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May 11, 1960

*Mr. Summers*  
*[Signature]*  
MEMORANDUM TO: Honorable Robert B. Meyner  
Governor of the State of New Jersey

SUBJECT: Monthly Report of the Department of Public Utilities  
for April, 1960

GENERAL

Monthly staff conferences with the Board's Division chiefs and assistants were held on April 1 and 11, 1960. President Fusco presided at each meeting.

The President discussed and emphasized various procedural aspects of the Board's work, including the necessity of efficient distribution of the case-load among Hearing Examiners, a review of the second revised draft of the proposed Regulations of the Board and the extent of Hearing Examiners' authority to grant extensions of time and postponement of hearings.

A review of the Board's activities for the first four months of 1960 indicates that the Board rendered 400 Decisions as against 292 for the similar period in 1959, or an increase of 37%. New filings for this period amounted to 330, as compared to 271 for the same period of 1959, or an increase of 22%. In spite of this increase the Board was able, through streamlined procedures, to dispose of its work with a 25% decrease in formal hearings.

The revenue account for the first four months of 1960 shows receipts of \$135,544.51 as against \$31,872.42 in the same period of 1959. This increase of \$105,672.09 reflects the Board's increased work load as well as the increased fees and charges authorized by Chapter 43, Laws of 1959 (R.S. 48:2-56), which became effective on May 28, 1959.

DIVISION OF ACCOUNTS AND FINANCE

On April 4, 11, 18 and 25, 1960, the regular weekly staff conferences were held. Cases pending in this Division were discussed and general consideration was given to the nature of convertible debentures; procedures to be followed in examining and auditing annual and quarterly reports of utilities; and certificate forms for various types of security issues.



## DIVISION OF ACCOUNTS AND FINANCE (CONTINUED)

During the month of April seven requests from the public were received for examination of 39 filed annual reports.

Members of the Division conducted 10 public formal hearings, participated in 15 other hearings, and in 28 conferences concerning financial and accounting problems of proposed or existing utilities.

The staff also reviewed Federal legislation concerning excise taxes as they affect the operation of utilities within the State.

## DIVISION OF ENGINEERING

Members of the Division conducted 10 public formal hearings and participated in 10 other formal proceedings. At the regular weekly staff conferences procedural handling of formal cases was given extended discussion, as well as substantive aspects of pending cases.

Natural gas pipelines featured this month's work of the Division. A nation-wide survey of state regulation of pipelines was completed and a compilation of such regulatory measures is now available. In addition, one pipeline company received approval from the Board for recertification for increase of operating pressures and another was heard on a petition for approval of the construction of a 36-inch line across Hunterdon, Somerset, Middlesex and Union Counties. In the latter case decision is reserved pending action of the Federal Power Commission.

The Service Inspection Section of this Division disposed of 47 informal complaints during the month of April, making a total of 383 informal matters disposed of since January 1, 1960.

## DIVISION OF MOTOR CARRIERS

During the month of April 12 formal matters were filed and referred to this Division, 3 for action of the Board and 9 for action of the Interstate Commerce Commission. A total of 21 informal complaints were received and were either disposed of or are under investigation.

General Motors began delivery this month of approximately 375 new buses to serve the larger bus companies in the State. By April 30, 1960 123 of these buses -- costing in excess of five million dollars -- had been delivered, and personnel of this Division conducted complete specification inspections of the buses, which are now in service.

## DIVISION OF RAILROADS

Seventeen new formal cases were docketed and assigned to this Division during the month, in addition to 401 informal matters.



## DIVISION OF RAILROADS (CONTINUED)

Petitions were received and cleared in connection with Spring timetable changes involving discontinuance of all train service on the Sound Shore branch of the Central Railroad; discontinuance of certain Saturday, Sunday and holiday service on the Reading Railroad between Philadelphia and West Trenton and miscellaneous changes in Pennsylvania Railroad schedules. Proceedings were completed for the abandonment of railroad stations and discontinuance or change in service by Railway Express in 16 communities. One new grade crossing was approved and additional protection was ordered at another.

At the monthly staff conference discussions were held concerning radar sonic units; the possibility of operating automatic lights and gates at grade crossings by this means; and the applicable provisions of the Motor Vehicle Law pertaining to the stopping of vehicles at grade crossings.

## DIVISION OF RATES AND RESEARCH

The members of this Division continued their study and consideration of the Public Service Electric and Gas Company rate case while awaiting briefs from the parties.

Fifteen new formal cases were filed involving this Division. Members of the Division conducted or participated in 4 formal public hearings and in 13 informal conferences. This Division also reported that 9 rate matters were disposed of during April, making a total of 383 informal matters disposed of since January 1, 1960.

## DEPUTY ATTORNEYS GENERAL

The Deputy Attorneys General assigned to the Board devoted the greater part of this month's work to the proposed revision of Title 48, and by the end of the month the revision was practically ready for submission to the Governor's office. For this reason, the volume of other work accomplished declined from the usual level. However, 13 Decisions and Orders of the Board were examined and approved, and one legislative memorandum was prepared. Members of the Division acted as counsel in two cases before the Board and in eleven cases before the Interstate Commerce Commission.

Respectfully submitted,

Ralph L. Fusco,  
President.