



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)
JERSEY GAS COMPANY FOR APPROVAL OF A)
MUNICIPAL CONSENT IN THE TOWNSHIP OF)
PILESGROVE, SALEM COUNTY, NEW JERSEY) DECISION AND ORDER.
DOCKET NO. GE16121147

Parties of Record:

Stacy M. Barnes, 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 public 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 360,000 customers within its service territory.

SJG currently provides natural gas service within the Township of Pilesgrove ("Township") to approximately fourteen (14) residential customers. The Company's consent to use the streets within the Township for the provision of gas service expired on September 9, 1997, pursuant to the fifty (50) year statutory limitation set forth in N.J.S.A. 48:3-15.¹ A copy of the original ordinance is attached to this Order as Exhibit "A". On November 14, 2016 pursuant to Ordinance No. 16-10, the Township 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 Township for a period of twenty-five (25) years to furnish gas service in the Township. By letter dated November 22, 2016, 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 "B" and "C" respectively.

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 this petition, SJG has continued to provide service to its customers within the Township in an uninterrupted manner.

On December 5, 2016, 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 Township. As required by law and after notice, a hearing in this matter was held on July 28, 2017. William Agee, 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 Joseph Schneider, its General Manager of Compliance, Standards and Records. According to the petition, SJG anticipates growth in its defined service territory to be approximately one percent (1%) annually for the next three (3) to five (5) years. Mr. Schneider testified that the Company has the capacity to meet the anticipated level of growth within the municipality.

Rate Counsel, in its written comments to the petition dated August 18, 2017, 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 twenty-five (25) years, which is less than 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.

Following its receipt of Rate Counsel's comments, SJG filed correspondence with the Board on August 29, 2017 indicating that it had no additional comments.

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 Township to continue to provide adequate and appropriate service to its existing customers, as well as expected future customers, and that the twenty-five (25) 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 Township to continue to provide gas service, and for the continued use of its public streets for that purpose for a period of twenty-five (25) years.

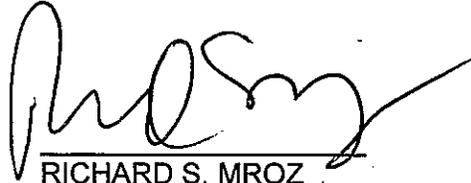
The approval granted hereinabove shall be subject to the following provisions:

1. 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 SJG.
2. 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 October 2, 2017.

DATED: 9/22/17

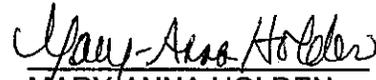
BOARD OF PUBLIC UTILITIES
BY:



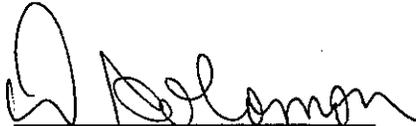
RICHARD S. MROZ
PRESIDENT



JOSEPH L. FIORDALISO
COMMISSIONER



MARY-ANNA HOLDEN
COMMISSIONER

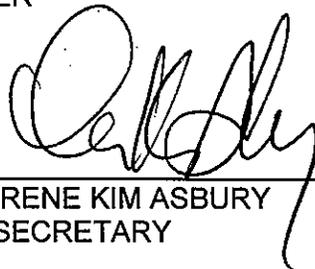


DIANNE SOLOMON
COMMISSIONER



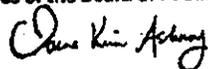
UPENDRA J. CHIVUKULA
COMMISSIONER

ATTEST:



IRENE KIM ASBURY
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 COMPANY FOR APPROVAL
OF A MUNICIPAL CONSENT IN THE TOWNSHIP OF PILESGROVE, SALEM COUNTY, NEW
JERSEY - DOCKET NO. GE16121147

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Cindy Mendenhall
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Township of Pilesgrove:

Maureen Abdill, Township Clerk
1180 U.S.-40
Pilesgrove, NJ 08098

Clerk, Board of Chosen Freeholders
101 Fifth Street
Salem, NJ 08079-1914

Evern Ford, County Administrator
101 Fifth Street
Salem, NJ 08079-1914

Exhibit A

AN ORDINANCE GIVING AND GRANTING CONSENT AND PERMISSION TO SOUTH JERSEY GAS COMPANY TO FURNISH GAS FOR LIGHT, HEAT AND POWER IN THE TOWNSHIP OF ~~XXXXXXXXXX~~ IN THE COUNTY OF ~~XXXXXX~~.

BEFORE ORDAINED by the Township Committee of the Township of ~~XXXXXXXXXX~~ in the County of ~~XXXXXX~~:

1. That consent and permission to furnish gas for light, heat and power in the Township of ~~XXXXXXXXXX~~ in the County of ~~XXXXXX~~ is hereby given and granted to South Jersey Gas Company, subject to approval of such consent and permission by the Board of Public Utility Commissioners of the State of New Jersey.

2. That said South Jersey Gas Company shall lay and construct its pipes and mains within the Township in the manner required by R.S. 48-9-21 and subject to reasonable regulations with respect to the opening of streets and public places imposed by the Township Committee.

