



New Jersey Board of Public Utilities

NEWS RELEASE

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Contact:

J. Gregory Reinert
609-777-3305

john.reinert@bpu.state.nj.us

N.J. BPU Rules Only on the Issue of Whether a Transmission-Only Company can be a Public Utility under State Law

TRENTON, NJ – Today, the New Jersey Board of Public Utilities (Board) denied a request by Jersey Central Power & Light (JCP&L) and Mid-Atlantic Interstate Transmission, LLC (MAIT), a transmission-only subsidiary company of FirstEnergy Transmission, LLC, to have MAIT be considered a New Jersey “public utility” subject to the Board’s jurisdiction for certain limited purposes. Six other actions requested by the joint petitioners remain pending before the Board.

On June 19, 2015, JCP&L and MAIT petitioned the Board requesting the Board grant seven actions, including declaring that MAIT be a New Jersey “public utility” subject to the Board’s jurisdiction for certain, limited purposes and enjoying the rights and privileges of a public utility.

On Aug. 19, 2015, the Board retained the matter and designated Board President Richard S. Mroz as the Presiding Officer. On Dec. 7, 2015, Rate Counsel filed a motion that requested the Board to resolve the “public utility” status for MAIT and for a stay on the procedural schedule pending a Board decision resolving this issue. On Dec. 9, 2015, President Mroz notified the parties of the suspension of the procedural schedule.

After reviewing the Rate Counsel Motion and Petitioners’ response, and considering the complexity and critical nature of the issue, President Mroz ordered the parties to file initial briefs on the issue of whether MAIT can qualify as a “public utility” under New Jersey law by January 22nd and ordered any reply briefs be filed by Jan. 29. President Mroz also ordered that this issue be decided by the Board at a regularly scheduled Board Agenda meeting.

At the Board Agenda Meeting held today, the Board denied the motion of JCP&L and MAIT and deemed that MAIT cannot be a “public utility” as defined by the Electric Discount and Energy Competition Act of 1999 (EDECA), N.J.S.A. 48:3-49. An “electricity distribution system, plant or equipment” is needed for public utility status which MAIT, as a transmission-only company, does not possess. While a transmission system, plant or equipment may be added to the

distribution system without loss of public utility status, neither EDECA nor any other State statute grants public utility status to a transmission-only company.

Jurisdiction of interstate transmission-only companies belongs with the Federal Energy Regulatory Commission under the Federal Power Act. There is certain limited authority which is reserved to the state pertaining to transmission companies; however, this limited authority does not allow a transmission-only company to be recognized as a public utility in New Jersey.

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About the New Jersey Board of Public Utilities (NJBPU)

The NJBPU is a state agency and regulatory authority mandated to ensure safe, adequate and proper utility services at reasonable rates for New Jersey customers. Critical services regulated by the NJBPU include natural gas, electricity, water, wastewater, telecommunications and cable television. The Board has general oversight responsibility for monitoring utility service, responding to consumer complaints, and investigating utility accidents. To find out more about the NJBPU, visit our web site at www.nj.gov/bpu.