



STATE OF NEW JERSEY
Board of Public Utilities
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www.nj.gov/bpu/

**MINUTES OF THE REGULAR MEETING OF THE
BOARD OF PUBLIC UTILITIES**

A Regular Board meeting of the Board of Public Utilities was held on December 16, 2015, at the State House Annex, Committee Room 11, 125 West State Street, Trenton, New Jersey 08625.

Public notice was given pursuant to N.J.S.A. 10:4-18 by posting notice of the meeting at the Board's Trenton Office, on the Board's website, filing notice of the meeting with the New Jersey Department of State and the following newspapers circulated in the State of New Jersey:

Asbury Park Press
Atlantic City Press
Burlington County Times
Courier Post (Camden)
Home News Tribune (New Brunswick)
North Jersey Herald and News (Passaic)
The Record (Hackensack)
The Star Ledger (Newark)
The Trenton Times

The following members of the Board of Public Utilities were present:

Richard S. Mroz, President
*Joseph L. Fiordaliso, Commissioner
Mary-Anna Holden, Commissioner
Dianne Solomon, Commissioner
Upendra J. Chivukula, Commissioner

*Commissioner Fiordaliso did not participate in the meeting.

President Mroz presided at the meeting and Irene Kim Asbury, Secretary of the Board, carried out the duties of the Secretary.

It was announced that the next regular Board Meeting would be held on January 27, 2016 at the State House Annex, Committee Room 11, 125 West State Street, Trenton, New Jersey 08625.

The Board recognized and thanked Regulatory Officer Edward Beslow and Deputy Attorney General Babette Tenzer and by unanimous vote, adopted a Resolution commending them for their service to the Board and the State.

CONSENT AGENDA

I. AUDITS

A. Docket No. TE15101209 – In the Matter of the Verified Petition of QuantumShift Communications, Inc. d/b/a vCom Solutions for a Certificate of Public Convenience and Necessity to Provide Local Exchange and Intrastate Interexchange Telecommunications Services in the State of New Jersey.

BACKGROUND: By letter dated September 29, 2015, QuantumShift Communications, Inc., d/b/a vCom Solutions (Petitioner or QuantumShift) filed a Petition with the Board requesting a certificate of public convenience and necessity to provide local exchange and intrastate interexchange telecommunications services in the State of New Jersey.

The Petitioner asserted that approval of its Petition will further the public interest by expanding the availability of competitive telecommunications services in the State of New Jersey. The Petitioner also asserted that approval of this Petition will provide New Jersey customers with access to new technologies and service choices and will permit customers to achieve increased efficiencies and cost savings.

The Petitioner's service includes but is not limited to Voice Services such as local and long distance, advanced voice applications, Calling Cards and Mobile services, Data and Internet Services such as data, internet, Mobile wireless and fixed wireless, and Enhanced Applications services such as audio conferencing, web conferencing, hosted private branch exchange and virtual assistant services to business and enterprise customers throughout New Jersey.

QuantumShift requested a waiver of N.J.S.A. 48:3-7.8 and N.J.A.C. 14:1-4.3, which requires that books and records be kept within the State of New Jersey and be maintained in accordance with the Uniform System of Accounts (USOA), respectively. The Petitioner also stated, upon written notice from the Board will provide its books and records at such time and place within New Jersey as the Board may designate and will pay any reasonable expenses for examination of the records.

By letter dated November 20, 2015, the New Jersey Division of Rate Counsel (Rate Counsel) submitted comments to the Board stating that, based on its review, "Rate Counsel is satisfied that the Petition meets the regulatory requirements and is consistent with the public interest, convenience, and necessity, and does not oppose the Petitioner's waiver requests connected to accounting and record-keeping methods in this matter." Accordingly, Rate Counsel did not oppose a grant of authority or approval of the Petitioner's request to provide telecommunications services in New Jersey.

After review, Staff recommended that the Board approve the request for authority to provide local exchange and intrastate interexchange telecommunications services in the State of New Jersey. Staff also recommended the Board approve the request for waivers from its requirements that the Petitioner maintain its books and records in accordance with the USOA and within New Jersey.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye
	Commissioner Chivukula	Aye

B. Docket No. TE15101214 – In the Matter of the Verified Petition of X5 OpCo, LLC for an Order of Approval to Provide Competitive Intrastate Interexchange, Local Exchange and Switched Access Telecommunications Services throughout the State of New Jersey.

BACKGROUND: By letter dated October 26, 2015, X5 OpCo LLC (Petitioner or X5 OpCo) filed a Petition with the Board requesting an order of approval to provide competitive local exchange, intrastate interexchange and switched access telecommunications services throughout the State of New Jersey.

The Petitioner asserted that approval of its petition will further the public interest by expanding the availability of competitive telecommunications services in the State of New Jersey. The Petitioner also asserted that approval of this Petition will provide New Jersey customers with access to new technologies and service choices and will permit customers to achieve increased efficiencies and cost savings.

X5 OpCo requested a waiver of N.J.S.A. 48:3-7.8 and N.J.A.C. 14:1-4.3, which requires that books and records be kept within the State of New Jersey and be maintained in accordance with the Uniform System of Accounts (USOA), respectively. The Petitioner also stated, upon written notice from the Board will provide its books and records at such time and place within New Jersey as the Board may designate and will pay any reasonable expenses for examination of the records.

By letter dated November 13, 2015, the New Jersey Division of Rate Counsel (Rate Counsel) submitted comments to the Board stating that, based on its review, “Rate Counsel is satisfied that the Petition meets the regulatory requirements and is consistent with the public interest, convenience, and necessity, and does not oppose the Petitioner’s waiver requests connected to accounting and record-keeping methods in this matter.” Accordingly, Rate Counsel did not oppose a grant of authority or approval of the Petitioner’s request to provide telecommunications services in New Jersey.

After review, Staff recommended that the Board approve the request for authority to provide local exchange, intrastate interexchange and switch access telecommunications services in the State of New Jersey. Staff also recommended the Board approve the request for waivers from its requirements that the Petitioner maintain its books and records in accordance with the USOA and within New Jersey.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye
	Commissioner Chivukula	Aye

C. Energy Agent Initial Registrations

EE15030290L	BKE Mechanical, Incorporated	I – EA
EE15010104L	Hospital Energy, LLC	I – EA

Energy Agent, Private Aggregator and/or Energy Consultant Renewal Registrations

EE15121326L	United Power Consultants, Incorporated	R – EA
EE15050506L	U.S. Power Trade, LLC	R – EA
EE15070823L	Energy Consultants, LLC	R – EA/PA
GE15070824L		
EE15080875L	NRGing, LLC	R – EA/PA
GE15080876L	d/b/a NetGain Energy Advisors	
EE15070825L	RJT Energy Consultants, LLC	R – EA/PA
GE15070826L		
EE15050516L	Choice! Energy Services Retail, LP	R – EA/PA/EC
GE15050517L	d/b/a Choice Energy Services	
EE15050612L	Luthin Associates, Incorporated	R – EA/EC
GE15050613L		

Electric Power and Natural Gas Supplier Renewal Licenses

EE15010059L	Source Power & Gas, LLC	R – ESL
EE15080881L	Noble Americas Energy Solutions, LLC	R – EGSL
GE15080880L		
EE15070833L	Commerce Energy, Incorporated	R – EGSL
GE15070832L	d/b/a Just Energy	
GE14091028L	Keil & Sons, Incorporated	R – GSL
	d/b/a Systrum Energy	

BACKGROUND: The Board must register all energy agents and consultants, and license all third party electric power suppliers and gas suppliers. An electric power supplier, gas supplier, or clean power marketer license shall be valid for one year from the date of issue, except where a licensee has submitted a complete renewal application at least 30 days before the expiration of the existing license, in which case the existing license shall not expire until a decision has been reached upon the renewal application. An energy agent, private aggregator or energy consultant registration shall be valid for one year from the date of issue. Annually thereafter, licensed electric power suppliers, gas suppliers, and clean power marketers, as well as energy agents and private aggregators, are required to renew timely their licenses in order to continue to do business in New Jersey.

Having reviewed the submitted applications in accord with N.J.A.C. 14:4-5.4, Staff recommended that the Board issue initial registrations as an energy agent for one year to:

- BKE Mechanical, Inc.
- Hospital Energy, LLC

In addition, Staff recommended that the following applicants be issued renewal registrations as an energy agent, private aggregator and/or energy consultant for one year:

- United Power Consultants, Inc.
- U.S. Power Trade LLC
- Energy Consultants LLC
- NRGing, LLC d/b/a NetGain Energy Advisors
- RJT Energy Consultants, LLC
- Choice! Energy Services Retail, LP d/b/a Choice Energy Services

- Luthin Associates, Inc.

Lastly, Staff recommended that the following applicant be issued a renewal licenses as an electric power and natural gas supplier for one year:

- Source Power & Gas LLC
- Noble Americas Energy Solutions LLC
- Commerce Energy, Inc. d/b/a Just Energy
- Keil & Sons, Inc. d/b/a Systrum Energy

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye
	Commissioner Chivukula	Aye

II. ENERGY

- A. BPU Docket No. GR15111304 – In the Matter of the Petition of New Jersey Natural Gas Company for Approval of an Increase in Gas Base Rates and for Changes in Its Tarrif for Gas Service; Approval of SAFE Program Extension; and Approval of SAFE Extension and New Jersey RISE Rate Recovery Mechanisms Pursuant to N.J.S.A. 48:2-21, 48:2-21.1 and for Changes to Depreciation Rates for Gas Property Pursuant to N.J.S.A. 48:2-18.**

BACKGROUND: On November 13, 2015, New Jersey Natural Company (Company) filed a petition with the Board seeking authority to (1) increase its base tariff rates and charges for gas service; (2) extend its Safety Acceleration and Facility Enhancement (SAFE) Program; (3) implement its New Jersey Reinvestment in System Enhancements and SAFE extension rate recovery mechanisms; and (4) implement certain other rate and tariff revisions.

The Company sought to implement its proposed rates to become effective for service rendered on or after December 17, 2015, but in no event later than August 17, 2016.

After review, Staff recommended that the Board issue an order suspending the proposed rate increase until March 13, 2016 pending further action on this matter.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye
	Commissioner Chivukula	Aye

III. CABLE TELEVISION

A. Docket No. CW15091093 – In the Matter of Verizon New Jersey Inc.’s Notification of an Alteration in Channel Allocation Pursuant to N.J.A.C. 14:18-3.17.

BACKGROUND: Commissioner Chivukula recused himself from this matter. On September 15, 2015, Verizon New Jersey Inc.’s (Verizon) filed a letter providing notification of a channel deletion. The reason for the notification of an alteration in channel allocation was due to the deletion of WTXF Mundo Fox programming which was previously broadcast on channel 482, as a part of Verizon’s FiOS service. Verizon informed staff that on September 14, 2015, it was informed by RCN TV Group, the content provider, that effective October 2, 2015 WTXF Mundo Fox programming would be deleted.

Verizon notified the Office of Cable Television (OCTV) on September 15, 2015 and informed OCTV of RCN TV Groups’ decision to remove WTXF Mundo Fox programming from FIOS service. Verizon further informed Staff that subscribers and affected municipalities were notified of the deletion of WTXF Mundo Fox programming on September 15, 2015.

After review, Staff recommended that the Board find Verizon in compliance with the notice period for a deletion of service under N.J.A.C. 14:18-3.17.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye

B. Docket No. CE15080959 – In the Matter of the Petition of Comcast of New Jersey II, LLC for a Renewal Certificate of Approval to Continue to Construct, Operate and Maintain a Cable Television System in and for the Township of Cranford, County of Union, State of New Jersey.

BACKGROUND: Commissioner Chivukula recused himself from this matter. On May 19, 2015, the Township of Cranford (Township) granted Comcast of New Jersey II, LLC (Comcast) renewal municipal consent. On June 2, 2015, Comcast accepted the terms and conditions of the ordinance, and on August 13, 2015, Comcast filed a petition with the Board for its Renewal Certificate of Approval.

After review, Staff recommended approval of the proposed Renewal Certificate of Approval for the Township. This Certificate shall expire on August 3, 2029.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye

C. Docket No. CE15091101 – In the Matter of the Petition of CSC TKR, LLC d/b/a Cablevision of Morris for a Renewal Certificate of Approval to Continue to Operate and Maintain a Cable Television System in the Township of Roxbury, County of Morris, State of New Jersey.

BACKGROUND: Commissioner Chivukula recused himself from this matter. On December 9, 2014, the Township of Roxbury (Township) granted CSC TKR, LLC d/b/a Cablevision of Morris (Cablevision) renewal municipal consent. On July 14, 2015, Cablevision accepted the terms and conditions of the ordinance, and on September 28, 2015, Cablevision filed a petition with the Board for its Renewal Certificate of Approval.

