

David K. Richter
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June 28, 2017

VIA ELECTRONIC AND OVERNIGHT MAIL

Honorable Irene Kim Asbury, Secretary
New Jersey Board of Public Utilities
3rd Floor, Suite 314
44 South Clinton Avenue
Trenton, NJ 08625

Re: Notice of Sale of MGP Property
Block 471, Lots 1 through 7
Hobart Avenue
City of Bayonne, New Jersey

Dear Secretary Asbury:

New Jersey Properties Inc. ("NJP"), a 100 percent owned subsidiary of Public Service Electric and Gas Company, having its principal and executive offices at 80 Park Plaza, Newark, New Jersey, 07102, hereby files this sixty (60) day Notice of Sale of MGP Property pursuant to the Board's November 4, 1994 Order in Docket No. ER91111698J. NJP has executed the Contract for Sale of Real Estate for the vacant property known as Block 471, Lots 1 through 7 in the City of Bayonne, County of Hudson, State of New Jersey known as Hobart Avenue (the "Property").

1. The Property was a part of the former Hobart Avenue Manufactured Gas Plant. NJP acquired the Property as part of its remedial requirements pursuant to its MGP Program. The Property was purchased by individual lots as follows:

BLOCK	LOT	ADDRESS	PURCHASE PRICE	DATE PURCHASED
471	1	13-15 Oak Court West	\$32,500.00	4/20/98
471	2	11 Oak Court West	\$450,000.00	5/30/97
471	3	9 Oak Court West	\$117,400.00	9/28/95
471	4	7 Oak Court West	\$185,000.00	8/30/95

471	5	5 Oak Court West	\$220,000.00	12/20/96
471	6	3 Oak Court West	\$215,000.00	8/14/96
471	7	1 Oak Court West	\$225,000.00	10/1/94
Total:			\$1,444,900.00	

Thereafter, PSE&G remediated the Property, recorded a Deed Notice in 2007 and the NJDEP issued a No Further Action Letter on February 21, 2008.

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

3. On June 9, 2017, NJP signed a Contract for the Sale of Real Estate with the Housing Authority of the City of Bayonne (the “Purchaser”). Pursuant to the terms of the Contract, the purchase price is \$542,500.00. The Contract provides the Purchaser a right of first refusal (“ROFR”) to purchase Block 472, Lots 1 through 14 and Block 473.01, Lots 1 through 4. The ROFR triggers only if New Jersey Properties desires to sell these properties and obtains a bona fide offer from a third party. For a copy of the Contract and the ROFR see Exhibit A hereto.

4. Attached as Exhibit B hereto is a copy of the current appraisal on the Property issued by PATJO Appraisal Services Inc. which lists the fair market value of the Property as \$540,000.00.

5. The assessed value of the Property is currently:

BLOCK	LOT	ADDRESS	REAL ESTATE TAX ASSESSED VALUE
471	1	13-15 Oak Court West	\$63,700.00
471	2	11 Oak Court West	\$46,100.00
471	3	9 Oak Court West	\$30,700.00
471	4	7 Oak Court West	\$30,700.00
471	5	5 Oak Court West	\$30,700.00
471	6	3 Oak Court West	\$31,400.00
471	7	1 Oak Court West	\$49,900.00
Total:			\$283,200.00

6. The Purchaser, and its principals, are not presently or have not in the past been affiliated with Public Service Enterprise Group, Inc., including any subsidiary/affiliate thereof (the “PSEG Companies”) or any employees thereof (as way of example, affiliation, includes, but is not limited to (i) full-time employment, (ii)

contractor employment, (iii) affiliation as a supplier/vendor of PSEG, or (iv) affiliation through a relative who works for the PSEG Companies).

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

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80 Park Plaza, T5C
Newark, New Jersey 07102
973-430-6451
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Respectfully submitted,

NEW JERSEY PROPERTIES, INC.

By: 

David K. Richter
Associate General Regulatory and Property Counsel

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