



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 BOROUGH OF)
PAULSBORO, GLOUCESTER COUNTY, NEW)
JERSEY) DOCKET NO. GE15080891

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 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 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 Borough of Paulsboro ("Borough") to approximately 799 residential, 86 commercial customers, and 7 industrial customers. The Company's consent to use the streets within the Borough for the provision of gas service expired on December 12, 2002,¹ pursuant to the fifty (50) year statutory limitation set forth in N.J.S.A. 48:3-15. On July 21, 2015, pursuant to Ordinance No. O. 07.15, 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 28, 2015, 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.

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

On August 6, 2015, 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 28, 2015, William Agee, Esq., the Board's duly appointed hearing officer. Appearances were made on behalf of the Company, the 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 System Engineering and Planning. Mr. Schneider testified that SJG is experiencing an increase in customers within its service territory due to conversion from other fuels to natural gas. According to the petition, SJG anticipates growth in its defined service territory to be approximately one (1) percent annually for the next three (3) to five (5) years. SJG further represents that it has the capacity to ensure continuation of its natural gas service and does not foresee any concerns regarding its ability to meet the existing and future demands of the Borough.

Rate Counsel, in its written comments to the petition dated November 5, 2015, indicated that it does not object to the Company's petition, and noted that the term of the municipal consent related to the use of streets is limited to 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.

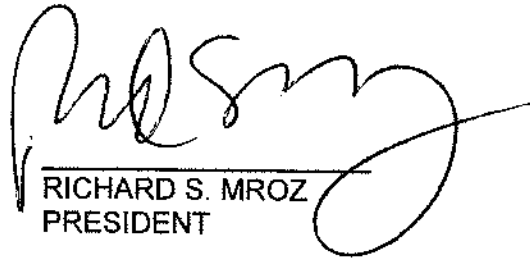
The approval granted hereinabove shall be subject to the following provisions:

1. 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 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 May 7, 2016.

DATED: 4/27/16

BOARD OF PUBLIC UTILITIES
BY:


RICHARD S. MROZ
PRESIDENT

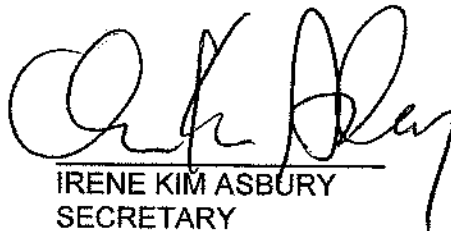

JOSEPH L. FIORDALISO
COMMISSIONER


MARY-ANNA HOLDEN
COMMISSIONER

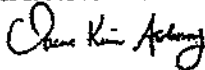

DIANNE SOLOMON
COMMISSIONER


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 BOROUGH OF PAULSBORO, GLOUCESTER
COUNTY, NEW JERSEY - DOCKET NO. GE15080891

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Clerk, Borough of Paulsboro
Gloucester County
Attention: Kathy Van Scoy
1211 Delaware Street
Paulsboro, NJ 08066

Clerk, Board of Chosen Freeholders
2 South Broad Street
Woodbury, NJ 08096

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Revenue Affairs
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Abbey Greenberg
Public Affairs Specialist
South Jersey Gas Company
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Exhibit A

ORDINANCE #O. 07.16

AN ORDINANCE OF THE BOROUGH OF PAULSBORO
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 PAULSBORO

WHEREAS, South Jersey Gas Company, a corporation of the State of New Jersey, provides natural gas service to the Borough of Paulsboro pursuant to the municipal consent first granted to South Jersey Gas Company in that certain Ordinance #337 adopted December 2, 1952; and

WHEREAS, South Jersey Gas Company now seeks, pursuant to *N.J.S.A. 48:3-15*, the consent of the Borough of Paulsboro to renew Ordinance #337, adopted December 2, 1952, applicable to the use of the streets in the Borough of Paulsboro by adopting the following Ordinance:

NOW, THEREFORE, BE IT ORDAINED by the Mayor and Borough Council of the Borough of Paulsboro, County of Gloucester 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 the Borough of Paulsboro in the manner prescribed by *N.J.S.A. 48:3-21*, 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 the Borough of Paulsboro and extend to the boundaries of the Borough of Paulsboro and shall remain in effect for a period of fifty (50) 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.