After review, Staff recommended approval of the proposed Renewal Certificate of Approval for the Township. This Certificate shall expire on December 26, 2030.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye

D. Docket No. CE15050601 – In the Matter of the Petition of Comcast of South Jersey, LLC for a Renewal Certificate of Approval to Continue to Construct, Operate and Maintain a Cable Television System in and for the Township of Hopewell, County of Cumberland, State of New Jersey.

BACKGROUND: Commissioner Chivukula recused himself from this matter. On November 20, 2014, the Township of Hopewell (Township) adopted an ordinance granting renewal municipal consent to Comcast of South Jersey, LLC (Comcast). On December 15, 2014, Comcast formally accepted the terms and conditions of the ordinance, and on May 14, 2015, Comcast filed with the Board for its Renewal Certificate of Approval for the Township.

After review, Staff recommended approval of the proposed Renewal Certificate of Approval. This Certificate shall expire on August 3, 2024.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye

E. Docket No. CE15050622 – In the Matter of the Petition of Comcast of New Jersey, LLC for a Renewal Certificate of Approval to Continue to Construct, Operate and Maintain a Cable Television System in and for the Township of Lacey, County of Ocean, State of New Jersey.

BACKGROUND: Commissioner Chivukula recused himself from this matter. On February 26, 2015, the Township of Lacey (Township) adopted an ordinance granting renewal municipal consent to Comcast of New Jersey, LLC (Comcast). On March 18, 2015, Comcast formally accepted the terms and conditions of the ordinance, and on May 20, 2015, Comcast filed with the Board for its Renewal Certificate of Approval for the Township.

After review, Staff recommended approval of the proposed Renewal Certificate of Approval. This Certificate shall expire on December 18, 2028.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye

IV. TELECOMMUNICATIONS

A.

1. **Docket No. TO15080983 – In the Matter of the Joint Petition of United Telephone Company of New Jersey, Inc. d/b/a CenturyLink and AT&T Corp. f/k/a AT&T Communications of New Jersey, Inc. for Approval of an Interconnection Agreement.**

BACKGROUND: Commissioner Chivukula recused himself from this matter. By separate letters, United Telephone Company of New Jersey, Inc. d/b/a CenturyLink (CenturyLink) and AT&T Corp. f/k/a AT&T Communications of New Jersey, Inc. and MVX.COM (collectively, Petitioners) filed applications with the Board for the approval of negotiated Interconnection Agreements.

The agreements set forth the terms, conditions and prices under which the Petitioners will offer and provide network interconnection, call transport and termination, and ancillary services to each other.

The New Jersey Division of Rate Counsel (Rate Counsel) submitted comments to the Board by letter dated September 18, 2015, which indicated that it did not object to Board approval of the Agreement, subject to consideration of specific issues, conditions and recommendations. Specifically, Rate Counsel took issue with subsections of the Agreement, which governs the possible collection, increase, and use of a security deposit payable to CenturyLink from AT&T. Rate Counsel stated that these “terms present the possibility of discriminatory application against competitive local exchange carriers at the sole discretion of CenturyLink.”

CenturyLink submitted a response to Rate Counsel’s letter to the Board dated September 24, 2015. In its response, CenturyLink requested the Board approve the Agreement without modification or revision, claiming Rate Counsel failed to demonstrate that modification of the Agreement as it requested is lawful, just, or appropriate.

After review, Staff recommended approval of the Agreements.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye

2. Docket No. TO15091075 – In the Matter of the Joint Petition of United Telephone Company of New Jersey, Inc. d/b/a CenturyLink and MVX.COM for Approval of an Interconnection Agreement.

BACKGROUND: By letter dated September 14, 2015, United Telephone Company of New Jersey, Inc. d/b/a CenturyLink (CenturyLink), and MVX.COM (MVX.COM), (jointly, the Parties), submitted to the Board a joint application for approval of a negotiated interconnection agreement, entitled Interconnection Agreement by and between United Telephone Company of New Jersey, Inc. d/b/a CenturyLink and MVX.COM for the State of New Jersey (Agreement). The Agreement sets forth the rates, terms and conditions under which CenturyLink will offer to MVX.COM telecommunications services for the purpose of resale.

The New Jersey Division of Rate Counsel (Rate Counsel) submitted comments to the Board by letter dated September 18, 2015, which indicated that it did not object to Board approval of the Agreement, subject to consideration of specific issues, conditions and recommendations. Specifically, Rate Counsel took issue with subsections of the Agreement, which governs the possible collection, increase, and use of a security deposit payable to CenturyLink from MVX.COM. Rate Counsel stated that these terms “present the possibility of discriminatory application against CLEC carriers at the sole discretion of CenturyLink.”

Staff’s review of the Agreement and the record in this matter and found that the Agreement is consistent with the public interest, convenience, and necessity and does not discriminate against telecommunications carriers not parties to the Agreement. Therefore, Staff recommended the Board approve the Agreement as presented by the Parties.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye
	Commissioner Chivukula	Aye

B. Docket No. TM15111297 – In the Matter of the Verified Joint Petition of Garrison TNCI LLC, TNCI Operating Company, LLC, Impact Telecom, Inc. and Matrix Telecom, Inc. for Approval of the Proposed Transfer of Indirect Control of Matrix Telecom, Inc. to Garrison TNCI LLC and Related Transactions.

BACKGROUND: On November 10, 2015, Garrison TNCI LLC (Transferee), TNCI Operating Company LLC, Impact Telecom, Inc. and Matrix Telecom, Inc. (Matrix) (collectively, the Petitioners) submitted a petition (Petition) to the Board requesting authorization to complete the transfer of indirect control of Matrix to Transferee and related transactions. Following the proposed Transaction, Matrix will continue to offer the same services in New Jersey at the same rates, terms and conditions.

By letter dated November 20, 2015, the New Jersey Division of Rate Counsel advised that it did neither oppose the Board’s expedited treatment of this matter nor the Board’s grant of Joint Petitioners’ requests contained in their Joint petition seeking approval for a transfer of indirect control.

Having reviewed the Petition and supporting documents, Staff did not find any reason to believe that there will be an adverse impact on rates, competition in New Jersey, the

employees of the Petitioners, or on the provision of safe adequate and proper service to New Jersey consumers. Moreover, a positive benefit may be expected from the strengthening of the Petitioner's competitive posture in the telecommunications market. Staff recommended that the Petitioners be allowed to proceed with the Transaction finding that there will be no adverse effect to customers in New Jersey.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye
	Commissioner Chivukula	Aye

C. Docket No. TF15111298 – In the Matter of the Verified Joint Petition of TNCI Operating Company, LLC, and Matrix Telecom, Inc. for Approval for TNCI Operating Company, LLC and Matrix Telecom, Inc. to Participate in Certain Financing Arrangements.

BACKGROUND: On November 10, 2015, TNCI Operating Company LLC (TNCI OpCo) and Matrix Telecom, Inc. (Matrix) (together, the Petitioners) submitted a joint petition to the Board requesting approval to participate in financing arrangements in an aggregate amount of up to \$75 million.

The Petitioners requested approval to participate in new, amended, restated or future financing arrangements in an aggregate amount of up to \$75 million (the Financing Arrangements). In order to maintain adequate flexibility to respond to market conditions and requirements and to respond to new acquisition and other business opportunities, the Petitioners sought approval for TNCI OpCo and, following completion of the Impact Transaction, Matrix to participate as borrowers or guarantors and by pledging their assets as security for financing arrangements consistent with the parameters outlined in the Petition.

The Petitioners stated that the Financing Arrangements may include one or more of the following forms of debt instruments: notes or debentures (including notes convertible into equity and private notes that may be exchanged for public notes); conventional credit facilities, such as revolving credit facilities and term loans; letters of credit; and bridge loans; or a combination thereof.

After review of the information submitted in this proceeding, the Office of the Economist found that the action requested is in accordance with the law and in the public interest and therefore recommended approval of this petition.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye
	Commissioner Chivukula	Aye

V. WATER

A. Docket No. WM15040492 – In the Matter of the Joint Petition of American Water Works Company, Inc. and Environmental Disposal Corporation, for Among Other Things, Approval of a Change in Control of Environmental Disposal Corporation – Motion to Intervene.

BACKGROUND: Commissioner Chivukula recused himself from this matter. On April 29, 2015, American Water Works Company, Inc. (American Water) and Environmental Disposal Corporation (EDC) filed a joint petition with the Board seeking, among other things, approval of the acquisition and control of EDC by American Water as contemplated in a Stock Purchase Agreement (Agreement) between American Water and the Hills Development Company, the parent of EDC, dated February 25, 2015. The Agreement provides that, subject to obtaining certain regulatory approvals and the satisfaction of certain other conditions, American Water will acquire all of the issued and outstanding capital stock of EDC and therefore will acquire 100% control of EDC.

By letter dated October 1, 2015, the Borough of Peapack-Gladstone filed a motion to intervene in this matter.

Staff recommended that the Board grant the intervention request since the municipality has a statutory right to intervene and will be impacted by the outcome of the proceeding.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye

B. Docket No. WR15101202 – In the Matter of the Petition of Pinelands Wastewater Company for Approval of an Increase in Its Rates for Wastewater Service and Other Tariff Changes.

BACKGROUND: On October 21, 2015, Pinelands Wastewater Company (Pinelands Wastewater or Petitioner), (a wholly-owned subsidiary of Middlesex Water Company), filed a petition with the Board seeking to increase and revise its rates and charges for wastewater service by \$180,930.00 or approximately 16.73%. The increase in wastewater rates was proposed to become effective on November 23, 2015. By letter dated October 28, 2015, the Petitioner notified the Board that it will not implement the proposed rates on an interim basis prior to the effective date of the Board’s Suspension Order resulting from the Board’s December 16, 2015 meeting. While the Petitioner did not seek interim rate relief pending final determination of the petition, the Petitioner has notified the Board of its intention to implement the proposed rate increase, on an interim basis, on July 25, 2016, if the Board has not finally determined a just and reasonable tariff prior to that date.

Pinelands Wastewater services approximately 2,500 wastewater customers in the service territory in the Township of Southamptton, Burlington County. The Petitioner also provides contract services to Southamptton Township.

Since the proposed revisions will increase existing rates and change or alter existing classifications in the Petitioner’s tariff, Staff recommended that the Board issue an Order that:

1. Suspends the proposed rates until March 23, 2016, unless the Board prior to that date, makes a determination disposing of the petition or enters an Order further suspending the proposed revisions; and
2. The Petitioner shall, at least ten days prior to the date set for hearing on the petition by the Office of Administrative Law, file with the Board and with the Office of Administrative Law proof of compliance with the Notice provisions of N.J.S.A. 48:2-32.2 and N.J.A.C. 14:1-5.12 (b) and (c), which Notice shall include a statement that any relief found by the Board to be just and reasonable may be allocated by the Board to any class or classes of customers on any rate or schedule as the Board may determine.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye
	Commissioner Chivukula	Aye

C. Docket No. WR15101200 – In the Matter of the Petition of Pinelands Water Company for Approval of an Increase in Its Rates for Water Service and Other Tariff Changes.

BACKGROUND: On October 21, 2015, Pinelands Water Company (Petitioner) filed a petition with the Board with water rates proposed to become effective for service on and after November 23, 2015. By letter dated October 28, 2015, the Petitioner notified the Board that it will not implement the proposed rates on an interim basis prior to the effective date of the Board’s Suspension Order resulting from the Board’s December 16, 2015 meeting. While the Petitioner did not seek interim rate relief pending final determination of the petition, the Petitioner has notified the Board of its intention to implement the proposed rate increase, on an interim basis on July 25, 2016 if the Board has not finally determined a just and reasonable tariff prior to that date.

Pinelands Water Company is engaged in the business of collecting, treating and distributing water for customers in Southampton Township, Burlington County. Pinelands Water is a wholly-owned subsidiary of Middlesex Water Company a New Jersey corporation and public utility subject to the jurisdiction of the Board. This petition concerns Pinelands Water only.

This matter was transmitted to the Office of Administrative Law. In view of the fact that this proceeding will not be completed by November 23, 2015, an Order suspending the rates until March 23, 2016, is warranted.

After review, Staff recommended that the Board issue an Initial Suspension Order.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye
	Commissioner Chivukula	Aye

VI. RELIABILITY & SECURITY

A. Docket Nos. GS15101172K, et al. – In the Matter of Alleged Violations of the Underground Facility Protection Act, N.J.S.A. 48:2-73 et seq.

BACKGROUND: This matter involved settlements of alleged violations of the Underground Facility Protection Act by both excavators and operators of underground facilities. The categories of infraction include failure to provide proper notice, failure to use reasonable care and mismarking of facilities. The cases have been settled in accordance with a penalty strategy which escalates the penalty ranges in relationship to the aggravating factors such as injury, property damage, fire, evacuation, road closure, and other public safety concerns. Moreover, the strategy seeks to establish appropriate disincentives for actions which violate the Underground Facility Protection Act (the Act).

The number of settlements are 23 with a total penalty of \$59,000.00.

