



Agenda Date: 2/27/19
Agenda Item: IIG

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 NEW JERSEY)
NATURAL GAS COMPANY FOR APPROVAL OF A)
MUNICIPAL FRANCHISE IN THE TOWNSHIP OF)
ROXBURY, MORRIS COUNTY, NEW JERSEY)

DECISION AND ORDER

DOCKET NO. GE18101217

Parties of Record:

Andrew K. Dembia, Esq., New Jersey Natural Gas Company
Stefanie A. Brand, Esq., Director, New Jersey Division of Rate Counsel

BY THE BOARD:

New Jersey Natural Gas Company ("NJNG" or "Company"), a regulated public 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 distribution and transportation of natural gas. NJNG distributes natural gas and provides transportation service to over 500,000 residential, commercial and industrial customers located in Monmouth and Ocean Counties, and parts of Middlesex, Burlington and Morris Counties in New Jersey.

NJNG currently provides natural gas service within the Township of Roxbury ("Township") to 5,462 residential customers and 640 commercial customers. The Company's fifteen (15) year consent to use the streets within the Township for the provision of gas service expired on November 10, 2018.¹ On October 23, 2018, pursuant to Resolution 2018-282 ("Resolution"), the Township renewed its consent and granted NJNG continued permission to lay and construct its pipes, mains, and related appurtenances and facilities within the streets, alleys, squares and public places within the Township for a period of fifteen (15) years to furnish gas service in the Township. A copy of the Resolution is attached to this Order as Exhibit "A." By letter dated

¹ 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, NJNG has continued to provide service to its customers within the Township in an uninterrupted manner.

October 26, 2018, the Company accepted and agreed to the terms of the consent. Copies of the letter of acceptance and the hearing notice are attached to this Order as Exhibits "B" and "C," respectively.

On October 29, 2018, pursuant to N.J.S.A. 48:2-14 and N.J.A.C. 14:1-5.5, NJNG filed a petition requesting that the Board approve the consent adopted by the Township. As required by law and after notice, a municipal consent hearing in this matter was held on January 8, 2019. Megan Lupo, Esq., the Board's duly appointed hearing officer, presided over the hearing. 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 John Wyckoff, its Director of Engineering. According to the Company, it estimates growth in its service territory of 9,000 to 10,000 new customers annually over the next five (5) years. Mr. Wyckoff testified that the Company has the capacity to service the present level of growth within the Township and has continued to provide uninterrupted service to customers in the Township.

Rate Counsel, in its written comments to the petition dated January 11, 2019, 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 Township, and since the term of the municipal consent related to the use of streets is limited to fifteen (15) years, which is less than the statutory maximum of fifty (50) years. However, Rate Counsel requests that approval of the petition include certain restrictions, which are incorporated in this Order.

DISCUSSION AND FINDINGS

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 NJNG 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 Township to continue to provide adequate and appropriate service to its existing customers, and that the fifteen (15) 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 NJNG by the Township to continue to provide gas service, and for the continued use of its public streets for that purpose for a period of fifteen (15) years.

The approval granted herein above shall be subject to the following provisions:

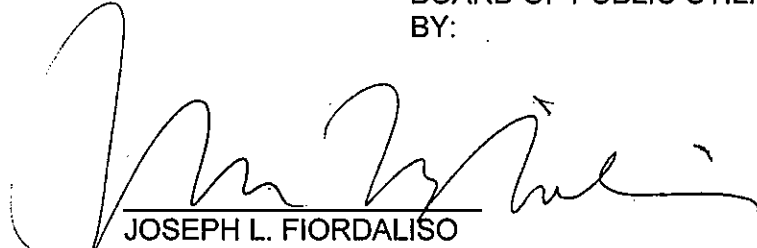
1. As required by N.J.S.A. 48:3-15, and limited by the Resolution, the municipal consent to construct, maintain and operate gas lines in the streets and other public places in the Township is limited to a term not exceeding fifteen (15) years.
2. This Order shall not be construed as directly or indirectly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

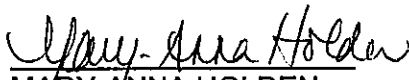
3. This Order shall not effect nor in any way limit the exercise of the authority of this Board or of the State in any future petition or in any proceedings with respect to rates, franchises, services, financing, accounting, capitalization, depreciation, or in any other matters affecting NJNG.


This Order shall be effective as of March 9, 2019.

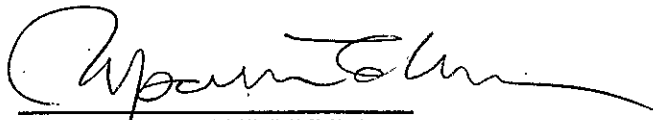
DATED: 2/27/19

BOARD OF PUBLIC UTILITIES
BY:

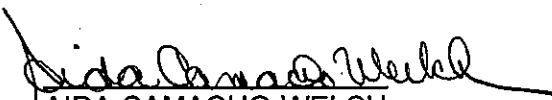

JOSEPH L. FIORDALISO
PRESIDENT


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 NEW JERSEY NATURAL GAS COMPANY FOR
APPROVAL OF A MUNICIPAL FRANCHISE IN THE TOWNSHIP OF ROXBURY, MORRIS
COUNTY, NEW JERSEY –
BPU DOCKET NO. GE18101217

SERVICE LIST

Board of Public Utilities

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New Jersey Natural Gas Company:

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Regulatory Affairs Counsel
New Jersey Natural Gas Company
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P.O. Box 1464
Wall, New Jersey 07719
adembia@njng.com

Township of Roxbury:

