



STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 9th Floor
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) DECISION AND ORDER
MUNICIPAL CONSENT IN THE TOWNSHIP OF)
VOORHEES, CAMDEN COUNTY, STATE OF NEW)
JERSEY) DOCKET NO. GE11100679

Parties of Record:

Stacy A. Mitchell, Esq., on behalf of Petitioner, South Jersey Gas Company
Stefanie A. Brand, Esq., Director, 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 350,000 customers within its service territory.

SJG currently provides natural gas service within the Township of Voorhees ("Township") to approximately 8,708 residential, 642 commercial and 2 industrial customers. The Company's most recent consent from the Township expired on September 17, 1997.¹ On August 8, 2011, the Township renewed its consent by adopting Ordinance No. 194-11 which gave SJG consent and permission to lay and construct its facilities within the public rights-of way for the purpose of conducting and distributing natural gas within the Township for a term of ten (10) years. By letter dated August 19, 2011, 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 Township in an uninterrupted manner.

On October 25, 2011, pursuant to N.J.S.A. 48:2-14 and N.J.A.C. 14:1-5.5, SJG filed a petition requesting that this Board give its approval to the consent adopted by the Township. As required by law, and after notice, a hearing in this matter was held on January 25, 2012, before Edward D. Beslow, Esq., the Board's duly appointed Hearing Examiner. 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 hearing, the Company relied on its petition and exhibits filed with the Board and presented the testimony of Charles F. Dippo, its Vice-President of Engineering Services and System Integrity. Mr. Dippo testified that the Company has provided continuous service to the Township, and retains the financial, facility base, operational expertise and capacity to maintain safe, adequate and proper service in the Township which he believes will experience a one percent annual growth in the number of customers served.

By letter dated March 7, 2012, Rate Counsel stated that it had no objection to the granting of the relief requested by SJG provided that the Board clarified that the consent to provide service is limited to 10 years to match the term of the consent to use the streets. Rate Counsel also recommended that the Board include in its Order the terms and conditions that have been traditionally been made part thereof.

After a full review of the entire record, the Board HEREBY FINDS that the municipal consent, which is the subject of this matter, is necessary and proper for the public convenience and properly conserves the public interest, and that SJG has the ability to install, operate and maintain the appropriate infrastructure to allow it 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. With regard to Rate Counsel's comments, the Board reads Section 5 of Township Ordinance No. 194-11 as granting to the Company coextensive "permission and consent" to serve and to use the streets of the Township, with both limited to a period of ten (10) years from the date of Board approval. Accordingly, the Board, pursuant to N.J.S.A. 48:2-14, HEREBY APPROVES the consent granted to SJG by the Township of Voorhees for the provision of gas service in the Township as sought in the Company's petition.

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

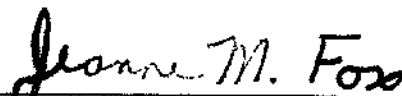
1. This Order shall not be construed as directly or indirectly fixing for any purposes whatsoever the value of any tangible or intangible assets now owned or hereafter to be owned by SJG.
2. The rates for service to SJG's customers in the Township shall continue to be those set in the Company's current tariff approved by and on file with the Board. These rates shall remain in effect until otherwise approved by the Board.
3. 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.

4. In an appropriate subsequent proceeding, SJG shall have the burden of demonstrating whether, and to what extent, any of the costs associated with this petition shall be allocated to ratepayers.
5. Approval of this municipal consent does not constitute Board approval of any costs or expenses associated with this petition. Any determination as to the appropriateness or reasonableness of the costs and expenses related to the franchise, including but not limited to, cost of construction, contributions in aid of construction, depreciation on contributed plant, the cost of connection, or any related capital improvements, and the allocation of such costs and expenses, shall be made in an appropriate subsequent proceeding.

DATED: 5/31/13

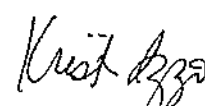
BOARD OF PUBLIC UTILITIES
BY:


ROBERT M. HANNA
PRESIDENT

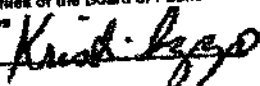

JEANNE M. FOX
COMMISSIONER


JOSEPH L. FIORDALISO
COMMISSIONER


MARY-ANNA HOLDEN
COMMISSIONER

ATTEST:

KRISTI IZZO
SECRETARY

I HEREBY CERTIFY that the within
document is a true copy of the original
in the files of the Board of Public
Utilities



I/M/O THE PETITION OF SOUTH JERSEY GAS COMPANY FOR APPROVAL OF A
MUNICIPAL CONSENT IN THE TOWNSHIP OF VOORHEES, CAMDEN COUNTY
DOCKET NO. GE11100679

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ORDINANCE NO. 194-11

**ORDINANCE OF THE TOWNSHIP OF VOORHEES, COUNTY OF CAMDEN,
AND STATE OF NEW JERSEY GRANTING CONSENT TO RENEW THE FRANCHISE OF
SOUTH JERSEY GAS COMPANY FOR THE USE OF
TOWNSHIP STREETS**

WHEREAS, South Jersey Gas Company obtained the consent of the Township of Voorhees to exercise its franchise rights by Ordinance in 1947; and

WHEREAS, said consent is limited to a period of fifty (50) years which has expired; and

WHEREAS, South Jersey Gas Company is desirous of obtaining the consent of the Township of Voorhees to continue serving the residents thereof.

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

SECTION 1: Subject to the provisions of applicable Township Ordinances, permission and consent is hereby granted to South Jersey Gas Company to erect, construct, re-construct, remove, inspect, maintain and operate its mains and pipes, together with all appurtenances thereto, in, through, upon, along, over and under all the various public streets, alleys, squares and public places in the Township of Voorhees for the purpose of conducting, transmitting and distributing natural gas upon the terms and conditions hereinafter provided.