Pursuant to the Act, the Board through the Bureau of One-Call supervises and enforces the One-Call Underground Damage Prevention System. The Act subjects violators of its provisions to civil penalties of not less than \$1,000.00 and not more than \$2,500.00 per violation per day, with a \$25,000.00 maximum for a related series of violations. Violations involving a natural gas or hazardous liquid underground pipeline or distribution facility are subject to civil penalties not to exceed \$100,000.00 for each violation for each day with a \$1,000,000.00 maximum for any related series of violations.

Staff is employing a single order to close multiple cases in order to create a more streamlined and effective enforcement process.

Staff recommended that the Board approve all those cases in which offers of settlement and payment have been received.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye
	Commissioner Chivukula	Aye

B. Docket Nos. GS15101157K, et al. – In the Matter of Alleged Violations of the Underground Facility Protection Act, N.J.S.A. 48:2-73 et seq.

BACKGROUND: Commissioner Chivukula recused himself from this matter. This matter involved settlements of alleged violations of the Underground Facility Protection Act by both excavators and operators of underground facilities. The categories of infraction include failure to provide proper notice, failure to use reasonable care and mismarking of facilities. The cases have been settled in accordance with a penalty strategy which escalates the penalty ranges in relationship to the aggravating factors such as injury, property damage, fire, evacuation, road closure, and other public safety concerns. Moreover, the strategy seeks to establish appropriate disincentives for actions which violate the Underground Facility Protection Act (the Act).

The number of settlements are 39 with a total penalty of \$102,000.00.

Pursuant to the Act, the Board through the Bureau of One-Call supervises and enforces the One-Call Underground Damage Prevention System. The Act subjects violators of its provisions to civil penalties of not less than \$1,000.00 and not more than \$2,500.00 per violation per day, with a \$25,000.00 maximum for a related series of violations. Violations involving a natural gas or hazardous liquid underground pipeline or distribution facility are subject to civil penalties not to exceed \$100,000.00 for each violation for each day with a \$1,000,000.00 maximum for any related series of violations.

Staff is employing a single order to close multiple cases in order to create a more streamlined and effective enforcement process.

Staff recommended that the Board approve all those cases in which offers of settlement and payment have been received.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye

C. Docket No. GS15101181K – In the Matter of Alleged Violations of the Underground Facility Protection Act, N.J.S.A. 48:2-73 et seq. by Jorge Mena, Millenium Tree Service.

BACKGROUND: This matter involved a Final Orders of Penalty Assessment resulting from alleged violations of the Underground Facility Protection Act (Act). This item does not contain violations involving catastrophic situations, death or major property damage.

Following the reports of the failure to obtain a valid mark-out prior to commencing excavation or demolition activities, or the failure to hand dig and locate facilities, or the failure to use reasonable care, or reports of a failure to mark out underground facilities or properly mark them, Board Staff contacted the entities involved, investigated the incident, and informed the entities of the date and location of the alleged violations.

In an attempt to resolve this matter, the alleged violator had been sent a Notice of Probable Violation (NOPV), an Offer of Settlement, and an Answering Certification deadline from the Board. These were sent by regular and certified mail in accordance with the Administrative Procedure Rules. The alleged violator failed to submit the Answering Certification. The certified mail was returned to the Board as Accepted, and the regular mail was not returned to the Board as undeliverable.

By non-acceptance of the various Offers of Settlement and the timely payment thereof, the excavator or operator has waived any rights to a hearing.

Staff requested the Board issue an order evoking the Board's rights to bring an action for civil penalties as permitted by the Underground Facility Protection Act in connection with the above-referenced alleged violations of the Act.

This Final Orders of Penalty Assessments is for the amount of \$6,000.00.

Pursuant to the Act, the Board through the Bureau of One-Call supervises and enforces the One-Call Underground Damage Prevention System. The Act subjects violators of its provisions to civil penalties of not less than \$1,000.00 and not more than \$2,500.00 per

violation per day, with a \$25,000.00 maximum for a related series of violations. Violations involving a natural gas or hazardous liquid underground pipeline or distribution facility are subject to civil penalties not to exceed \$100,000.00 for each violation for each day with a \$1,000,000 maximum for any related series of violations.

(a) If the alleged violator fails to submit the Answering Certification within the deadline or fails to attend a hearing or conference as required under this subchapter, the alleged violator shall be deemed in default.

(b) If an alleged violator is in default, Board staff may present the NOPV to the Board for findings and issuance of a Final Order of Penalty Assessment (FOPA), without further notice to the alleged violator. Board staff shall also present proof that the NOPV was served upon the violator in accordance with the Administrative Procedure Rules.

(c) If the Board issues an FOPA, including one or more violations that were set forth in the NOPV, the Board may assess the maximum penalty authorized by law for these violations without further prior notice to the violator and without further opportunity for the violator to contest the penalty.

(d) In determining the appropriate amount of a civil administrative penalty after a default, the Board shall not be bound by any compromise or settlement offer made to the alleged violator by staff, and shall apply the standards.

(e) Payment of a civil administrative penalty assessed under this section is due on the 10th day following service upon the alleged violator of the Board's FOPA or as otherwise specified by the Board.

Staff employed a single order to issue the FOPA in order to create a more streamlined and effective enforcement process.

Staff recommended that the Board approve this Final Order of Penalty Assessment.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye
	Commissioner Chivukula	Aye

D. Docket No. GS15101182K – In the Matter of Alleged Violations of the Underground Facility Act, N.J.S.A. 48:2-73 et seq. by Mito Tasevski, MBT Contracting.

BACKGROUND: This matter involved a Final Orders of Penalty Assessment resulting from alleged violations of the Underground Facility Protection Act (Act). This item does not contain violations involving catastrophic situations, death or major property damage.

Following the reports of the failure to obtain a valid mark-out prior to commencing excavation or demolition activities, or the failure to hand dig and locate facilities, or the failure to use reasonable care, or reports of a failure to mark out underground facilities or properly mark them, Board Staff contacted the entities involved, investigated the incident, and informed the entities of the date and location of the alleged violations.

In an attempt to resolve this matter, the alleged violator had been sent a Notice of Probable Violation (NOPV), an Offer of Settlement, and an Answering Certification deadline from the Board. These were sent by regular and certified mail in accordance with the Administrative Procedure Rules. The alleged violator failed to submit the Answering Certification. The certified mail was returned to the Board as "Accepted", and the regular mail was not returned to the Board as undeliverable.

By non-acceptance of the various Offers of Settlement and the timely payment thereof, the excavator or operator has waived any rights to a hearing.

Staff requested the Board issue an order evoking the Board's rights to bring an action for civil penalties as permitted by the Underground Facility Protection Act in connection with the above-referenced alleged violations of the Act.

This Final Orders of Penalty Assessments is for the amount of \$6,000.00.

Pursuant to the Act, the Board through the Bureau of One-Call supervises and enforces the One-Call Underground Damage Prevention System. The Act subjects violators of its provisions to civil penalties of not less than \$1,000.00 and not more than \$2,500.00 per violation per day, with a \$25,000.00 maximum for a related series of violations. Violations involving a natural gas or hazardous liquid underground pipeline or distribution facility are subject to civil penalties not to exceed \$100,000.00 for each violation for each day with a \$1,000,000.00 maximum for any related series of violations.

(a) If the alleged violator fails to submit the Answering Certification within the deadline or fails to attend a hearing or conference as required under this subchapter, the alleged violator shall be deemed in default.

(b) If an alleged violator is in default, Board staff may present the NOPV to the Board for findings and issuance of a Final Order of Penalty Assessment (FOPA), without further notice to the alleged violator. Board staff shall also present proof that the NOPV was served upon the violator in accordance with the Administrative Procedure Rules.

(c) If the Board issues an FOPA, including one or more violations that were set forth in the NOPV, the Board may assess the maximum penalty authorized by law for these violations without further prior notice to the violator and without further opportunity for the violator to contest the penalty.

(d) In determining the appropriate amount of a civil administrative penalty after a default, the Board shall not be bound by any compromise or settlement offer made to the alleged violator by staff, and shall apply the standards.

(e) Payment of a civil administrative penalty assessed under this section is due on the 10th day following service upon the alleged violator of the Board's FOPA or as otherwise specified by the Board.

Staff employed a single order to issue the FOPA in order to create a more streamlined and effective enforcement process.

Staff recommended that the Board approve this Final Order of Penalty Assessment.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye
	Commissioner Chivukula	Aye

E. Docket No. GS15101183K – In the Matter of Alleged Violations of the Underground Facility Protection Act, N.J.S.A. 48:2-73 et seq. by Peter Gethins, Hilltop Design Landscape Corporation.

BACKGROUND: This matter involved a Final Orders of Penalty Assessment resulting from alleged violations of the Underground Facility Protection Act (Act). This item does not contain violations involving catastrophic situations, death or major property damage.

Following the reports of the failure to obtain a valid mark-out prior to commencing excavation or demolition activities, or the failure to hand dig and locate facilities, or the failure to use reasonable care, or reports of a failure to mark out underground facilities or properly mark them, Board Staff contacted the entities involved, investigated the incident, and informed the entities of the date and location of the alleged violations.

In an attempt to resolve this matter, the alleged violator had been sent a Notice of Probable Violation (NOPV), an Offer of Settlement, and an Answering Certification deadline from the Board. These were sent by regular and certified mail in accordance with the Administrative Procedure Rules. The alleged violator failed to submit the Answering Certification. The certified mail was returned to the Board as “Accepted”, and the regular mail was not returned to the Board as undeliverable.

By non-acceptance of the various Offers of Settlement and the timely payment thereof, the excavator or operator has waived any rights to a hearing.

Staff requested the Board issue an order evoking the Board’s rights to bring an action for civil penalties as permitted by the Underground Facility Protection Act in connection with the above-referenced alleged violations of the Act.

This Final Orders of Penalty Assessments is for the amount of \$6,000.00.

Pursuant to the Act, the Board through the Bureau of One-Call supervises and enforces the One-Call Underground Damage Prevention System. The Act subjects violators of its provisions to civil penalties of not less than \$1,000.00 and not more than \$2,500.00 per violation per day, with a \$25,000.00 maximum for a related series of violations. Violations involving a natural gas or hazardous liquid underground pipeline or distribution facility are subject to civil penalties not to exceed \$100,000.00 for each violation for each day with a \$1,000,000.00 maximum for any related series of violations.

(a) If the alleged violator fails to submit the Answering Certification within the deadline or fails to attend a hearing or conference as required under this subchapter, the alleged violator shall be deemed in default.

(b) If an alleged violator is in default, Board staff may present the NOPV to the Board for findings and issuance of a Final Order of Penalty Assessment (FOPA), without further notice to the alleged violator. Board staff shall also present proof that the NOPV was

served upon the violator in accordance with the Administrative Procedure Rules.

(c) If the Board issues an FOPA, including one or more violations that were set forth in the NOPV, the Board may assess the maximum penalty authorized by law for these violations without further prior notice to the violator and without further opportunity for the violator to contest the penalty.

(d) In determining the appropriate amount of a civil administrative penalty after a default, the Board shall not be bound by any compromise or settlement offer made to the alleged violator by staff, and shall apply the standards.

(e) Payment of a civil administrative penalty assessed under this section is due on the 10th day following service upon the alleged violator of the Board's FOPA or as otherwise specified by the Board.

Staff employed a single order to issue the FOPA in order to create a more streamlined and effective enforcement process.

Staff recommended that the Board approve this Final Order of Penalty Assessment.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye
	Commissioner Chivukula	Aye

F. Docket No. GS15101184K – In the Matter of Alleged Violations of the Underground Facility Protection Act, N.J.S.A. 48:2-73 et seq. by Keith Christopher, Keith Christopher Plumbing and Heating.

BACKGROUND: This matter involved a Final Orders of Penalty Assessment resulting from alleged violations of the Underground Facility Protection Act (Act). This item does not contain violations involving catastrophic situations, death or major property damage.

Following the reports of the failure to obtain a valid mark-out prior to commencing excavation or demolition activities, or the failure to hand dig and locate facilities, or the failure to use reasonable care, or reports of a failure to mark out underground facilities or properly mark them, Board Staff contacted the entities involved, investigated the incident, and informed the entities of the date and location of the alleged violations.

In an attempt to resolve this matter, the alleged violator had been sent a Notice of Probable Violation (NOPV), an Offer of Settlement, and an Answering Certification deadline from the Board. These were sent by regular and certified mail in accordance with the Administrative Procedure Rules. The alleged violator failed to submit the Answering Certification. The certified mail was returned to the Board as Accepted, and the regular mail was not returned to the Board as undeliverable.

By non-acceptance of the various Offers of Settlement and the timely payment thereof, the excavator or operator has waived any rights to a hearing.

Staff requested the Board issue an order evoking the Board's rights to bring an action for

civil penalties as permitted by the Underground Facility Protection Act in connection with the above-referenced alleged violations of the Act.

This Final Orders of Penalty Assessments is for the amount of \$6,000.00.

