



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 NEW JERSEY)
NATURAL GAS COMPANY FOR A DETERMINATION)
CONCERNING THE SOUTHERN RELIABILITY LINK)
PURSUANT TO N.J.S.A. 40:55D-19 AND N.J.S.A. 48:9-)
25.4)
)

PREHEARING ORDER
DOCKET NO. GO15040403

Parties of Record:

John G. Valeri Jr., Esq., Chiesa, Shahinian & Giantomasi, P.C., on behalf of New Jersey Natural Gas Company
Stefanie A. Brand, Esq., Director, New Jersey Division of Rate Counsel

BY COMMISSIONER DIANNE SOLOMON:

The Board of Public Utilities ("Board") is empowered to ensure that regulated public utilities provide safe, adequate and proper service to the citizens of New Jersey. N.J.S.A. 48:2-23. Pursuant to N.J.S.A. 48:2-13, the Board has been vested by the Legislature with the general supervision and regulation of and jurisdiction and control over all public utilities, "so far as may be necessary for the purpose of carrying out the provisions of [Title 48]." The courts of this State have held that the grant of power by the Legislature to the Board is to be read broadly, and that the provisions of the statute governing public utilities are to be construed liberally. See e.g., In re Public Service Electric and Gas Company, 35 N.J. 358, 371 (1961), Twp. of Deptford v. Woodbury Terrace Sewerage Corp., 54 N.J. 418, 424 (1969), Bergen County v. Dep't. of Public Utilities, 117 N.J. Super. 304 (App. Div. 1971).

On April 2, 2015, New Jersey Natural Gas ("NJNG" or "Company"), a New Jersey public utility that supplies natural gas to approximately 510,000 customers in Monmouth, Ocean, Morris, Middlesex and Burlington Counties, filed a petition with the Board pursuant to N.J.S.A. 40:55D-19 of the New Jersey Municipal Land Use Law ("MLUL"). Under cover letter dated June 5, 2015, the Company filed an amended petition to account for revisions in the proposed route, including the routing as adopted by Upper Freehold.

According to the petition, NJNG's customers at the southern end of its pipeline system, particularly those in Ocean, Burlington and Monmouth Counties are likely to be adversely affected by a supply interruption or system failure. The Company represents that the proposed Southern Reliability Link project ("Project") will connect the natural gas system in these counties to a new Transco supply point in Chesterfield, New Jersey, adjacent to the New Jersey Turnpike. The Company further represents that, by creating a new redundant major feed, the Project will support safe, reliable, and resilient delivery of natural gas to its customers in Ocean, Burlington and Monmouth counties.

To aid in the setting of an appropriate schedule, a proposed preliminary procedural schedule was generated by Board staff and circulated to the Company, the New Jersey Division of Rate Counsel ("Rate Counsel"), the Municipal Clerks, the County Administrators, Joint Base McGuire-Dix-Lakehurst and the Burlington County Board of Chosen Freeholders. The Company proposed an alternative schedule, and Rate Counsel recommended some minor date changes to Board staff's proposed schedule. No other comments on the proposed schedule were received.

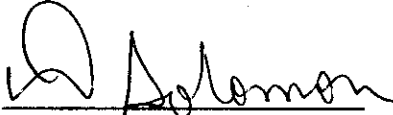
I have reviewed the proposals exchanged for a preliminary schedule, and have concluded that the shortened procedural schedule proposed by the Company does not provide sufficient time for Rate Counsel, Board staff and possible interveners/participants to thoroughly review the Project and create a full record for review by the Board.

After giving due consideration to the positions of Staff, Rate Counsel, and the Company, I **HEREBY ISSUE** the attached as the Prehearing Order for this matter, along with the procedural schedule identified as Exhibit A, and **HEREBY DIRECT** the parties to comply with its terms.

I **HEREBY DIRECT** Staff to post this Order on the Board's website and serve a copy of the Order to the service list electronically.

In addition, in the interests of economy, all parties are **HEREBY DIRECTED** to serve all documents electronically, while still providing hard copies to the Board for those documents which must be filed with the Board, and to any party upon request.

DATED: 6/19/2015


DIANNE SOLOMON
COMMISSIONER

IN THE MATTER OF THE PETITION OF NEW JERSEY NATURAL GAS COMPANY FOR A
DETERMINATION CONCERNING THE SOUTHERN RELIABILITY LINK PURSUANT TO
N.J.S.A. 40:55D-19 AND N.J.S.A. 48:9-25.4

BPU DOCKET NO. GO15040403

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PREHEARING ORDER

1. NATURE OF PROCEEDINGS AND ISSUES TO BE RESOLVED:

In this proceeding, New Jersey Natural Gas ("NJNG" or "Company") seeks a Board order approving the Southern Reliability Link project ("Project") which will connect the Company's existing natural gas system in Ocean, Burlington, and Monmouth Counties to a new Transco supply point in Chesterfield, New Jersey. The Company represents that, by creating a new redundant major feed, the Project will support safe, reliable, and resilient delivery of natural gas to its customers in these counties.

