: 609-561-9000 ♦ Fax 609-561-1012 ♦ TDD Only 1-800-547-9085