Pursuant to the Act, the Board through the Bureau of One-Call supervises and enforces the One-Call Underground Damage Prevention System. The Act subjects violators of its provisions to civil penalties of not less than \$1,000.00 and not more than \$2,500.00 per violation per day, with a \$25,000.00 maximum for a related series of violations. Violations involving a natural gas or hazardous liquid underground pipeline or distribution facility are subject to civil penalties not to exceed \$100,000.00 for each violation for each day with a \$1,000,000.00 maximum for any related series of violations.

(a) If the alleged violator fails to submit the Answering Certification within the deadline or fails to attend a hearing or conference as required under this subchapter, the alleged violator shall be deemed in default.

(b) If an alleged violator is in default, Board staff may present the NOPV to the Board for findings and issuance of a Final Order of Penalty Assessment (FOPA), without further notice to the alleged violator. Board staff shall also present proof that the NOPV was served upon the violator in accordance with the Administrative Procedure Rules.

(c) If the Board issues an FOPA, including one or more violations that were set forth in the NOPV, the Board may assess the maximum penalty authorized by law for these violations without further prior notice to the violator and without further opportunity for the violator to contest the penalty.

(d) In determining the appropriate amount of a civil administrative penalty after a default, the Board shall not be bound by any compromise or settlement offer made to the alleged violator by staff, and shall apply the standards.

(e) Payment of a civil administrative penalty assessed under this section is due on the 10th day following service upon the alleged violator of the Board's FOPA or as otherwise specified by the Board.

Staff employed a single order to issue the FOPA in order to create a more streamlined and effective enforcement process.

Staff recommended that the Board approve this Final Order of Penalty Assessment.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye
	Commissioner Chivukula	Aye

G. Docket No. GS15101185K – In the Matter of Alleged Violations of the Underground Facility Protection Act, N.J.S.A. 48:2-73 et seq. by Barbara Esposito, Sunset Garden Center.

BACKGROUND: This matter involved a Final Orders of Penalty Assessment resulting from alleged violations of the Underground Facility Protection Act. This item does not contain violations involving catastrophic situations, death or major property damage.

Following the reports of the failure to obtain a valid mark-out prior to commencing excavation or demolition activities, or the failure to hand dig and locate facilities, or the failure to use reasonable care, or reports of a failure to mark out underground facilities or properly mark them, Board Staff contacted the entities involved, investigated the incident, and informed the entities of the date and location of the alleged violations.

In an attempt to resolve this matter, the alleged violator had been sent a Notice of Probable Violation (NOPV), an Offer of Settlement, and an Answering Certification deadline from the Board. These were sent by regular and certified mail in accordance with the Administrative Procedure Rules. The alleged violator failed to submit the Answering Certification. The certified mail was returned to the Board as Accepted, and the regular mail was not returned to the Board as undeliverable.

By non-acceptance of the various Offers of Settlement and the timely payment thereof, the excavator or operator has waived any rights to a hearing.

Staff requested the Board issue an order evoking the Board's rights to bring an action for civil penalties as permitted by the Underground Facility Protection Act in connection with the above-referenced alleged violations of the Act.

This Final Orders of Penalty Assessments is for the amount of \$6,000.00.

Pursuant to the Act, the Board through the Bureau of One-Call supervises and enforces the One-Call Underground Damage Prevention System. The Act subjects violators of its provisions to civil penalties of not less than \$1,000.00 and not more than \$2,500.00 per violation per day, with a \$25,000.00 maximum for a related series of violations. Violations involving a natural gas or hazardous liquid underground pipeline or distribution facility are subject to civil penalties not to exceed \$100,000.00 for each violation for each day with a \$1,000,000.00 maximum for any related series of violations.

(a) If the alleged violator fails to submit the Answering Certification within the deadline or fails to attend a hearing or conference as required under this subchapter, the alleged violator shall be deemed in default.

(b) If an alleged violator is in default, Board staff may present the NOPV to the Board for findings and issuance of a Final Order of Penalty Assessment (FOPA), without further notice to the alleged violator. Board staff shall also present proof that the NOPV was served upon the violator in accordance with the Administrative Procedure Rules.

(c) If the Board issues an FOPA, including one or more violations that were set forth in the NOPV, the Board may assess the maximum penalty authorized by law for these violations without further prior notice to the violator and without further opportunity for the violator to contest the penalty.

(d) In determining the appropriate amount of a civil administrative penalty after a default, the Board shall not be bound by any compromise or settlement offer made to the alleged violator by staff, and shall apply the standards.

(e) Payment of a civil administrative penalty assessed under this section is due on the 10th day following service upon the alleged violator of the Board's FOPA or as otherwise specified by the Board.

Staff employed a single order to issue the FOPA in order to create a more streamlined and effective enforcement process.

Staff recommended that the Board approve this Final Order of Penalty Assessment.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye
	Commissioner Chivukula	Aye

H. Docket No. GS15101186K – In the Matter of Alleged Violations of the Underground Facility Protection Act, N.J.S.A. 48:2-73 et seq. by Joe Rodriguez, Ocean Construction, LLC.

BACKGROUND: This matter involved a Final Orders of Penalty Assessment resulting from alleged violations of the Underground Facility Protection Act (Act). This item does not contain violations involving catastrophic situations, death or major property damage.

Following the reports of the failure to obtain a valid mark-out prior to commencing excavation or demolition activities, or the failure to hand dig and locate facilities, or the failure to use reasonable care, or reports of a failure to mark out underground facilities or properly mark them, Board Staff contacted the entities involved, investigated the incident, and informed the entities of the date and location of the alleged violations.

In an attempt to resolve this matter, the alleged violator had been sent a Notice of Probable Violation (NOPV), an Offer of Settlement, and an Answering Certification deadline from the Board. These were sent by regular and certified mail in accordance with the Administrative Procedure Rules. The alleged violator failed to submit the Answering Certification. The certified mail was returned to the Board as “Accepted”, and the regular mail was not returned to the Board as undeliverable.

By non-acceptance of the various Offers of Settlement and the timely payment thereof, the excavator or operator has waived any rights to a hearing.

Staff requested the Board issue an order evoking the Board’s rights to bring an action for civil penalties as permitted by the Underground Facility Protection Act in connection with the above-referenced alleged violations of the Act.

This Final Orders of Penalty Assessments is for the amount of \$6,000.00.

Pursuant to the Act, the Board through the Bureau of One-Call supervises and enforces the One-Call Underground Damage Prevention System. The Act subjects violators of its

provisions to civil penalties of not less than \$1,000.00 and not more than \$2,500.00 per violation per day, with a \$25,000.00 maximum for a related series of violations. Violations involving a natural gas or hazardous liquid underground pipeline or distribution facility are subject to civil penalties not to exceed \$100,000.00 for each violation for each day with a \$1,000,000.00 maximum for any related series of violations.

(a) If the alleged violator fails to submit the Answering Certification within the deadline or fails to attend a hearing or conference as required under this subchapter, the alleged violator shall be deemed in default.

(b) If an alleged violator is in default, Board staff may present the NOPV to the Board for findings and issuance of a Final Order of Penalty Assessment (FOPA), without further notice to the alleged violator. Board staff shall also present proof that the NOPV was served upon the violator in accordance with the Administrative Procedure Rules.

(c) If the Board issues an FOPA, including one or more violations that were set forth in the NOPV, the Board may assess the maximum penalty authorized by law for these violations without further prior notice to the violator and without further opportunity for the violator to contest the penalty.

(d) In determining the appropriate amount of a civil administrative penalty after a default, the Board shall not be bound by any compromise or settlement offer made to the alleged violator by staff, and shall apply the standards.

(e) Payment of a civil administrative penalty assessed under this section is due on the 10th day following service upon the alleged violator of the Board's FOPA or as otherwise specified by the Board.

Staff employed a single order to issue the FOPA in order to create a more streamlined and effective enforcement process.

Staff recommended that the Board approve this Final Order of Penalty Assessment.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye
	Commissioner Chivukula	Aye

I. Docket No. GS15101187K – In the Matter of Alleged Violations of the Underground Facility Protection Act, N.J.S.A. 48:2-73 et seq. by Jennifer Morritz, Rosemount Memorial Park Association.

BACKGROUND: This matter involved a Final Orders of Penalty Assessment resulting from alleged violations of the Underground Facility Protection Act (Act). This item does not contain violations involving catastrophic situations, death or major property damage.

Following the reports of the failure to obtain a valid mark-out prior to commencing excavation or demolition activities, or the failure to hand dig and locate facilities, or the failure to use reasonable care, or reports of a failure to mark out underground facilities or properly mark them, Board Staff contacted the entities involved, investigated the incident,

and informed the entities of the date and location of the alleged violations.

In an attempt to resolve this matter, the alleged violator had been sent a Notice of Probable Violation (NOPV), an Offer of Settlement, and an Answering Certification deadline from the Board. These were sent by regular and certified mail in accordance with the Administrative Procedure Rules. The alleged violator failed to submit the Answering Certification. The certified mail was returned to the Board as "Accepted", and the regular mail was not returned to the Board as undeliverable.

By non-acceptance of the various Offers of Settlement and the timely payment thereof, the excavator or operator has waived any rights to a hearing.

Staff requested the Board issue an order evoking the Board's rights to bring an action for civil penalties as permitted by the Underground Facility Protection Act in connection with the above-referenced alleged violations of the Act.

This Final Orders of Penalty Assessments is for the amount of \$6,000.00.

Pursuant to the Act, the Board through the Bureau of One-Call supervises and enforces the One-Call Underground Damage Prevention System. The Act subjects violators of its provisions to civil penalties of not less than \$1,000.00 and not more than \$2,500.00 per violation per day, with a \$25,000.00 maximum for a related series of violations. Violations involving a natural gas or hazardous liquid underground pipeline or distribution facility are subject to civil penalties not to exceed \$100,000.00 for each violation for each day with a \$1,000,000.00 maximum for any related series of violations.

(a) If the alleged violator fails to submit the Answering Certification within the deadline or fails to attend a hearing or conference as required under this subchapter, the alleged violator shall be deemed in default.

(b) If an alleged violator is in default, Board staff may present the NOPV to the Board for findings and issuance of a Final Order of Penalty Assessment (FOPA), without further notice to the alleged violator. Board staff shall also present proof that the NOPV was served upon the violator in accordance with the Administrative Procedure Rules.

(c) If the Board issues an FOPA, including one or more violations that were set forth in the NOPV, the Board may assess the maximum penalty authorized by law for these violations without further prior notice to the violator and without further opportunity for the violator to contest the penalty.

(d) In determining the appropriate amount of a civil administrative penalty after a default, the Board shall not be bound by any compromise or settlement offer made to the alleged violator by staff, and shall apply the standards.

(e) Payment of a civil administrative penalty assessed under this section is due on the 10th day following service upon the alleged violator of the Board's FOPA or as otherwise specified by the Board.

Staff employed a single order to issue the FOPA in order to create a more streamlined and effective enforcement process.

Staff recommended that the Board approve this Final Order of Penalty Assessment.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye
	Commissioner Chivukula	Aye

J. Docket No. GS15101188K – In the Matter of Alleged Violations of the Underground Facility Protection Act, N.J.S.A. 48:2-73 et seq. by Greg Warriner, Black Jack Asphalt Construction.

BACKGROUND: This matter involved a Final Orders of Penalty Assessment resulting from alleged violations of the Underground Facility Protection Act (Act). This item does not contain violations involving catastrophic situations, death or major property damage.

Following the reports of the failure to obtain a valid mark-out prior to commencing excavation or demolition activities, or the failure to hand dig and locate facilities, or the failure to use reasonable care, or reports of a failure to mark out underground facilities or properly mark them, Board Staff contacted the entities involved, investigated the incident, and informed the entities of the date and location of the alleged violations.

In an attempt to resolve this matter, the alleged violator had been sent a Notice of Probable Violation (NOPV), an Offer of Settlement, and an Answering Certification deadline from the Board. These were sent by regular and certified mail in accordance with the Administrative Procedure Rules. The alleged violator failed to submit the Answering Certification. The certified mail was returned to the Board as “Accepted”, and the regular mail was not returned to the Board as undeliverable.

By non-acceptance of the various Offers of Settlement and the timely payment thereof, the excavator or operator has waived any rights to a hearing.

Staff requested the Board issue an order evoking the Board’s rights to bring an action for civil penalties as permitted by the Underground Facility Protection Act in connection with the above-referenced alleged violations of the Act.

This Final Orders of Penalty Assessments is for the amount of \$6,000.00.

Pursuant to the Act, the Board through the Bureau of One-Call supervises and enforces the One-Call Underground Damage Prevention System. The Act subjects violators of its provisions to civil penalties of not less than \$1,000.00 and not more than \$2,500.00 per violation per day, with a \$25,000.00 maximum for a related series of violations. Violations involving a natural gas or hazardous liquid underground pipeline or distribution facility are subject to civil penalties not to exceed \$100,000.00 for each violation for each day with a \$1,000,000.00 maximum for any related series of violations.

