

I. Descriptive Memo

New Jersey Natural Gas's Southern Reliability Link (SRL) pipeline would begin at a new compressor station in Chesterfield (Burlington County) and run through Burlington, Monmouth, and Ocean counties. The 30-mile, 30-inch pipeline would begin in Chesterfield and run through the Pinelands to the coast to connect to the utility system in Manchester Township, Ocean County.

On Friday, March 18th, the Board of Public Utilities voted to exempt the Southern Reliability Link from all local ordinances and land use approvals in regards to their Southern Reliability Link pipeline. The pipeline cuts through the Pineland Forest Preservation Area, where such development is prohibited unless it benefits people living in the Pinelands. New Jersey Natural Gas claims that the proposed pipeline is for resiliency for people along the proposed route, but we suspect that NJNG's ulterior motive is to use the pipeline for growth and development along the coast in Ocean County. The region the pipeline would serve is outside the Pinelands and will not benefit people living in the Pinelands, which is against the Comprehensive Management Plan. The United States Fort Dix Joint base, in the Pinelands, is also outside its service area and there is no evidence or agreement for them to use the pipeline.

In November 2015, NJNG filed a rate case petition with BPU, seeking to recover the entire cost of construction of the Southern Reliability Link (currently estimated at \$175M-180M) from New Jersey ratepayers.

New Jersey Natural Gas company claims that the proposed pipeline is for resiliency but rather it is for growth and development along the coast. The company had claimed the pipeline would serve the Fort Dix Joint base and the people along the route would benefit from the pipeline, but that is not the case. The Southern Reliability Link would bring five times more natural gas into Ocean County than is necessary for resiliency. This gas allotment is for Ocean County, not for the base.

In September 2013 New Jersey Natural Gas submitted a petition to BPU for agency review of a NJNG project named "NJ RISE", created to improve the resiliency of NJNG's New Jersey infrastructure in response to problems exposed by increasingly common severe storms. In October 2015, BPU authorized NJNG to charge New Jersey ratepayers \$102.5M in increased utility costs for this program. The fact that The Southern Reliability Link was not included as a part of NJ RISE demonstrates that even NJNG did not consider this project necessary for additional resiliency. New Jersey Natural Gas also filed under the Securities and Exchange Commission that this project is to expand service to new customers. We believe it is to potentially to build a new gas-powered plant in Oyster Creek or the Heritage Mineral development project in Ocean County.

Before the BPU decision on March 10 2016, Pinelands Commission Executive Director Nancy Wittenberg wrote a letter to the BPU declaring that the Southern Reliability Link would be in compliance with the Comprehensive Management Plan (CMP) when in reality, it would not. Ms. Wittenberg's decision takes away a vote by the Pinelands Commission on this unneeded and unnecessary pipeline as well as public hearings.

Ms. Wittenberg's letter determined the pipeline was exempted from any further action by the Pinelands Commission. This determination violates the Comprehensive Management Plan and the Pinelands Protection Act. Ms. Wittenberg's decision has exempted the public from having a hearing, which is required by the CMP. The decision also gave Ms. Wittenberg the authority to make the final determination to approve or deny the pipeline without a vote by the Commission.

We would like to challenge the New Jersey Board of Public Utilities (BPU) vote to remove local jurisdiction away from municipalities as well as remove additional oversight by the Pinelands Commission and the public. Nancy Wittenberg's letter saying the pipeline conforms to the CMP is the second reason for appeal because if final, the Pinelands Commission must have had a hearing and a vote. If the decision is not final, then the BPU should have not been able to remove local jurisdiction.