



State of New Jersey

DEPARTMENT OF ENVIRONMENTAL PROTECTION

COMPLIANCE & ENFORCEMENT  
WATER & LAND USE ENFORCEMENT

401 East State Street

P.O. Box 420, Mail Code 401-04B

Trenton, New Jersey 08625-0420

Tel. (609) 984-2011 ♦ Fax. (609) 984-9658

PHILIP D. MURPHY

Governor

SHEILA Y. OLIVER

Lt. Governor

SHAWN M. LATOURETTE

Commissioner

IN THE MATTER OF:

New Jersey Natural Gas –  
Southern Reliability Link

Upper Freehold Township, Monmouth County  
Jackson Township, Ocean County  
Chesterfield Township, Burlington County  
North Hanover Township, Burlington County

SETTLEMENT AGREEMENT

and

WITHDRAW OF HEARING REQUEST

NEA210001 - 0000-15-0007.1

This Settlement Agreement and Withdraw of Hearing Request (“SA”) is entered into pursuant to the authority vested in the Commissioner of the New Jersey Department of Environmental Protection (“Department” or “DEP”) by N.J.S.A. 13:1D-1 et seq., and the Freshwater Wetlands Protection Act N.J.S.A. 13:9B-1 et seq. (“FWPA”) and the rules promulgated at N.J.A.C. 7:7A-1 et seq., and duly delegated to the Assistant Commissioner, Compliance and Enforcement and her assignees pursuant to N.J.S.A. 13:1B-4.

FINDINGS

1. New Jersey Natural Gas Company, (hereinafter, “NJNG”) is the responsible entity for the construction of the Southern Reliability Link natural gas pipeline through Burlington, Monmouth and Ocean Counties.
2. The Department issued a Notice of Civil Administrative Penalty Assessment, (EA ID # PEA200002 - 0000-15-0007.1), hereinafter the “NOCAPA” to NJNG on July 2, 2021, that assessed a penalty in the amount of \$165,000.00 for violations of the FWPA.
3. NJNG timely requested an administrative hearing on the NOCAPA; said request is currently pending.
4. The Department therefore alleges that NJNG is liable for civil administrative penalties for the violations described in the NOCAPA.

5. The Department has determined that the violations were promptly corrected and thus, is willing to accept a reduced penalty.
6. The Signatories wish to resolve this matter without further adjudication and therefore have entered into this SA to settle the violations referenced in the above NOCAPA without admission of fault or liability according to the terms set forth herein.

### **PENALTY SETTLEMENT**

7. In full settlement of the violations identified in the NOCAPA, NJNG, its successors and/or assigns, shall pay the sum of \$108,125.00 to the Department within 30 days from the date of this SA becoming final pursuant to the public participation provisions below. Payment shall be made by certified check payable to the Treasurer, State of New Jersey, and shall be sent with the appropriate invoice to the address indicated on the invoice.
8. If NJNG fails to pay the above penalty in accordance with the terms and conditions of this SA, then by the discretion of the Department, the original NOCAPA PEA# 200002 - 0000-15-0007.1 in its entirety minus any amount paid, along with costs and interest calculated pursuant to N.J. Court Rule 4:42, shall be immediately due and owing. The Department may bring a summary action in the Superior Court to collect the total penalty assessed in the NOCAPA minus any amount paid pursuant to R. 4:67-6 and R. 4:70 or file this SA as a judgment under the Penalty Enforcement Law, N.J.S.A. 2A:58-10 et seq.

### **WITHDRAWAL OF REQUEST FOR A HEARING**

9. On the date the SA becomes final pursuant to the public participation provisions below, NJNG shall withdraw with prejudice its request for an administrative hearing before the Office of Administrative Law with respect to the enforcement action which has been issued and is described in paragraph 2 above.

### **PUBLIC PARTICIPATION PROCESS**

10. Pursuant to N.J.S.A. 13:9B-21 and N.J.A.C. 7:7A-22.19(a)3, notice of this SA shall be published in the DEP Bulletin and will be subject to a thirty (30) day public comment period. Notice of this settlement will be published in the DEP Bulletin on September 22, 2021.
  - a. If there are no changes proposed by DEP to the SA pursuant to this public participation process, then the SA shall become final the day after the public comment period ends or the date this SA is signed by the parties, whichever occurs later;
  - b. If DEP proposes to make changes pursuant to this public participation process and changes are agreed to by NJNG, then this SA, as modified in writing shall become final;

- c. If DEP proposes to make changes to this SA pursuant to the public participation process and such changes are not agreed to by NJNG within a reasonable period of time, not to exceed thirty (30) days thereafter, this SA shall become null and void.

### **GENERAL PROVISIONS**

11. Neither the entry into this SA nor payment of the settlement amount shall constitute an admission of liability by NJNG for the violations listed herein.
12. Nothing in this SA shall preclude the Department from taking immediate action or seeking injunctive relief to protect the public health, safety, welfare and/or the environment or from taking enforcement action for matters not set forth in the Findings referenced in this SA.
13. This SA shall become final upon signature of both parties and completion of the Public Participation Process identified herein.
14. This Settlement represents the complete and integrated agreement of, and shall be binding upon, and /or inure to the benefit of the State of New Jersey, the Department, and its divisions, agencies, and respective successors, and NJNG and their respective responsible corporate officials, agents, successors, assignees, and any trustee in bankruptcy or receiver appointed pursuant to a proceeding in law or equity.
15. This settlement shall not relieve NJNG from obtaining and complying with all applicable federal, state, and, local permits as well as applicable statutes, codes, rules, regulations, and orders, including but not limited to the statutes and regulations cited herein.
16. No obligations or penalties imposed under this SA are intended to constitute a debt or debts that may be limited or discharged in a bankruptcy proceeding. All obligations and penalties are imposed pursuant to the police power of the State of New Jersey for the enforcement of the law and the protection of the public health, safety, welfare, and the environment.
17. The Signatories agree to comply with this SA which shall be fully enforceable as a final agency order in the Superior Court of New Jersey. The Signatories agree not to contest the terms or conditions of this SA in any action to enforce its provisions.
18. No modification or waiver of this SA shall be valid except as authorized in writing by the Signatories.
19. This SA shall be governed and interpreted under the laws of the State of New Jersey.
20. NJNG warrant(s) that they are authorized to sign this SA and bind themselves, their successors, and/or trustees to comply with the terms and provisions of this SA.

FOR NEW JERSEY DEPARTMENT OF

ENVIRONMENTAL PROTECTION

Dated: \_\_\_\_\_

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Richard T. Paull, Director  
Division of Water and Land Use Enforcement

FOR NEW JERSEY NATURAL GAS

Dated: \_\_\_\_\_

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John Wyckoff, Vice President - Energy Delivery,  
New Jersey Natural Gas Company