(a) If the alleged violator fails to submit the Answering Certification within the deadline or fails to attend a hearing or conference as required under this subchapter, the alleged violator shall be deemed in default.

(b) If an alleged violator is in default, Board staff may present the NOPV to the Board for findings and issuance of a Final Order of Penalty Assessment (FOPA), without further

notice to the alleged violator. Board staff shall also present proof that the NOPV was served upon the violator in accordance with the Administrative Procedure Rules.

(c) If the Board issues an FOPA, including one or more violations that were set forth in the NOPV, the Board may assess the maximum penalty authorized by law for these violations without further prior notice to the violator and without further opportunity for the violator to contest the penalty.

(d) In determining the appropriate amount of a civil administrative penalty after a default, the Board shall not be bound by any compromise or settlement offer made to the alleged violator by staff, and shall apply the standards.

(e) Payment of a civil administrative penalty assessed under this section is due on the 10th day following service upon the alleged violator of the Board's FOPA or as otherwise specified by the Board.

Staff employed a single order to issue the FOPA in order to create a more streamlined and effective enforcement process.

Staff recommended that the Board approve this Final Order of Penalty Assessment.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye
	Commissioner Chivukula	Aye

K. Docket No. GS15101189K – In the Matter of Alleged Violations of the Underground Facility Protection Act, N.J.S.A. 48:2-73 et seq. by Ross Restuccio, South Jersey Well Drilling.

BACKGROUND: This matter involved a Final Orders of Penalty Assessment resulting from alleged violations of the Underground Facility Protection Act (Act). This item does not contain violations involving catastrophic situations, death or major property damage.

Following the reports of the failure to obtain a valid mark-out prior to commencing excavation or demolition activities, or the failure to hand dig and locate facilities, or the failure to use reasonable care, or reports of a failure to mark out underground facilities or properly mark them, Board Staff contacted the entities involved, investigated the incident, and informed the entities of the date and location of the alleged violations.

In an attempt to resolve this matter, the alleged violator had been sent a Notice of Probable Violation (NOPV), an Offer of Settlement, and an Answering Certification deadline from the Board. These were sent by regular and certified mail in accordance with the Administrative Procedure Rules. The alleged violator failed to submit the Answering Certification. The certified mail was returned to the Board as “Accepted”, and the regular mail was not returned to the Board as undeliverable.

By non-acceptance of the various Offers of Settlement and the timely payment thereof, the excavator or operator has waived any rights to a hearing.

Staff requested the Board issue an order evoking the Board's rights to bring an action for civil penalties as permitted by the Underground Facility Protection Act in connection with the above-referenced alleged violations of the Act.

This Final Orders of Penalty Assessments is for the amount of \$6,000.00.

The Board through the Bureau of One-Call supervises and enforces the One-Call Underground Damage Prevention System. The Act subjects violators of its provisions to civil penalties of not less than \$1,000.00 and not more than \$2,500.00 per violation per day, with a \$25,000.00 maximum for a related series of violations. Violations involving a natural gas or hazardous liquid underground pipeline or distribution facility are subject to civil penalties not to exceed \$100,000.00 for each violation for each day with a \$1,000,000.00 maximum for any related series of violations.

(a) If the alleged violator fails to submit the Answering Certification within the deadline or fails to attend a hearing or conference as required under this subchapter, the alleged violator shall be deemed in default.

(b) If an alleged violator is in default, Board staff may present the NOPV to the Board for findings and issuance of a Final Order of Penalty Assessment (FOPA), without further notice to the alleged violator. Board staff shall also present proof that the NOPV was served upon the violator in accordance with the Administrative Procedure Rules.

(c) If the Board issues an FOPA, including one or more violations that were set forth in the NOPV, the Board may assess the maximum penalty authorized by law for these violations without further prior notice to the violator and without further opportunity for the violator to contest the penalty.

(d) In determining the appropriate amount of a civil administrative penalty after a default, the Board shall not be bound by any compromise or settlement offer made to the alleged violator by staff, and shall apply the standards.

(e) Payment of a civil administrative penalty assessed under this section is due on the 10th day following service upon the alleged violator of the Board's FOPA or as otherwise specified by the Board.

Staff employed a single order to issue the FOPA in order to create a more streamlined and effective enforcement process.

Staff recommended that the Board approve this Final Order of Penalty Assessment.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye
	Commissioner Chivukula	Aye

L. Docket No. GS15101190K – In the Matter of Alleged Violations of the Underground Facility Protection Act, N.J.S.A. 48:2-73 et seq. by Lou Pacheco, Assuncao Brothers, Incorporated.

BACKGROUND: This matter involved a Final Orders of Penalty Assessment resulting from alleged violations of the Underground Facility Protection Act (Act). This item does not contain violations involving catastrophic situations, death or major property damage.

Following the reports of the failure to obtain a valid mark-out prior to commencing excavation or demolition activities, or the failure to hand dig and locate facilities, or the failure to use reasonable care, or reports of a failure to mark out underground facilities or properly mark them, Board Staff contacted the entities involved, investigated the incident, and informed the entities of the date and location of the alleged violations.

In an attempt to resolve this matter, the alleged violator had been sent a Notice of Probable Violation (NOPV), an Offer of Settlement, and an Answering Certification deadline from the Board. These were sent by regular and certified mail in accordance with the Administrative Procedure Rules. The alleged violator failed to submit the Answering Certification. The certified mail was returned to the Board as “Accepted”, and the regular mail was not returned to the Board as undeliverable.

By non-acceptance of the various Offers of Settlement and the timely payment thereof, the excavator or operator has waived any rights to a hearing.

Staff requested the Board issue an order evoking the Board’s rights to bring an action for civil penalties as permitted by the Underground Facility Protection Act in connection with the above-referenced alleged violations of the Act.

This Final Orders of Penalty Assessments is for the amount of \$6,000.00.

Pursuant to the Act, the Board through the Bureau of One-Call supervises and enforces the One-Call Underground Damage Prevention System. The Act subjects violators of its provisions to civil penalties of not less than \$1,000.00 and not more than \$2,500.00 per violation per day, with a \$25,000.00 maximum for a related series of violations. Violations involving a natural gas or hazardous liquid underground pipeline or distribution facility are subject to civil penalties not to exceed \$100,000.00 for each violation for each day with a \$1,000,000.00 maximum for any related series of violations.

(a) If the alleged violator fails to submit the Answering Certification within the deadline or fails to attend a hearing or conference as required under this subchapter, the alleged violator shall be deemed in default.

(b) If an alleged violator is in default, Board staff may present the NOPV to the Board for findings and issuance of a Final Order of Penalty Assessment (FOPA), without further notice to the alleged violator. Board staff shall also present proof that the NOPV was served upon the violator in accordance with the Administrative Procedure Rules.

(c) If the Board issues an FOPA, including one or more violations that were set forth in the NOPV, the Board may assess the maximum penalty authorized by law for these violations without further prior notice to the violator and without further opportunity for the violator to contest the penalty.

(d) In determining the appropriate amount of a civil administrative penalty after a default, the Board shall not be bound by any compromise or settlement offer made to the alleged violator by staff, and shall apply the standards.

(e) Payment of a civil administrative penalty assessed under this section is due on the 10th day following service upon the alleged violator of the Board's FOPA or as otherwise specified by the Board.

Staff employed a single order to issue the FOPA in order to create a more streamlined and effective enforcement process.

Staff recommended that the Board approve this Final Order of Penalty Assessment.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye
	Commissioner Chivukula	Aye

VII. CUSTOMER ASSISTANCE

A. Docket Nos. BPU WC15020237U and OAL PUC 05603-15 – In the Matter of Patricia Jordan, Petitioner v. United Water of New Jersey, Inc., Respondent – Billing Dispute.

BACKGROUND: Commissioner Chivukula recused himself from this matter. This matter involved a billing dispute between Patricia Jordan (Petitioner) and United Water New Jersey (UWNJ). The petition was transmitted to the Office of Administrative Law on April 17, 2015, as a contested case. Administrative Law Judge (ALJ) Jeffrey A. Gerson filed an Initial Decision in this matter with the Board on November 19, 2015, approving the Settlement Letter (Settlement) of the parties.

Pursuant to the terms of the Settlement, UWNJ agreed to accept \$800.00 as full and final payment for Ms. Jordan's account ending in 1111. As no written or oral record was created evidencing UWNJ's assent to the Settlement Letter, Board Staff requested an acknowledgment of the letter's accuracy. In a November 23, 2015 e-mail, UWNJ's counsel advised that the matter had been resolved pursuant to the Settlement Letter.

The Board, at its discretion, has the option of accepting, modifying or rejecting the Initial Decision of ALJ Gerson. Staff recommended that the Board modify the Initial Decision.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye

B. Docket Nos. BPU EC15050626U and OAL PUC 11163-15 – In the Matter of Darrel Kramer, Petitioner v. Public Service Electric and Gas Company, Respondent – Billing Dispute.

BACKGROUND: Commissioner Chivukula recused himself from this matter. This matter involved a billing dispute between Darrel Kramer (Petitioner) and Public Service Electric and Gas Company (PSE&G). The petition was transmitted to the Office of Administrative Law on July 23, 2015, as a contested case. Administrative Law Judge (ALJ) Ronald W. Reba filed an Initial Decision in this matter with the Board on November 4, 2015, approving a Stipulation of Settlement (Settlement) of the parties.

Pursuant to the terms of the Settlement, PSE&G agreed to credit the Petitioner's account in the amount of \$369.35, leaving a balance of \$369.35. The Petitioner in return, agreed to pay the balance over six months plus current bill, beginning November 2015. On November 25, 2015, Staff was advised by PSE&G that the credit had been applied and the Petitioner had made the required November payment.

The Board, at its discretion, has the option of accepting, modifying or rejecting the Initial Decision of ALJ Reba. Staff recommended that the Board adopt the Initial Decision.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye

C. Docket Nos. BPU WC15010045U and OAL PUC 05590-15 – In the Matter of Morie Mussaffa, Petitioner v. Aqua New Jersey, Inc., Respondent – Request for Extension.

BACKGROUND: Commissioner Chivukula recused himself from this matter. The Initial Decision of the Administrative Law Judge was received by the Board on December 3, 2015; therefore, the 45-day statutory period for review and the issuing of a Final Decision will expire on January 19, 2016. Prior to that date, the Board requested an additional 45-day extension of time for issuing the Final Decision in order to adequately review the record in this matter.

Good cause having been shown, pursuant to N.J.S.A. 52:14B-10(c) and N.J.A.C. 17:27-18.8, Staff recommended that the time limit for the Board to render a Final Decision be extended until March 4, 2016.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye

VIII. CLEAN ENERGY

There were no items in this category.

IX. MISCELLANEOUS

A. Approval of the Minutes of the November 16, 2015 Agenda Meeting.

BACKGROUND: Staff presented the minutes of November 16, 2015 Board agenda meeting, and recommended that they be accepted.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye
	Commissioner Chivukula	Aye

AGENDA

1. AUDITS

There were no items in this category.

2. ENERGY

Alice A. Bator, Chief, Bureau of Rates and Tariffs, Division of Energy presented these matters.

A. Docket No. GR15091090 – In the Matter of the Petition of Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas for Approval of a Safety, Modernization and Reliability Program and Associated Cost Recovery Mechanism.

BACKGROUND AND DISCUSSION: Commissioner Chivukula recused himself from this matter. On September 22, 2015, the Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas (Company) filed a petition with the Board seeking approval to implement and administer its Safety, Modernization and Reliability (SMART) program and a related SMART rider to the Company's tariff to permit it to recover the costs of the program. The Company sought approval to spend up to \$1.102 billion in SMART investments across its gas service territory over ten years.

The Company proposed to recover the revenue requirements associated with the SMART program by utilizing the same cost-recovery methodology and rate design as used for Utility Infrastructure Enhancement (UIE) program and UIE II. Specifically, it proposed to establish an initial SMART rider rate designed to recover the Company's projected SMART program costs from the end of the test year of the 2016 Base Rate Case (currently anticipated to be April 1, 2017) through March 31, 2018, subject to reconciliation in its annual SMART rider filing to be filed by the Company on or before January 1, 2018.

Staff recommended that the Board retain this matter for hearing at the Board, and designated Commissioner Mary-Anna Holden as the Presiding Officer for proceedings on this matter, delegating the authority to grant a single extension of the review period, if requested. Staff also recommended that the Board direct any entities seeking to intervene in this matter to file the appropriate application with the Board by January 15, 2016.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye

B. Docket No. EM15101244 – In the Matter of the Petition of Public Service Electric and Gas Company for Approval of the Sale and Conveyance of Real Property Located on 4 Larikat Lane, Sparta, New Jersey with a Municipal Tax Map Designation of Block 1003 Lot 40 f/k/a Block 15, Lot 11.16, in the Borough of Sparta, County of Sussex, State of New Jersey, to Jean and Tamara Mathurin for the Sum of \$530,000.00.