3. South Jersey Gas Company shall within thirty (30) days after the passage of this ordinance file with the Township Clerk a bond in the amount of One Thousand Dollars (\$1,000) conditioned for the restoration of any street or public place which may be opened by it in a manner satisfactory to the Township Committee.

4. This ordinance shall take effect immediately upon publication as required by law.

Edward D. Austin
TOWNSHIP CLERK

[Signature]
TOWNSHIP COMMITTEE

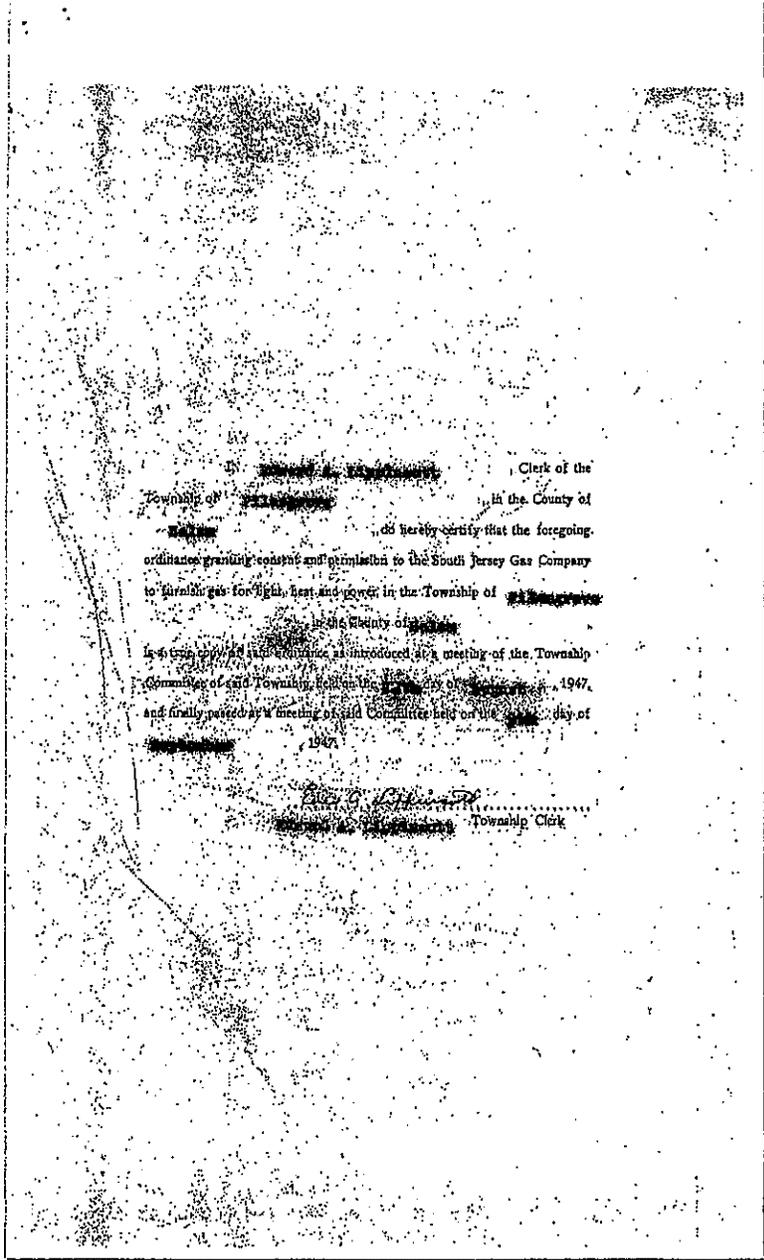


Exhibit B

**PILESGROVE TOWNSHIP
ORDINANCE 16-10**

AN ORDINANCE GRANTING RENEWED CONSENT AND PERMISSION TO SOUTH JERSEY GAS COMPANY TO USE THE PUBLIC STREET TO FURNISH GAS FOR LIGHT, HEAT AND POWER IN THE TOWNSHIP OF PILESGROVE

WHEREAS, South Jersey Gas Company, a corporation of the State of New Jersey, provides natural gas service to Pilesgrove Township pursuant to the municipal consent first granted to South Jersey Gas Company by Township Ordinance on September 9, 1947; and

WHEREAS, South Jersey Gas Company now seeks, pursuant to N.J.S.A. 48:3-15, the consent of the Township of Pilesgrove to renew Section 1 of an Ordinance adopted by the Township Committee of the Township of Pilesgrove on September 9, 1947 applicable to the use of the streets in the Township of Pilesgrove by adopting the following Ordinance:

NOW, THEREFORE, BE IT ORDAINED by the Mayor and Township Committee of the Township of Pilesgrove, County of Salem and State of New Jersey as follows:

Section 1. That exclusive consent and permission is hereby renewed and granted to South Jersey Gas Company to lay and construct its pipes and mains and related appurtenances and facilities within the streets, alleys, squares and public places within Pilesgrove Township in the manner prescribed by N.J.S.A. 48:9-21, and subject to reasonable regulations imposed by ordinance or resolution with respect to the opening of streets and public places, subject to approval of such consent and permission by the Board of Public Utilities.