Issues to be Resolved:

- 1) Whether the construction is necessary to maintain system integrity and reliability, supports Governor Christie's 2011 Energy Master Plan, and is reasonably necessary for the service, convenience, or welfare of the public; and
- 2) Whether the rules adopted by the municipalities pursuant to the Municipal Land Use Law shall apply to the Project.

2. PARTIES AND THEIR DESIGNATED ATTORNEYS OR REPRESENTATIVES:

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Others to be added as motions to intervene are decided.

No change in designated trial counsel shall be made without leave if such change will interfere with the date for hearing. If no specific counsel is set forth in this Order, any partner or associate may be expected to proceed with evidentiary hearings on the agreed dates.

3. **SPECIAL LEGAL REQUIREMENTS AS TO NOTICE OF HEARING:**

Pursuant to N.J.S.A. 48:2-32.6, two public hearings will be held in the Company's service territory after publication of notice in newspapers of general circulation in the Company's service territory. The dates and location of the hearings will be determined by the parties, with the Company arranging for the public hearings and providing notice of the selected dates, times and locations.

4. **SCHEDULE OF HEARING DATES, TIME AND PLACE:**

Evidentiary hearings will be held on December 1 and 7, 2015, starting at 9:00 a.m. on each day at the Board of Public Utilities, 44 South Clinton Avenue, Trenton, New Jersey. Additional dates, if needed, will be determined based on the availability of the parties and myself.

5. **STIPULATIONS:**

None at this time.

6. **SETTLEMENT:**

Parties are encouraged to engage in settlement discussion. Notice should be provided to all parties of any settlement discussions for the preparation of an agreement to resolve the issues in the case.

7. **AMENDMENTS TO PLEADINGS:**

None at this time.

8. **DISCOVERY AND DATE FOR COMPLETION:**

The time limits for discovery shall be in accordance with N.J.A.C. 1:1-10.4 or as provided in Exhibit A. Unless I otherwise provide, all discovery shall be completed in accordance with the schedule in Exhibit A.

9. **ORDER OF PROOFS:**

NJNG bears the burden of proof. The parties will propose an order of witnesses no later than one week prior to the hearings. Witnesses will be presented in the following order, unless otherwise agreed by the parties prior to the hearings:

First –NJNG

Second – Rate Counsel

Third– Interveners

10. **EXHIBITS MARKED FOR IDENTIFICATION:**

None at this time.

11. **EXHIBITS MARKED IN EVIDENCE:**

None at this time.

12. **ESTIMATED NUMBER OF FACTS AND EXPERT WITNESSES:**

NJNG will present the following witnesses: Craig Lynch, John B. Wyckoff, P.E. and Barry Baker. Additional witnesses may be identified by NJNG as necessary for purposes of rebuttal or sur-rebuttal.

Additional witnesses may be identified by Rate Counsel and the Interveners as necessary for purposes of testimony.

Any party substituting witnesses shall identify such witnesses within five days of determining to replace a witness, and in no event later than five days before filing of pre-filed testimony.

All witnesses submitting pre-filed testimony will be subject to cross examination at evidentiary hearings, which will be conducted by topic (e.g., program elements, revenue requirements, and so forth).

13. **MOTIONS:**

All motions to intervene or participate in this proceeding are required to be filed on or before June 30, 2015 pursuant to the Board's May 19, 2015 Order. The Burlington County Board of Chosen Freeholders has filed a motion to intervene, which will be addressed in a separate order. There are no other motions pending at this time.

14. **SPECIAL MATTERS:**

None at this time.

Exhibit A

IN THE MATTER OF THE PETITION OF NEW JERSEY NATURAL GAS COMPANY FOR A
DETERMINATION CONCERNING THE SOUTHERN RELIABILITY LINK PURSUANT TO
N.J.S.A. 40:55D-19 AND N.J.S.A. 48:9-25.4

BPU DOCKET NO. GO15040403

PROCEDURAL SCHEDULE

June 30, 2015: Deadline for filing motions to intervene or participate

July 10, 2015: Deadline for filing responses to motions to intervene or participate

July 17, 2015: Deadline for first round discovery requests

Late July 2015: Public hearings

August 3, 2015: Deadline for first round discovery responses and for delivery of all previous discovery responses to current parties

August 10, 2015: Deadline for second round discovery requests

August 25, 2015: Deadline for second round discovery responses

September 2, 2015: Technical conference

September 7-11, 2015: Discovery conference/settlement discussions

September 18, 2015: Deadline for Rate Counsel and Interveners to file direct testimony

September 28, 2015: Discovery on Rate Counsel and Interveners' testimony

October 13, 2015: Responses to discovery on Rate Counsel and Interveners' testimony

October 28, 2015: Rebuttal testimony by Company

November 12, 2015: Deadline for discovery on rebuttal testimony

November 27, 2015: Deadline for responses to discovery on rebuttal testimony

Late November 2015: Settlement conferences

December 1 and 7, 2015: Hearings in Trenton with live sur-rebuttal (Additional dates to be scheduled if needed)

To Be Determined: Briefing schedule

Discovery will be conducted on a rolling basis with responses due in accordance with N.J.A.C. 1:1-10.4, subject to the scheduled end dates.