BACKGROUND AND DISCUSSION: Commissioner Chivukula recused himself from this matter. On October 29, 2015, Public Service Electric and Gas Company (PSE&G or Company) filed a petition with the Board seeking approval of a Contract for Sale and Conveyance of Real Estate (Contract) of the real property (Property), located in Sparta, Sussex County, New Jersey, to Jean and Tamara Mathurin (Purchaser) for the sum of \$530,000.00. PSE&G also requested the Board to grant a waiver of the requirement to advertise the Property.

The Property is situated at 4 Larikat Lane, and is referred to as Lot 40, Block 1003 on the official municipal tax map. Larikat Lane in Sparta Township is a residential cul-de-sac with single family homes. Due to its location, the road was the only viable access PSE&G could use to construct the new Hopatcong Switching Station (the Station) which was part of the Susquehanna-Roseland Project (the Project). The Project has been completed, the Station is operational and the Property is now no longer used and useful for utility purposes.

The Company noted in its filing that PSE&G's ability to provide safe, adequate and reliable service will not be compromised as the Property is a single family home that has never had any utility operations located thereon. PSE&G will reserve an approximately 22,502 square foot access easement on the Property as its permanent access to the Station.

Staff recommended that the Board approve the Contract and the waiver to advertise the Property.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye

C. Docket No. EM15080986 – In the Matter of the Petition of Public Service Electric and Gas Company for Authority to Acquire through Eminent Domain Pursuant to N.J.S.A. 48:3-17.6 and 17.7 Interests in Property for the Construction and Installation of Upgrades to PSE&G's Hasbrouck Heights Substation Affecting the Lands Owned by NJ Energy Realty, LLC, known as Block 136.02, Lot 3 (468 Route 17 North, Hasbrouck Heights, New Jersey).

BACKGROUND AND DISCUSSION: Commissioner Chivukula recused himself from this matter. On August 27, 2015, Public Service Electric and Gas Company (PSE&G or Company) filed a petition with the Board seeking a determination that the acquisition by eminent domain of the property designated as Block 136.02, Lot 3, on the Official Tax Map of the Borough of Hasbrouck Heights, New Jersey, is reasonably necessary for the service, accommodation, convenience, or safety of the public, and that the acquisition of such property or interest therein is not incompatible with the public interest and will not unduly injure the owners of private property. The Company also sought a determination

that it may seek to acquire the property under the Eminent Domain Act of 1971.

According to the petition, the Company proposed to undertake a project which requires the installation of a new 69 kilovolt network between its substations located in Fairlawn, Paramus, Spring Valley Road, Hasbrouck Heights and East Rutherford and that the construction of the Project is necessary to (1) relieve expected capacity overloads at the Fairlawn and East Rutherford substations and (2) maintain reliability at the Spring Valley and Hasbrouck Heights substations for existing and future customers by providing these substations with a high capacity source that can be used for future growth and expansion. PSE&G claimed that it attempted to negotiate the sale of the property from its present owner during the past year, but has not been successful.

Staff recommended that the Board retain this matter for hearing at the Board, and designated Commissioner Joseph L. Fiordaliso as the Presiding Officer for proceedings on this matter, delegating the authority to grant a single extension of the review period, if requested. This would avoid delays in processing the matter, including the approval of a schedule. Staff further recommended that the Board direct any entities seeking to intervene in this matter to file the appropriate application with the Board by January 15, 2016.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye

D. Docket No. GR15080866 – In the Matter of the Petition of Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas to (1) Revise Its Weather Normalization Clause Rate; (2) Maintain the Clean Energy Program Component of Its Societal Benefits Charge Rate; and (3) Revise Its On-System Margin Sharing Credit.

BACKGROUND AND DISCUSSION: Commissioner Chivukula recused himself from this matter. On August 4, 2015, Elizabethtown Gas (Company) filed a petition with the Board requesting approval of its Weather Normalization Clause (WNC) Rate, Clean Energy Program (CEP) Rate, and On-System Margin Sharing Credit (OSMC).

The Company proposed: (1) a WNC after-tax rate of (\$0.0412) per therm, a decrease from (\$0.0254) per therm, (2) to maintain its current after-tax CEP rate of \$0.0244 per therm, and (3) an OSMC after-tax rate of (\$0.0175) per therm, a decrease from (\$0.0093) per therm.

Subsequent to discovery and substantive discussions of the issues, on December 1, 2015, the Company, Board Staff and the New Jersey Division of Rate Counsel (the Parties) executed a Stipulation concurring with the above rates.

Staff recommended approval of the Stipulation of the Parties.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye

Carolyn McIntosh, Deputy Attorney General, Division of Law, presented these matters.

E. Docket No. ER15010003 – In the Matter of the Federal Energy Items for 2015 – FERC Docket No. ER16-76 – PJM Interconnection, LLC, Section 205(d) Rate Filing.

BACKGROUND AND DISCUSSION: This matter involved Staff joining with the Maryland Public Service Commission, Public Power Association of New Jersey, Rockland Electric Company, and the New Jersey Division of Rate Counsel (Rate Counsel) (the Load Group and Interested State Agencies), to file a Motion for Leave to Answer and Answer to the November 4, 2015 comments filed in response to the an increase in the energy market offer cap.

This Answer addresses the arguments and new evidence offered by Monitoring Analytics, the PJM Independent Market Monitor; by Potomac Economics; and by the New York Transmission Owners. The Answer also responds to the PJM Utilities Coalition’s support for PJM’s inclusion of a 10 percent adder to offers made up to the \$2,000/MWh offer cap.

The filing is consistent with the Protest previously approved by the Board at the November agenda, but significantly adds Rate Counsel. Staff recommended that the Board ratify filing of the Answer and Motion for Leave to Answer in this proceeding.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye
	Commissioner Chivukula	Aye

F. Docket No. ER15010003 – In the Matter of the Federal Energy Items for 2015 – FERC Docket No. RM15-24 – FERC Notice of Proposed Rulemaking on Settlement Intervals and Shortage Pricing in Markets Operated by Regional Transmission Organizations and Independent System Operators.

BACKGROUND AND DISCUSSION: This matter involved Staff, on behalf of the Board, intervening as a party and submitted comments on a Notice of Proposed Rulemaking on Settlement Intervals and Shortage Pricing in Markets Operated by Regional Transmission Organizations and Independent System Operators. Staff’s comments support and follow on from comments of the Independent Market Monitor for PJM, PJM Interconnection, LLC and the Joint Comments of PJM Interconnection, LLC, and Southwest Power Pool, Inc., Addressing Shortage Pricing.

In general, Staff supported the concept proposed, but practical implementation constraints and the potential for unintended consequences to electric consumers weigh heavily against conforming all of the subject market intervals into a uniform five-minute interval regime. Staff commented that this is particularly the case with respect to shortage pricing, which is consistent with positions taken by the Board in related cases. Staff, therefore, recommended that the Board ratify the intervention and submission of the comments.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye
	Commissioner Chivukula	Aye

G. Docket No. ER15010003 – In the Matter of the Federal Energy Items for 2015 – FERC Docket Nos. EL16-6 and ER16-121 – PJM Interconnection, LLC, Tariff Filing and Revisions to the Operating Agreement.

BACKGROUND AND DISCUSSION: This matter involved Staff, on behalf of the Board, joining with the Maryland Public Service Commission (the Joint State Commissions), to intervene and file a Motion for Leave to Answer and Answer responding to certain collateral attacks made by Protests and Comments in this docket. The Joint State Commissions challenge that the Protests and Comments are collateral attacks against Federal Energy Regulatory Commission’s June 5, 2013 Order dismissing a Complaint requesting that “Balancing Congestion,” amounting to hundreds of millions of dollars, be charged upon transmission end-users to the benefit of PJM financial and other market participants.

The Organization of PJM States, and the Board particularly, have taken strong positions against the imposition of these costs on ratepayers. Therefore, Staff recommended that the Board ratify Staff’s intervention, motion for leave to answer and answer in this proceeding.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye
	Commissioner Chivukula	Aye

H. Docket No. GO15010109 – In the Matter of the Petition of South Jersey Gas Company for Approval of a Standard Gas Service Agreement (EGS-LV) and a Standard Gas Service Agreement (EGS-LV) Addendum and to Modify Rate Schedule EGS-LV.

Alice A. Bator, Chief, Bureau of Rates and Tariffs, Division of Energy presented this matter.

BACKGROUND AND DISCUSSION: Commissioner Chivukula recused himself from this matter. On January 23, 2015, South Jersey Gas Company (SJG or Company) filed a petition requesting that the Board issue an Order approving a Standard Gas Service Agreement pursuant to its tariff service classification Electric Generation Service- Large Volume (EGS-LV) and a Standard Gas Service Agreement (EGS-LV) Addendum entered into between SJG and Vineland Municipal Electric Utility (VMEU) (collectively, the Clayville Unit 1 Agreement) to be effective as of May 1, 2015. The Company also requested that the Board issue an Order providing that the service volumes set forth in the Clayville Unit 1 Agreement may be modified by the mutual consent of SJG and VMEU without further approval of the Board, and that the petition and VMEU Agreement be treated as Confidential.

Following discovery, the New Jersey Division of Rate Counsel (Rate Counsel) submitted a letter to the Board stating that that it did not oppose the proposed Clayville Unit 1 Agreement. However, Rate Counsel requested that, if approved, the proposed Clayville Unit 1 Agreement be subject to certain conditions regarding firm contract demand volume changes. Specifically, Rate Counsel requested that Board approval be required for any proposed reductions in firm contract volume demands. In addition, Rate Counsel argued that the Board should expressly subject the Clayville Unit 1 facility to the provisions of the Long-Term Capacity Agreement Pilot Program Legislation, whereby gas not certified as used to generate electricity sold for resale is subject to the applicable Energy Efficiency Tracker (EET) and Societal Benefits Charges (SBC). Finally, in the interest of transparency, Rate Counsel recommended that the Board impose limits on the term of the information contained in the Clayville Unit 1 Agreement, should it be treated as confidential, specifically two years following the date of a Board Order approving the agreement.

By letter dated November 23, 2015, SJG indicated that it did not object to Rate Counsel's proposed requirements.

Staff reviewed the financial impact of Clayville Unit 1 Agreement, and was satisfied that the Clayville Unit 1 Agreement would not have a financial impact on other ratepayers and met the requirements of the Board approved tariff for EGS-LV. Therefore, Staff recommended that the Board issue an Order approving the Clayville Unit 1 Agreement with modification. Specifically, Staff recommended that the Board require approval of any decreases in firm contract volumes to make sure that it does not undermine the projected rate of return to be earned on the incremental VMEU related investments and potentially shift costs to ratepayers in future base rate proceedings. Staff further recommended that the Board issue an order stating that, except for that portion of the gas service certified as attributable to "sale for resale" electric service, all volumes associated with the Clayville Unit 1 Agreement be subject to full collection of the SBC and EET. Staff also recommended that the Board order SJG to provide Staff and Rate Counsel with a copy of the annual certification.

In addition, Staff recommended that the issue of confidentiality be decided by the Board's Custodian of Records pursuant to the Board's regulations, if and when a request for release of such data is made under the Open Public Records Act.

Finally, Staff recommended that the Clayville Unit 1 Agreement with the modifications described above, be effective on the first day of the month following the effective date of this Order. Staff recommended an effective date of December 26, 2015.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye

Mark C. Beyer, Chief Economist, presented these matters.

I. Docket No. EF15091045 – In the Matter of the Petition of Atlantic City Electric Company Pursuant to N.J.S.A. 48:2-13 and N.J.S.A. 48:3-9 for Authority to Issue Up to \$350 Million of Short-Term Indebtedness Prior to January 1, 2018.

BACKGROUND AND DISCUSSION: On September 10, 2015, Atlantic City Electric Company (Petitioner) filed a petition with the Board requesting authority to continue to issue, renew or extend unsecured short-term indebtedness (Short-Term Debt) from time to time prior to January 1, 2018, in an aggregate principal amount outstanding at any one time not in excess of \$350 million. The Board, in an Order issued in connection with Docket No. EF13080772, dated December 18, 2013, authorized the Petitioner to issue similar Short-Term Debt prior to January 1, 2016.

According to the petition, cash requirements associated with the Petitioner’s construction program will be provided by means of internally generated funds, and, to the extent necessary, through external financing. However, the Petitioner anticipates that short-term external financing will also be needed to provide for temporary financing of construction program expenditures and other general corporate transactions. The Petitioner requested that the Board extend to January 1, 2018, the authorization previously granted by this Board in the December 18, 2013 Order, and to continue the limit of that authorization of \$350 million with regard to the aggregate amount of Short-Term Debt that may be outstanding at any one time.

The Office of the Economist, after review of the information submitted in this proceeding, found that the action requested is in accordance with the law and in the public interest and therefore recommended approval of this petition.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye
	Commissioner Chivukula	Aye

J. Docket No. EF15091078 – In the Matter of the Petition of Atlantic City Electric Company for Authority to Issue up to \$300 Million of Long-Term Debt Securities Pursuant to N.J.S.A. 48:3-9 (2016-2017).