Section 5. South Jersey Gas Company shall within thirty (30) days after passage of this Ordinance file with the Borough Clerk a bond in the amount recommended by the Borough Engineer as sufficient, conditioned for the restoration of any street or public place which may be opened by it in a manner satisfactory to the Borough Engineer.

BOROUGH OF PAULSBORO

By:



W. JEFFERY HAMILTON, Mayor

ATTEST:


KATHY A. VANSKOY, Clerk

PUBLIC NOTICE

PLEASE TAKE NOTICE that the foregoing Ordinance was introduced and passed on first reading on the 7th day of July, 2015, at a regular meeting of the Borough Council of the Borough of Paulsboro and will be taken up for final consideration and passage at a regularly scheduled meeting of the Mayor and Borough Council of the Borough of Paulsboro to be held on the 21st day of July, 2015 at 7:00 p.m. at the Municipal Building, 1211 Delaware Street, Paulsboro, New Jersey.


KATHY A. VANSKOY, Clerk

PUBLIC NOTICE

**BOROUGH OF PAULSBORO
ORDINANCE #O.07.15**

**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 PAULSBORO**

SUMMARY

The purpose of this Ordinance is to amend a previously passed Ordinance granting South Jersey Gas Municipal Consent to lay and construct pipes and mains, etc. in the streets of the Borough of Paulsboro.

PLEASE TAKE NOTICE that the foregoing Ordinance was introduced and passed on first reading on the 7th day of July, 2015, at a regular meeting of the Mayor and Borough Council of the Borough of Paulsboro and will be taken up for final consideration and passage at a regularly scheduled meeting of the Mayor and Borough Council of the Borough of Paulsboro to be held on the 21st day of July, 2015 at the Municipal Building, 1211 Delaware Street, Paulsboro New Jersey. Copies of the foregoing Ordinance are available free of charge at the Borough Clerk's office located at the Municipal Building, 1211 Delaware Street, Paulsboro New Jersey, Monday through Friday 8:30 a.m. to 4:00 p.m.

Kathy VanScoy, RMC
Clerk, Borough of Paulsboro

ORDINANCE #O. 07.15

**AN ORDINANCE OF THE BOROUGH OF PAULSBORO
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 PAULSBORO.**

TAKE NOTICE THAT THE FOREGOING ENTITLED ORDINANCE WAS INTRODUCED AND PASSED ON FIRST READING AT A MEETING OF MAYOR AND COUNCIL OF THE BOROUGH OF PAULSBORO, COUNTY OF GLOUCESTER AND STATE OF NEW JERSEY, HELD ON JULY 7, 2015 AND FINALLY ADOPTED ON SECOND AND FINAL READING AT A MEETING OF THE SAID MAYOR AND COUNCIL HELD ON JULY 21, 2015 AFTER A PUBLIC HEARING THEREON. THIS ORDINANCE SHALL TAKE EFFECT IMMEDIATELY UPON FINAL ADOPTION AND PUBLICATION AS REQUIRED BY LAW. COPIES OF THE ORDINANCE ARE AVAILABLE FOR PUBLIC INSPECTION AT THE MUNICIPAL BUILDING, 1211 DELAWARE STREET, PAULSBORO, NEW JERSEY DURING NORMAL BUSINESS HOURS.

KATHY A. VANSCOY
BOROUGH CLERK

Exhibit B



South Jersey Gas

*Where we put all of our energy**

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

July 28, 2015

(Via Certified Mail & E-mail: kvaascov@paulsboronj.org)

Paulsboro Clerk's Office
Attention: Kathy Van Scoy
1211 Delaware Street
Paulsboro, NJ 08066

Re: Acceptance of Ordinance No. O. 07.15 Granting Municipal Consent to South Jersey Gas Company to Use the Streets for the Provision of Natural Gas Service

Dear Mrs. Van Scoy:

I am writing on behalf of South Jersey Gas Company ("SJG") to advise that we received a fully executed copy of Ordinance No. O. 07.15 (copy attached) granting municipal consent for SJG to provide gas and lay its mains and pipes in the Borough of Paulsboro. Pursuant to the requirements of N.J.S.A. 48:3-16, SJG hereby accepts Ordinance No. O. 07.15, 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/lis

Enclosure

cc: John Stanziola, Director, Regulatory Affairs
Abbey Greenberg, Stakeholder Relations Specialist

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