Honorable Amy Rhead, Clerk
Township of Roxbury
1715 Route 46
Ledgewood, NJ 07852

Anthony M. Bucco, Township Attorney
Roxbury Township
1715 Route 46
Ledgewood, New Jersey, NJ 07852

Honorable Ann Goss
Morris County Clerk
Administration and Records Building
County Street
P.O. Box 315
Morristown, NJ 07963-0315

Honorable Diane M. Ketchum
Clerk of the Board
Morris County Board of Chosen Freeholders
Administration and Records Building
Court Street
P.O. Box 900
Morristown, NJ 07963-0900

Deputy Attorneys General
Department of Law & Public Safety
Division of Law
Post Office Box 45029
Newark, NJ 07101-45029

Alex Moreau, DAG
alex.moreau@law.njoag.gov

Renee Greenberg, DAG
renee.greenberg@law.njoag.gov

Exhibit A

RESOLUTION NO. 2018-282

A RESOLUTION AUTHORIZING RENEWAL OF THE FRANCHISE AGREEMENT WITH NEW JERSEY NATURAL GAS COMPANY

WHEREAS New Jersey Natural Gas Company has heretofore been granted a franchise and consent to lay, maintain and operate gas facilities in the Township of Roxbury; and

WHEREAS, New Jersey Natural Gas Company is desirous of obtaining a franchise and consent of the municipality to continue serving the municipality.

NOW, THEREFORE, BE IT RESOLVED that the Township of Roxbury hereby consents and authorizes New Jersey Natural Gas Company to lay, maintain and operate for a period of 15 years from the date hereof, its conductors, mains and pipes together with all appurtenances thereto, in, under and over all the public streets, alleys, squares and public places in the Township of Roxbury for the purpose of conducting, transmitting and distributing gas or any mixture of gases of various types, including natural gas, upon the following terms and conditions and rules, regulations and ordinances of the Township of Roxbury:

1. That New Jersey Natural Gas Company shall agree that in all cases in which said openings or excavations are made for the purpose of aforesaid, the pavement and surface of the streets or roadways shall be restored to the same condition as existed prior to the opening thereof; and
2. That New Jersey Natural Gas Company shall conduct the work of laying or repairing gas mains and pipelines in a careful and prudent manner.

BE IT FURTHER RESOLVED, that this franchise consent, upon approval of the Board of Public Utilities of the State of New Jersey, shall supersede that granted by the Township of Roxbury on November 10, 2003; and

BE IT FURTHER RESOLVED, that New Jersey Natural 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; and

BE IT FURTHER RESOLVED, that this resolution shall not become effective unless and until it is approved by the Board of Public Utilities of the State of New Jersey.

DATED: October 23, 2018


Amy Rhead, Clerk

I certify the foregoing to be a true and accurate copy of a resolution adopted by the Township Council of the Township of Roxbury on October 23, 2018.


Amy Rhead, Clerk

Exhibit B



October 26, 2018

VIA FEDERAL EXPRESS OVERNIGHT DELIVERY

Honorable Amy Rhead, Municipal Clerk
Roxbury Township
1715 Route 46
Ledgewood, New Jersey 07852

**Re: RESOLUTION OF THE TOWNSHIP COUNCIL OF THE
TOWNSHIP OF ROXBURY, MORRIS COUNTY, NEW JERSEY,
GRANTING CONSENT TO NEW JERSEY NATURAL GAS
COMPANY TO LAY, MAINTAIN AND OPERATE NATURAL
GAS FACILITIES IN THE MUNICIPALITY
RESOLUTION 2018-282**

Dear Ms. Rhead:

New Jersey Natural Gas Company ("NJNG") hereby accepts the terms and provisions of the franchise consent granted by the Township Council on October 23, 2018 and hereby agrees to be bound by the terms and provisions thereof. See Resolution 2251-18 attached hereto.

Please be advised that NJNG will submit the Resolution to the New Jersey Board of Public Utilities for approval.

Respectfully submitted,

A handwritten signature in black ink that reads "Andrew K. Dembia".

Andrew K. Dembia, Esq.
Regulatory Affairs Counsel

AKD:fk

Exhibit C



December 13, 2018

BY CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Amy Rhead
Roxbury Township Municipal Clerk
1715 Route 46
Ledgewood, New Jersey 07852

Debra Lynch
Morris County Clerk of the Board
Administration & Records Building
Court St.
Morristown, NJ
07963

Anne F. Grossi
Morris County Clerk
Hall of Records Administration Building
10 Court Street
P O Box 315
Morristown, NJ 07963-0315

**RE: In the Matter of the Petition of New Jersey Natural Gas for the Approval of a
Municipal Franchise in the Township of Roxbury, Morris County**

BPU Docket No. GE18101217

NOTICE OF MUNICIPAL CONSENT HEARING

Dear Honorable Clerks:

Pursuant to the provisions of N.J.S.A. 48:2-14, New Jersey Natural Gas Company ("NJNG") has applied to the New Jersey Board of Public Utilities ("Board") for approval of the Township of Roxbury's ("Township") Resolution 2018-282, which granted NJNG permission to continue to provide natural gas service in the Township as provided in said Resolution. Please be advised that the Board has set January 10, 2019 at 10:00 AM at the Board's offices located at 44 South Clinton Avenue, Trenton, New Jersey 08625 in Conference Room 2W as the time and place for the hearing on this matter. You are welcome to attend to put your views on the record if you desire.

Respectfully submitted,

A handwritten signature in cursive script that reads "Andrew K. Dembia".

Andrew K. Dembia, Esq.
Regulatory Affairs Counsel

AKD:fk

C: Service List (electronically only)