BACKGROUND AND DISCUSSION: On September 16, 2015, Atlantic City Electric Company (Petitioner) filed a petition with the Board requesting authority to: (i) not later than December 31, 2017, at its option, issue and sell in one or more series up to \$300 million in aggregate of debt securities and (ii) take any other action which may be necessary or desirable in connection therewith.

According to the petition, the proceeds of the financing will be used, in part, to refund maturing long-term debt. In addition, the Petitioner stated that it is engaged in a construction program with estimated expenditures of \$910 million designed to improve and extend its facilities so as to enable it to better serve the public. The Petitioner sought the flexibility to issue long-term debt to permanently finance up to \$298 million of short-term debt anticipated to be incurred for outlays associated with its 2015–2017 construction program.

The Office of the Economist after review of the information submitted in this proceeding, found that the action requested is in accordance with the law and in the public interest and therefore recommended approval of this petition.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye
	Commissioner Chivukula	Aye

Cynthia Covie, Chief Counsel, Counsel's Office, presented these matters.

K. Docket No. GM15101196 – In the Matter of the Merger of The Southern Company and AGL Resources, Inc.

BACKGROUND AND DISCUSSION: Commissioner Chivukula recused himself from this matter. On October 16, 2015, the Southern Company (Southern Company), AGL Resources Inc. (AGL Resource), AMS Corp. and Pivotal Utility Holdings, Inc. (Pivotal) d/b/a Elizabethtown Gas (Elizabethtown) (collectively, the Joint Petitioners) filed a Joint Petition with the Board for approval for a change of control of Elizabethtown to be effectuated by the merger of AGL Resources with AMS Corp., a wholly-owned subsidiary of Southern Company (the Merger).

According to the petition, the Merger will not adversely impact rates because Elizabethtown will continue to provide service at Board-approved tariff rates and will file its next rate case no later than September 1, 2016. Additionally, Joint Petitioners committed to modifying Elizabethtown's current Asset Management Agreement with Sequent Energy Management L.P. to provide Elizabethtown's customers with an additional \$6 million of credits over the remaining term of the AMA, which expires on March 31, 2019. Additionally, there will be no change in the outstanding debt of AGL Resources or Elizabethtown as a result of the Merger.

Staff recommended that the Board retain this matter for hearing at the Board, and designate Commissioner Dianne Soloman as Presiding Officer for proceedings on this matter, delegating the authority to rule on all motions that arise during the pendency of these proceedings and modify any schedules that may be set as necessary to secure a just and expeditious determination of the issues. Staff also recommended that the Board direct any entities seeking to intervene or participate in this matter to file the appropriate application with the Board by January 29, 2016.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye

L. Docket No. GO13111049 – In the Matter of the Petition of South Jersey Gas Company for a Determination Pursuant to the Provisions of N.J.S.A. 40:55D-19.

BACKGROUND AND DISCUSSION: Commissioner Chivukula recused himself from this matter. On November 4, 2013, South Jersey Gas Company (SJG or Company) filed a petition (Petition) with the Board that Municipal Lane Use Law (MLUL), and any ordinance or regulations promulgated under its authority, shall not apply to a development proposed by a public utility for installation in more than one municipality for the furnishing of service if, upon petition by the public utility to the Board with notice to all affected municipalities, the Board thereafter conducts a hearing and determines that the proposed installation of the development in question is “reasonably necessary for the service, convenience or welfare of the public.”

SJG requested that the Board issue an order finding that the construction of an approximately twenty-one and sixth-tenths (21.6) miles, twenty-four inch natural gas pipeline (Project or Pipeline) with an alignment that runs through Maurice River Township in Cumberland County, City of Estell Manor in Atlantic County and Upper Township in Cape May County, New Jersey is reasonably necessary for the service, convenience or welfare of the public and, therefore, the zoning, site plan review and all other municipal land use ordinances and regulations promulgated under the authority of the MLUL shall not apply to the Project.

The Petition indicated that if constructed under the Company’s preferred route, nineteen and four-tenths (19.4) miles of the Pipeline will be located in roadways within the public right-of-way (ROW); two and two-tenths (2.2) miles will be located in easements across private property. SJG stated that the Pipeline is subject to two local land use approvals from Upper Township and Maurice River. The land use approvals required from Upper Township pertain to the proposed Tuckahoe Interconnection Station, two remote operating valve stations and the B.L. England metering station facility. The proposed Cumberland Pond Station near Union Road and Upper Township would require land use approvals from Maurice River Township.

The Pipeline alignment also traverses through the coastal zone which is within the jurisdiction of New Jersey Department of Environmental Protection’s Land Use Regulations Program and also within the jurisdiction of the Army Corps of Engineers. The Petition states that SJG filed applications with New Jersey Department of Environmental Protection and the Army Corps of Engineers, and the Company received the requested approvals in July 2013.

Additionally, according to the Petition, a portion of the Project is located in land use management areas under the jurisdiction of the New Jersey Pinelands Commission (Pinelands Commission), which are subject to the Pinelands Commission’s Comprehensive Management Plan.

After review, Staff found that the Company has demonstrated the need to address its single point of failure contingency for its gas transmission system, and has also demonstrated that the line is necessary to repower B.L. England to alleviate electric transmission constraints that would arise if the plant were to be retired. Therefore, Staff also found that SJG has met its burden of proof, and has shown that the Project “is reasonably necessary for the service, convenience or welfare of the public”.

Staff further found that the analysis produced provides competent and relevant evidence

of review of six or more alternate routes. Of those six, the evidence is clear that the route, identified as Route A in its April 2015 analysis (formerly A3) is the most appropriate, primarily because SJG has demonstrated that its construction along the current public ROW and the Atlantic City Expressway and B.L. England ROW minimizes potential impacts to the environment and the community. Staff also found that there is no reasonable practicable alternative which would have less adverse impact upon the environment or upon the land use and zoning ordinances of the respective counties and municipalities. The evidence presented indicated that a portion of Route A consists of unpaved ROW and 1,000 feet of forested area, but construction techniques will be utilized to avoid environmentally sensitive areas, as opposed to Route B which would require two major HDD, one of which would involve a long, difficult and complex water crossing. Route A is also significantly shorter and impacts a lesser area of the Pinelands than Route C, which consists of twenty-nine miles and would require approximately five and nine-tenths miles of the re-vegetated railroad ROW in the Pinelands to be cleared.

Staff further recommended that the Board order the Company to continue, on an on-going basis, to minimize environmental and community impacts associated with the Project. The Company should accept public input where possible and implement those suggestions in its construction of the Project where practical. The Board understands that other State and federal agencies have the necessary expertise and the primary obligation of completing a full review of any environmental impacts of the Project and their potential mitigation.

Staff also recommended that the Board order SJG to seek further approval of this Board should it be determined that any modifications to the Project route as proposed and approved by this Order are needed or desirable.

In addition, Staff recommended the Board order that neither N.J.S.A. 40:55D-1 et seq., nor any other government ordinances or regulations, permits or license requirements made under the authority of N.J.S.A. 40:55D-1 et seq. shall apply to the siting, installation, construction, or operation of the Project. This Order is subject to the approval of any pending road opening permits from the affected municipalities and the New Jersey Department of Transportation, all other pending permits and approvals, if any, and the pressure testing requirements of N.J.A.C. 14:7-1.14 prior to placing the Pipeline in operation, as well as the following:

1. This Order shall not be construed as directly or indirectly fixing for any purposes whatsoever the value of any tangible or intangible assets now owned or hereafter to be owned by South Jersey Gas Company;
2. This Order shall not affect nor in any way limit the exercise of the authority of the Board or this State in any future petition or in any proceedings with respect to rates, franchises, services, financing, accounting, capitalization, depreciation, or in any other matters affecting South Jersey Gas Company;
3. In an appropriate subsequent proceeding, the Company shall have the burden of demonstrating whether, and to what extent, any of the costs associated with this petition shall be allocated to ratepayers. Approval of this petition does not include authorization to include in rate base the specific assets that are or will be completed as a result of the construction of the Pipeline; and
4. Approval of this petition does not constitute Board approval of any costs or expenses associated with this petition. Any determination as to the

appropriateness or reasonableness of the costs and expenses related to the Pipeline, including, but not limited to, cost of construction, contributions in aid of construction, depreciation on contributed plant, the cost of connection, or any related capital improvements, and the allocation of such cost and expenses, shall be made in an appropriate subsequent proceeding.

Finally, Staff recommended that the Board ratify the decisions of Commissioner Fiordaliso rendered during the proceedings for the reasons stated in his Orders.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye

3. CABLE TELEVISION

There were no items in this category.

4. TELECOMMUNICATIONS

A. Docket No. TM15091046 – In the Matter of the Joint Petition of Alteva, Inc. and MBS Holdings, Inc. for Approval of a Transfer of Control.

Lawanda Gilbert, Esq., Acting Director, Office of Cable Television, presented this matter.

BACKGROUND AND DISCUSSION: On September 11, 2015, MBS Holdings, Inc. (MBS) and Alteva, Inc. (Alteva) (together, the Petitioners) submitted a Petition (Petition) to the Board requesting approval, or other authority as may be required, to consummate a transaction whereby Alteva, the corporate parent Alteva of Warwick, LLC (Alteva of Warwick) and Alteva Long Distance, Inc. (together, the Alteva Subsidiaries) will become indirect, wholly-owned subsidiaries of MBS (the Transaction). Following the proposed Transaction, the Alteva Subsidiaries will continue to offer the same services in New Jersey at the same rates, terms, and conditions.

According to the Petition, MBS has two Competitive Local Exchange Carrier (CLEC) affiliates operating in New Jersey: Momentum Telecom (Momentum) and ALEC, LLC (ALEC). Momentum is a leading provider of wholesale hosted Voice over Internet Protocol and unified communications services and serves as the wholesale CLEC partner and broadband system manager to Tier II and Tier III cable providers. Momentum currently supports approximately 400 cable operators, broadband providers and reseller partners, manages almost one million high-speed data modems and powers almost 200,000 voice lines around the country. By letter to the Board dated October 6, 2015, the Petitioners noted that ALEC surrendered its Authority to operate in New Jersey via notice provided to the Board on February 18, 2014.

The Petitioner asserted that on September 2, 2015, MBS and Alteva entered into an Agreement and Plan of Merger whereby, among other things, MBS, through a wholly-owned subsidiary, will acquire 100% of the outstanding equity of Alteva. As a result of the Transaction, Alteva will become an indirect, wholly-owned subsidiary of MBS. The Alteva Subsidiaries, however, will continue to operate as they currently do, offering the same services at the same rates, terms and conditions as they currently do. The Petition further

stated that the Alteva of Warwick workforce will remain in place for the foreseeable future. Accordingly, the Transaction will be seamless and transparent to Alteva of Warwick's customers, who will continue to receive uninterrupted service from Alteva.

The New Jersey Division of Rate Counsel has reviewed this matter and by letter dated September 18, 2015, stated that it "does not oppose the Board's grant of Joint Petitioners' requests contained in their application for transfer of control."

Staff, having reviewed the Petition and supporting documents, did not find any reason to believe that there will be an adverse impact on rates, competition in New Jersey, the employees of the Petitioners, or on the provision of safe adequate and proper service to New Jersey consumers. Moreover, a positive benefit may be expected from the strengthening of the Petitioner's competitive posture in the telecommunications market. Staff recommended that the joint Petitioners be allowed to proceed with the Transaction.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye
	Commissioner Chivukula	Aye

5. WATER

Maria L. Moran, Director, presented these matters.

A. Docket Nos. BPU WR15080864 and OAL PUC 11922-15 – In the Matter of the Petition of Aqua Jersey, Inc., Maxim Wastewater Division, for Approval of a 2014 Purchased Wastewater Treatment Adjustment Clause True-Up and Other Required Approvals.

BACKGROUND AND DISCUSSION: Commissioner Chivukula recused himself from this matter. On August 3, 2015, Aqua New Jersey, Inc., Maxim Wastewater Division (Maxim) filed a Petition with the Board for approval of a Purchased Sewerage Treatment Adjustment Clause or Purchased Sewerage Treatment Adjustment Clause (PSTAC) and to set rates for calendar year 2016.

Maxim services approximately 2,572 wastewater customers in a portion of Howell Township in Monmouth County.

Maxim is engaged in the collection and transmission of sewage. The Ocean County Utilities Authority receives and treats all of the sewage transmitted by Maxim.

This matter was transmitted to the Office of Administrative Law and was assigned to Administrative Law Judge (ALJ) Jones. A public hearing in the service territory was held on October 27, 2015, in Howell. No members of the public were in attendance. After serving discovery upon Maxim, which was fully responded to, the Parties, consisting of Maxim, the New Jersey Division of Rate Counsel and Board Staff, engaged in a settlement teleconference and as a result, reached a Stipulation on all issues in the case as follow:

- The Parties agreed to an overall increase in Maxim's PSTAC revenues totaling \$26,199.00 which was based upon the estimated costs for 2016, the over-recovery for 2014, with interest calculated on the over-recovery and the costs of this proceeding.
- Utilizing the stipulated numbers, the average residential customer's annual flat PSTAC rate will increase from \$309.21 to \$319.09, an annual increase of \$9.88 or approximately 3.2%. With respect to the total annual rate for wastewater services including base sewer charges, the overall total annual rate for the average residential customer will increase from \$613.21 to \$623.09, an increase of \$9.88 or approximately 1.6% annually.

