



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 BOROUGH OF)
GLASSBORO, GLOUCESTER COUNTY, STATE OF)
NEW JERSEY) DOCKET NO. GE11100684

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 Borough of Glassboro ("Borough") to approximately 4,789 residential, 382 commercial and 16 industrial customers. The Company's most recent consent from the Borough expired on December 28, 2000.¹ On September 27, 2011, the Borough renewed its consent by adopting Ordinance No. 11-43 which gave SJG consent and permission to furnish gas service in the Borough and to lay and construct its facilities within the public rights-of way for a period not to exceed fifty (50) years. By letter dated September 30, 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 Borough 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 Borough. 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 Borough and retains the financial, facility base, operational expertise and capacity to continue to maintain safe, adequate and proper service in the Borough 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 and recommended that the Board include in its Order the terms and conditions that have been traditionally been made part thereof. In addition, Rate Counsel argued that the petition in this matter is governed by two related statutes. Rate Counsel noted that N.J.S.A. 48:2-14 requires the Board's approval before a municipal consent to serve the municipality is valid. Rate Counsel also maintained that N.J.S.A. 48:3-11 governs a municipal grant to a utility to use the municipality's streets and other places, and that N.J.S.A. 48:3-15 limits such a grant to a term not to exceed fifty (50) years. In this case, Rate Counsel does not object to the consent to provide service for a term of fifty (50) years but recommends that the Board specifically limit the grant to use the streets to the same term as set out in N.J.S.A. 48:3-15.

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 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 Borough to continue to provide adequate and appropriate service to its existing customers. Accordingly, the Board, pursuant to N.J.S.A. 48:2-14, HEREBY APPROVES the consent granted to SJG by the Borough of Glassboro for the provision of gas service in the Borough as sought in the Company's petition. The Board FURTHER FINDS that there is no need to specifically limit the time period for the use of the streets as the consent granted to the Company does not exceed fifty (50) years.

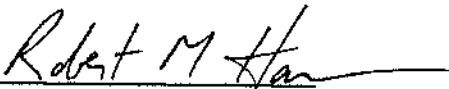
The approvals granted hereinabove shall be subject to the following provisions:

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. 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.


3. The rates for service to SJG's customers in the Borough 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.
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

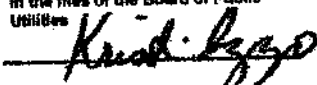

JOSEPH L. FIORDALISO
COMMISSIONER


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 BOROUGH OF GLASSBORO, GLOUCESTER COUNTY
DOCKET NO. GE11100684

SERVICE LIST

Stacy A. Mitchell, Esq.
Cozen O'Connor
457 Haddonfield Road, Suite 300
P.O. Box 5459
Cherry Hill, New Jersey 08002

Jerome May, Director
Ricky John, PhD
Division of Energy
Board of Public Utilities
44 South Clinton Avenue, 9th Floor
P.O. Box 350
Trenton, New Jersey 08625-0350

Babette Tenzer, DAG
Division of Law
124 Halsey Street
P.O. Box 45029
Newark, New Jersey 07101

James W. Giassen, Esq.
Sarah. H. Steindel, Esq.
Division of Rate Counsel
140 E. Front Street, 4th Floor
Post Office Box 003
Trenton, New Jersey 08625

Stefanie A. Brand, Esq., Director
Division of Rate Counsel
140 E. Front Street, 4th Floor
P.O. Box 003
Trenton, New Jersey 08625

ADOPTED
SEP 27 2011

ORDINANCE #11 - 43

AN ORDINANCE GIVING AND GRANTING CONSENT AND
PERMISSION TO THE SOUTH JERSEY GAS COMPANY, A
CORPORATION OF THE STATE OF NEW JERSEY, TO FURNISH GAS
FOR LIGHT, HEAT AND POWER IN THE BOROUGH OF
GLASSBORO IN THE COUNTY OF GLOUCESTER AND STATE OF
NEW JERSEY

NOW, THEREFORE, BE IT ORDAINED by the members of the
Council of the Borough of Glassboro, County of Gloucester and State of New
Jersey as follows:

Section 1. That consent and permission to furnish gas for light, heat and
power in the Borough of Glassboro, County of Gloucester, State of New Jersey,
is hereby given and granted to the South Jersey Gas Company, a corporation of
the State of New Jersey, subject to approval of such consent and permission by
the Board of Public Utilities of the State of New Jersey for a period not to exceed
fifty (50) years from the date of the adoption of this Ordinance.

Section 2. That consent is hereby given 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 Glassboro in
the manner required by N.J.S.A. 48:3-11 et seq., and subject to reasonable
regulations imposed by ordinances 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 3. The consents granted in Sections 1 and 2 are granted for the entire
geographical area of the Borough of Glassboro and extend to the boundaries of
the Borough of Glassboro.

Section 4. The said South Jersey Gas Company shall within thirty (30) days after the passage of this ordinance file with the Borough Clerk a bond in the amount of Five Thousand Dollars (\$5,000.00) conditioned upon the restoration of any street or public place which may be opened by it in a manner satisfactory to the Superintendent of the Highway Department.

Section 5. Repealer

All Ordinances or parts of Ordinances inconsistent with this Ordinance are hereby repealed to the extent of such inconsistencies.

Section 6. Severability

Each section of this Ordinance is an independent section and the holding of any section or part thereof to be unconstitutional, void or ineffective, shall not be deemed to affect the validity or constitutionality of any other sections or parts hereof.

Section 7. This ordinance shall take effect after its final passage and publication according to law.

BE IT FURTHER ORDAINED that this Ordinance shall take effect immediately upon final passage and publication as required by law.

BOROUGH OF GLASSBORO



LEO J. McCABE, Mayor

ATTEST:



PATRICIA A. FRONTINO, 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

September 30, 2011

Patricia A. Frontino, Municipal Clerk
Borough of Glassboro
One S. Main Street
Glassboro, New Jersey 08028

Re: South Jersey Gas Company
Acceptance of Ordinance No. 11-43 Granting Municipal Consent to Provide Gas

Dear Ms. Frontino:

I am writing on behalf of South Jersey Gas Company ("SJG") to advise that on September 30, 2011, I received a certified copy of Ordinance No. 11-43 (copy attached) granting municipal consent for SJG to provide gas and lay its mains and pipes in the Borough of Glassboro. Pursuant to the requirements of N.J.S.A. 48:3-16, SJG hereby accepts Ordinance No. 11-43 as passed. I will notify you when SJG has received approval of Ordinance 11-43 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 Stanziola, Director of Regulatory Affairs
Gina M. Merritt-Epps, Esq., Corporate Counsel & Secretary
Stacey Mitchell, Esq., Cozen & O'Connor