

M. J. F. Summers

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March 10, 1960

185 W. State Street
Trenton, N. J.

MEMORANDUM TO: Honorable Robert B. Mayner,
Governor of the State of New Jersey.

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

GENERAL

The monthly staff conference with the Board's Division chiefs and assistants was held on February 17, 1960.

In reviewing the calendar for the month, President Fusco stressed the Board's policy of requiring testimony taken at any hearing to be transcribed and in the Board's hands no later than two weeks after a hearing is completed. It was pointed out that if this procedure is followed, it will further expedite the issuance of decisions and orders.

Mr. Leigh P. Hartshorn, Assistant Director in the Accounts and Finance Division was named Civilian Defense Coordinator for the Department and was instructed to confer with the State Office Building representative regarding shelter areas.

Hearing Examiners were instructed to advise petitioners, who intend to use prepared testimony at a hearing, to notify all parties in interest that cross-examination of this testimony will be permitted on the hearing date. It is believed that this procedure will speed up the disposition of cases where this type of testimony is offered.

DIVISION OF ACCOUNTS AND FINANCE

Staff conferences of the Division were held on February 2, 9, 16 and 24, 1960. Procedures to be used in handling the receipt of Annual and Quarterly Report forms of the various utilities, the proposed revision of electric and gas Uniform System of Accounts, and changes in the I.C.C. Uniform System of Accounts for Bus Companies were the principal matters considered. Proper and improper uses of the proceeds from security issues were also reviewed.

DIVISION OF ACCOUNTS AND FINANCE (Cont'd.)

During the month there were 15 public requests for examination of 179 filed Annual Reports. Members of the staff conducted 8 hearings; attended 11 others; and participated in 27 informal conferences with respect to accounting and finance problems of proposed or existing utilities.

DIVISION OF ENGINEERING

Members of this Division acted as Hearing Examiners in 11 formal cases and attended 16 other formal hearings. Weekly staff conferences were held for the purposes of reviewing the cases assigned to the Division and to acquaint personnel on their duties as Hearing Examiners.

The staff reports that a number of inquiries have been received regarding the Board's requirements for the formation of small sewer and water companies. A review of the statutory requirements and the Board's Rules of Practice governing this type of utility was held. Members of this Division were instructed to bring to the attention of potential petitioners that the approval of the State Department of Health and the Division of Water Policy of the Department of Conservation and Economic Development must be obtained before a franchise is granted.

Members of this Division acted as Hearing Examiners in 11 formal cases and attended 16 other formal hearings.

DIVISION OF MOTOR CARRIERS

During the month of February this Division prepared and submitted to the Board for its consideration Proposed Revisions in Administrative Orders 14:212 and 14:300, involving the Board's specifications as applied to autobuses and the filing of revised bus schedules. The suggested revisions will be the subject of an informal conference between the members of the staff and industry in the near future.

Personnel of this Division collaborated with the Division of Rates and Research on 7 petitions for increases of fares; with the Division of Accounts and Finance in 5 matters involving the sale of autobuses and transfer of stock; and with the Engineering Division regarding a petition filed by Suburban Transit Corp. for sale of land.

DIVISION OF RAILROADS

Following the issuance of the Board's Order on January 27, 1960, to the Central Railroad Company of New Jersey and the New York Central Railroad Company containing a directive designed to prevent the unauthorized or accidental movement of an unattended locomotive, each of the other railroads in the State were asked to comply with the terms of the directive.

DIVISION OF RAILROADS (Cont'd.)

The companies agreed to abide by the directive and by an Order dated February 26, 1960, the Board directed that all necessary changes be made by June 1, 1960.

In connection with the investigation of a fatal accident on December 27, 1959, at Cliffwood Road, Matawan Township, the Board recommended to the New York and Long Branch Railroad that the automatic crossing gates be established. The Railroad has accepted the Board's recommendations and will make the installations by October 1, 1960.

The state-wide survey of all railroad grade crossings which include sketches, photographs and traffic counts, is progressing satisfactorily.

Members of the staff of this Division consulted with members of the Divisions of Accounts and Finance and Rates and Research on formal rate cases involving the Erie Railroad and New Jersey and New York Railroad and the Delaware, Lackawanna and Western Railroad.

Conferences were also held with members of the Deputy Attorneys General staff regarding the preparation of a petition to the Interstate Commerce Commission for approval of trackage rights to enable the operation of Susquehanna trains into the Hoboken Terminal of the Delaware, Lackawanna and Western Railroad.

DIVISION OF RATES AND RESEARCH

Weekly staff meetings were conducted each Monday during February for the purpose of reviewing matters assigned to the Division.

Joint conferences were held with the Divisions of Accounts and Finance and Motor Carriers regarding the various negotiated bus fare proceedings now pending. Members of the staff consulted with other Divisions of the Board regarding the Public Service Rate Case and the Revision of Board's regulations.

Staff members participated in 13 formal and 5 informal hearings covering general rate matters.

DEPUTY ATTORNEYS GENERAL

The Deputies assigned to the Board of Public Utility Commissioners continue to render legal service to the members of the Board and its staff. A decision defining the State's jurisdiction over intrastate operations was rendered during the month of February by a Federal court. The New York

DEPUTY ATTORNEYS GENERAL (Cont'd.)

Central Railroad had applied to the United States District Court and obtained a preliminary stay of the Board's Order requiring the Railroad to operate its West Shore Division into Jersey City. Deputy Attorneys General William Gural and Richard F. Green collaborated with Deputy Attorney General David M. Satz, who argued the Motion on behalf of the State and the Commission. The Court dismissed the proceedings in favor of the State and the Board.

The Deputies assigned to the Board acted as counsel in 21 formal hearings and participated in prehearing conferences, as well as examining and approving 94 decisions and orders.

Respectfully submitted,

Ralph L. Fusco,
President.