Section 2. This consent is granted for the entire geographical area of Pilesgrove Township and extends to the boundaries of Pilesgrove Township and shall remain in effect for a period of twenty five (25) years from the date of final adoption of this Ordinance.

Section 3. If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held by any Court of competent jurisdiction to be unconstitutional or invalid, such decision shall not affect the remaining portions of this Ordinance.

Section 4. This Ordinance shall take effect immediately upon posting, publication, final passage in the manner prescribed by law, and acceptance by South Jersey Gas Company.

ATTEST:


Maureen R. Abdill, Clerk


Kevin Bachus, Mayor

Date of Introduction: October 25, 2016

Date of Adoption: November 14, 2016

Exhibit C



South Jersey Gas

*Where we put all of our energy**

Stacey M. Barnes, Esq.
Director, Legal Compliance
Office of General Counsel and Corporate Secretary

November 22, 2016

Via Email and Certified Mail
Maureen Abdill, Township Clerk
1180 US-40
Pilesgrove, NJ 08098

Re: Acceptance of Ordinance No. 16-10 Granting Municipal Consent to South Jersey Gas Company to Use the Streets for the Provision of Natural Gas Service

Dear Ms. Abdill:

I am writing on behalf of South Jersey Gas Company ("SJG") to advise that we received a fully executed copy of Ordinance No. 16-10 (copy attached) granting municipal consent for SJG to provide gas and lay its mains and pipes in the Township of Pilesgrove. Pursuant to the requirements of N.J.S.A. 48:3-16, SJG hereby accepts Ordinance No. 16-10, as passed.

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

Very truly yours,

Stacey M. Barnes, Esq.
Director, Legal Compliance
sbarnes@sjindustries.com

SMB/cmm

Enclosure

cc: Lauren Hurtt, Supervisor, Community Relations
Stacy Mitchell, Esq., Regulatory Affairs Counsel, Rates and Regulatory Affairs

**PILESGROVE TOWNSHIP
ORDINANCE 16-10**

AN ORDINANCE GRANTING RENEWED CONSENT AND PERMISSION TO SOUTH JERSEY GAS COMPANY TO USE THE PUBLIC STREET TO FURNISH GAS FOR LIGHT, HEAT AND POWER IN THE TOWNSHIP OF PILESGROVE

WHEREAS, South Jersey Gas Company, a corporation of the State of New Jersey, provides natural gas service to Pilesgrove Township pursuant to the municipal consent first granted to South Jersey Gas Company by Township Ordinance on September 9, 1947; and

WHEREAS, South Jersey Gas Company now seeks, pursuant to N.J.S.A. 48:3-15, the consent of the Township of Pilesgrove to renew Section 1 of an Ordinance adopted by the Township Committee of the Township of Pilesgrove on September 9, 1947 applicable to the use of the streets in the Township of Pilesgrove by adopting the following Ordinance:

NOW, THEREFORE, BE IT ORDAINED by the Mayor and Township Committee of the Township of Pilesgrove, County of Salem and State of New Jersey as follows:

Section 1. That exclusive consent and permission is hereby renewed and granted to South Jersey Gas Company to lay and construct its pipes and mains and related appurtenances and facilities within the streets, alleys, squares and public places within Pilesgrove Township in the manner prescribed by N.J.S.A. 48:9-21, and subject to reasonable regulations imposed by ordinance or resolution with respect to the opening of streets and public places, subject to approval of such consent and permission by the Board of Public Utilities.

Section 2. This consent is granted for the entire geographical area of Pilesgrove Township and extends to the boundaries of Pilesgrove Township and shall remain in effect for a period of twenty five (25) years from the date of final adoption of this Ordinance.

Section 3. If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held by any Court of competent jurisdiction to be unconstitutional or invalid, such decision shall not affect the remaining portions of this Ordinance.

Section 4. This Ordinance shall take effect immediately upon posting, publication, final passage in the manner prescribed by law, and acceptance by South Jersey Gas Company.

ATTEST:


Maureen R. Abdill, Clerk


Kevin Bachus, Mayor

Date of Introduction: October 25, 2016

Date of Adoption: November 14, 2016

Exhibit D



South Jersey Industries

Stacey M. Barnes, Esq.
Director, Legal Compliance
Office of General Counsel and Corporate Secretary

November 30, 2016

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

ARTICLE NO.:
Maureen Abdill, Township Clerk
1180 US-40
Pilesgrove, NJ 08098

ARTICLE NO.:
Clerk, Board of Chosen Freeholders
Administration Building
94 Market Street
Salem, NJ 08079-1914

ARTICLE NO.:
Evern Ford
County Administrator
Administration Building
94 Market Street
Salem, NJ 08079-1914

**Re: In the Matter of the Petition of South Jersey Gas Company for Approval of a
Municipal Consent in the Township of Pilesgrove, Salem County
BPU Docket No. _____**

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 Township of Pilesgrove, Ordinance No. 16-10, which granted South Jersey renewed permission to continue to use the streets in the Township for the provision of natural gas service for twenty-five (25) years.

Please be advised that the Board has set _____ at _____ 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,

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

SMB/cmm

cc: Service List (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