SECTION 2: All lines, underground conduits, together with all associated equipment, fixtures and appurtenances (hereinafter "Facility" or "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 Facility").

- A. South Jersey Gas Company further agrees to abandon and relocate, at its sole expense, all Facilities heretofore or hereafter located and installed, that reasonably interfere with construction, re-construction, and maintenance of any Public Facility.
- B. South Jersey Gas Company shall indemnify and save harmless the Township of Voorhees from all claims or suits for damages arising from the location, construction, re-construction or maintenance of any Facility.

SECTION 3: South Jersey Gas Company shall comply with all Township Ordinances, including but not limited to, the provision of Chapter 98 of the Code of the Township of Voorhees, and any amendments thereto, dealing with street openings or excavations.

SECTION 4: The surface of the streets, roads, avenues, highways and any pavement disturbed by South Jersey Gas Company in construction, re-constructing or maintaining its Facilities shall be restored to as good condition as it was before the commencement of work thereon at no cost to the Township of Voorhees. No streets, roads, avenues and highways shall be encumbered for a longer period than shall be necessary to execute the work. Such restoration shall be subject to the approval of the Township after an inspection by its authorized representative upon completion of the work and submission of duly approved as-built drawings.

SECTION 5: Following adoption and final passage of this Ordinance, and acceptance thereof by South Jersey Gas Company, the permission and consent granted therein shall continue and be in full force and effect for a period of ten (10) years from the date of its approval by the New Jersey Board of Public Utilities as required by law. Throughout the full term of this Ordinance, South Jersey Gas Company, its successors and assigns, shall furnish safe, adequate and proper service, at just and reasonable rates, within the Township, and keep and maintain its property and equipment in such condition as will enable it to do so. South Jersey Gas Company shall, in order to safeguard the public interest, provide continuous and uninterrupted service at, and after, the expiration of the term of this Ordinance while seeking further renewal of Township consent.

SECTION 6: Upon passage of this Ordinance, in accordance with the law, the Township Clerk shall provide South Jersey Gas Company with written notice thereof by Certified Mail. South Jersey Gas Company shall file with the Township Clerk its written acceptance of said Ordinance within thirty (30) days of receipt of said notice.

SECTION 7: South Jersey Gas Company shall, at its sole expense, petition the Board of Public Utilities for approval of this Ordinance.

SECTION 8: If any section, subsection, sentence, clause, phrase or portion of this Ordinance is for any reason held to be invalid or unconstitutional by a court of competent jurisdiction, such portion

shall be deemed a separate, distinct and independent provision, and such holding shall not affect the validity of the remaining portions hereof.

SECTION 9: This Ordinance shall not take effect until the Township of Voorhees receives notice that it has been approved by the Board of Public Utilities

SECTION 10: All Ordinances or Resolutions or parts of Ordinances or Resolutions inconsistent herewith are hereby repealed to the extent of such inconsistency.

SECTION 11: Subject to Section 9 above, pursuant to the provisions of law, this Ordinance shall take effect twenty (20) days after its passage by the Mayor and Township Committee, where such approval is required by law.

INTRODUCED: JULY 11, 2011
ADOPTED: AUGUST 8, 2011

MOTION TO APPROVE: MR. LOVALLO
SECONDED: MR. PLATT
AYES: MR. PLATT, MR. LOVALLO, MR. FRIEDMAN,
MR. DINATALE, MAYOR MIGNOGNA

NAYS: NONE

Jeanette Schelberg *Michael C. Mignogna*

I, Jeanette Schelberg, Municipal Clerk of the Township of Voorhees, hereby certify the foregoing is a true and correct copy of an ordinance adopted following second reading and public hearing at a regular meeting of the Mayor and Township Committee of the Township of Voorhees, County of Camden, and State of New Jersey on August 8, 2011 held in the municipal building, 2400 Voorhees Town Center, Voorhees, NJ 08043

Jeanette Schelberg
Jeanette Schelberg, RMC
Municipal Clerk



South Jersey Industries

Where we put all of our energy®

Steven R. Cocchi, Esq.
Office of Corporate Counsel and Secretary
Director, Legal Affairs

August 19, 2011

Jeanette Schelberg, RMC
Municipal Clerk
Voorhees Township
2400 Voorhees Township Center
Voorhees, NJ 08043

Re: South Jersey Gas Company
Acceptance of Ordinance No. 194-11 Granting Municipal Consent to Provide Gas

Dear Ms. Schelberg:

I am writing on behalf of South Jersey Gas Company ("SJG") to advise that on August 18, 2011, I received a certified copy of Ordinance No. 194-11 (copy attached) granting municipal consent for SJG to provide gas and lay its mains and pipes in the Township of Voorhees for a period of ten (10) years. Pursuant to the requirements of N.J.S.A. 48:3-16, SJG hereby accepts Ordinance No. 194-11 as passed. I will notify you when SJG has received approval of Ordinance 194-11 from the New Jersey Board of Public Utilities.

Should you have any questions, please feel free to contact me at 609-561-9000 x. 4205. Thank you for your kind courtesies and cooperation.

Very truly yours,

Steven R. Cocchi, Esq.
Director, Legal Affairs
scocchi@sjindustries.com

Encl.

cc: Deb Spinella, Government and Community Relations
John Stanzola, Director of Regulatory Affairs
Gina M. Merritt-Epps, Esq., Corporate Counsel & Secretary
Ira Megdal, Esq., Cozen & O'Connor