Staff recommended that the Board adopt the Initial Decision of ALJ Jones which adopts the Stipulation of the Parties.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye

B. Docket No. WR15091103 – In the Matter of the New Foundational Filing for United Water Toms River, Inc.'s Distribution System Improvement Charge Pursuant to N.J.A.C. 14:9-10.4.

BACKGROUND AND DISCUSSION: Commissioner Chivukula recused himself from this matter. On September 29, 2015, United Water Toms River, Inc. (Company) filed a petition with the Board seeking approval of a Foundational Filing to implement a Distribution System Improvement Charge (DSIC).

The Parties to this proceeding were the Company, the New Jersey Division of Rate Counsel and Board Staff.

A public hearing was held in Toms River on November 17, 2015. Two members of the public appeared at the hearing. Mr. Carmen Amato (Major of Berkeley Township) submitted a resolution opposing the Company's DSIC increase. Mrs. Carolyn Kirk, a Toms River resident, stated that this will represent a severe negative financial impact to her fixed income and also asked questions regarding the Company's facility charges and definitions. The public hearing was transcribed and made a part of the record.

The Parties reached an agreement on this matter and executed a Stipulation of Settlement (Stipulation), which specifically stated in part that the Foundational Filing has satisfied the requirements of N.J.A.C. 14:9-10.4(b) and that in accordance with N.J.A.C. 14:9-10.4(c) the Company has recently concluded a base rate proceeding, with new rates effective August 29, 2015, which incorporated (by resetting the surcharges to zero) the previous DSIC surcharges from the previous Foundational Filing.

The Company will implement the DSIC surcharge if, and when, it achieves specific levels of infrastructure investment and completes and places the facilities into service as required by the regulations. As an example, an average residential customer with a 5/8 inch meter will be subjected to a maximum monthly DSIC surcharge of \$2.37.

Staff recommended that the Board adopt the Stipulation of the Parties.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye

C. Docket No. WO15101178 – In the Matter of Draft Services Agreement for the Operation, Management, Maintenance and Repair of the City of Camden’s Water Supply and Sewer Collection Systems.

BACKGROUND AND DISCUSSION: Commissioner Chivukula recused himself from this matter. On October 6, 2015, the City of Camden (Petitioner) submitted an application for approval of a contract with American Water Operations and Maintenance, Inc., for the operation, management, maintenance, and repair of the City of Camden’s Water Supply and Sewer Collection Systems.

The Petitioner made this application, per statute, to the Board, the New Jersey Department of Community Affairs, Division of Local Government Services, Local Finance Board and the New Jersey Department of Environmental Protection.

After complying with all the appropriate statutory requirements, the Petitioner negotiated a 10-year contract with an option for an additional five years with American Water for the operation, management, maintenance, and repair of the City of Camden’s Water Supply and Sewer Collection Systems.

By letter dated December 3, 2015, the New Jersey Division of Rate Counsel advised the Board that it did not object to the Public-Private contract and was not opposed to the Board’s approval of the Petition.

Staff recommended that the Board approve the Public-Private contract between the City of Camden and American Water Operations and Maintenance, Inc.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye

D. Docket No. WM15091006 – In the Matter of the Joint Application of Oakwood Village Sewerage Associates, L.L.C. and AION Oakwood Sewer, L.L.C. for Approval of a Transfer of Control of a Public Utility.

BACKGROUND AND DISCUSSION: Commissioner Chivukula recused himself from this matter. On September 4, 2015, Oakwood Village Sewerage Associates (Oakwood) and AION Oakwood Sewer (AION) filed a joint petition with the Board seeking approval of the transfer of ownership and control of Oakwood.

Oakwood provides wastewater service to 35 customers, comprising 34 single family homes and one multi-unit garden apartment complex consisting of approximately 1,224 apartments, in the Township of Mount Olive in Morris County. The acquisition of Oakwood by AION Oakwood Sewer is part of a larger transaction involving 13 residential rental properties.

The Joint Petitioners also requested the Board’s approval of a mortgage agreement that

will be executed at the closing of the proposed transaction.

At closing, AION Oakwood Sewer will take title to the apartments, the sewerage treatment plant, and the property on which the treatment plant is located and would become the assignee of the landlord's interest in Oakwood's lease. Applied Water Management will continue to operate and maintain the system. Oakwood will remain a public utility subject to the Board's jurisdiction, operating in accordance with its revised tariff.

The Parties to this proceeding, the Joint Petitioners, the New Jersey Division of Rate Counsel and Board Staff, entered into a Stipulation of Settlement (Stipulation) agreeing to the proposed transfer. AION Oakwood Sewer, as part of its evaluation of Oakwood, engaged the engineering firm of Hatch Mott MacDonald to evaluate Oakwood's system. Hatch Mott MacDonald identified a number of improvements required to maintain operations and achieve reliable compliance with New Jersey Department of Environmental Protection permit requirements. In addition, the operator of the plant, Applied Water Management, recommended that certain repairs be made to the system. AION Oakwood Sewer agreed to complete these repairs within two years of the date of closing. If for any reason AION Oakwood Sewer does not complete such recommendations within the specified timeframe, the Parties must agree to forego or delay implementation no later than two years of the date of Closing.

Staff recommended that the Board approve the Stipulation of the Parties which addresses the mortgage agreement; tariff revisions; and the engineering report.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye

E. Docket No. WM15040492 – In the Matter of the Joint Petition of American Water Works Company, Inc. and Environmental Disposal Corporation, for Among Other Things, Approval of a Change in Control of Environmental Disposal Corporation.

BACKGROUND AND DISCUSSION: Commissioner Chivukula recused himself from this matter. On April 29, 2015, American Water Works and Environmental Disposal Corporation (EDC) filed a joint petition seeking approval of the acquisition and control of EDC by American Water Works. The Agreement provides that American Water Works will acquire all of the issued and outstanding capital stock of EDC and therefore will acquire 100% control of EDC.

EDC provides wastewater collection, treatment and disposal to approximately 5,300 customers in portions of the Township of Bedminster and the Township of Bernards in Somerset County. EDC also provides treatment of municipal sewerage delivered to it by Bedminster and Bernards (outside of its franchised service territory) and to the Borough of Far Hills and the Borough of Peapack and Gladstone under bulk user agreements.

The Board granted intervener status to Bedminster, Bernards, Far Hills and Peapack and Gladstone.

The Parties to this proceeding are the Joint Petitioners, the New Jersey Division of Rate Counsel, Board Staff and the Interveners.

The Parties executed a Stipulation of Settlement (Stipulation) as follow:

1. Approval of the acquisition and control of EDC by American Water Works.
2. EDC will continue to be operated by Applied Water Management. American Water Works did not propose any adverse changes in EDC's policies with respect to customer service, operations, financing, accounting, capitalization, rates, depreciation, maintenance or any other matters affecting the public interest or utility customers.
3. EDC will not seek to increase rates for a period of five years following closing.
4. EDC will obtain management services through American Water Works Service Company on an interim basis under the same cost allocation methodology that the Board previously has approved for American Water Works Service Company to provide such services to NJ American Water.
5. EDC should be authorized to enter into a financial services agreement with American Water Capital Corporation with terms substantially similar to the terms of the Board-approved agreement between NJ American and American Water Capital Corporation.
6. EDC will engage in a study of the feasibility and appropriateness of changing its rate design for service to franchise area customers to incorporate partially usage-based rates.

Staff recommended that the Board adopt the Stipulation of the Parties.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye

F. Docket Nos. BPU WO13070663 and OAL PUC 01156-14 – In the Matter of the Application by United Water New Jersey (UWNJ) Pursuant to N.J.S.A. 40:55D-19 to Appeal the Decision of the Borough of Montvale Zoning Board of Adjustment Denying the Application by UWNJ for a Variance Pursuant to N.J.S.A. 40:55D-70(d)(2) to Permit the Expansion of a Non-Conforming Use and Construct a Pump Station; and a Determination that the Use of Such Land is Reasonably Necessary for the Service, Convenience or Welfare of the Public; and that the Zoning and Land Use Ordinances of Montvale Shall Have No Application Thereto.

BACKGROUND AND DISCUSSION: Commissioner Chivukula recused himself from this matter. United Water New Jersey (UWNJ) is the owner of a plot of land located on Chestnut Ridge Road in the Borough of Montvale (Montvale). UWNJ filed this Petition on July 18, 2013, to appeal the decision of the Borough of Montvale Zoning Board of Adjustment denying the application by UWNJ for a use variance in order to permit the expansion of a non-conforming use. Specifically, UWNJ sought to construct a pump station and attendant facilities, including a 150 gallon storage tank for a liquid sodium hypochlorite water treatment facility, at the Property on Chestnut Ridge Road.

UWNJ sought a determination that the use of such land is reasonably necessary for the service, convenience or welfare of the public; and that the zoning and land use ordinances of Montvale shall have no application here.

Montvale and UWNJ entered into a Stipulation and Agreement whereby Montvale agreed to withdraw as an intervening party in the matter and not object to any recommendation of Staff or the New Jersey Division of Rate Counsel (Rate Counsel) that the project meets the statutory criteria. As part of this Agreement, the liquid sodium hypochlorite storage tank will no longer be necessary, and will be replaced with a safer calcium hypochlorite tablet system.

UWNJ and Staff entered into an agreement on the Stipulated Record, that the Project is reasonably necessary for the service, convenience, or welfare of the public. Rate Counsel did not object to its approval.

Administrative Law Judge (ALJ) McGee rendered his Initial Decision in this matter, and found that the agreed upon Stipulated Record between UWNJ and Staff fully disposes of all issues in controversy and is consistent with the law. The Stipulation and Agreement between the Borough of Montvale and UWNJ is incorporated in the Stipulated Record.

After the Initial Decision was rendered, UWNJ filed an amendatory letter with the Office of Administrative Law to correct a clerical error in the Stipulation and Agreement between Montvale and UWNJ, regarding the capacity of the proposed pump station. In order to preserve the record, Staff recommended that the Board modify the Initial Decision accordingly.

Staff also recommended that the Board adopt ALJ McGee's Initial Decision with the following minor amendment regarding the proposed pump station capacity. The correct capacity of the proposed pump station and ancillary facilities is 750 gallons-per-minute (approximately 1.1 million gallons-per-day) firm capacity, and 1000 gpm (approximately 1.4 million gallons-per-day) total capacity.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye

6. RELIABILITY & SECURITY

A. Docket Number: GX15111322 – In the Matter of the Readoption by Notice of N.J.A.C. 14:7 – Natural Gas Pipeline Rules.

Jake Gertsman, Legal Specialist, Office of Chief Counsel, presented this matter.

BACKGROUND AND DISCUSSION: This matter involved the rules at N.J.A.C. 14:7, which addresses the construction, operation, and maintenance of natural gas transmission and distribution pipelines. Additionally, the rules explain where pipelines may be constructed, and set requirements for ensuring that the pipelines remain safe both during and after installation. Finally, the rules set specifications that pipeline operators must follow when installing, inspecting, operating and maintaining natural gas pipelines.

The rules will expire on January 29, 2016 and the filing of the readoption by notice must be made within 30 days of the expiration date.

Since these rules are being readopted by notice, there are no changes and accordingly, there is no public comment period. The readoption will become effective when the Notice is filed with the Office of Administrative Law.

Staff recommended that the Board approve the readoption by notice of N.J.A.C. 14:7.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye
	Commissioner Chivukula	Aye

7. CUSTOMER ASSISTANCE

A. Docket No. EO14070702U – In the Matter of John J. Hoffman, Acting Attorney General of the State of New Jersey, et al. v. Palmco Power New Jersey, LLC, et al., – Docket No. MER-C-33-14 – Update – See Executive Session.

This matter was discussed in executive session pursuant to attorney-client privilege exception to the Open Public Meetings Act. The Board will make the contents of its discussion of the above matter public at the earliest appropriate time.

8. CLEAN ENERGY

Marisa Slaten, Assistant Director, Division of Economic Development & Emerging Issues, presented these matters.

A. Docket No. EO09120975 – In the Matter of Revisions to the New Jersey Clean Energy Program Fiscal Year 2016 Protocols to Measure Resource Savings.

BACKGROUND AND DISCUSSION: Commissioner Chivukula recused himself from this matter. This matter involved Staff recommending modifications to the New Jersey Clean Energy Program (NJCEP) protocols to measure resource savings based upon input received from the program administrators, New Jersey Division of Rate Counsel, and interested stakeholders. The draft was circulated for public comment on September 21, 2015, and deadline for responses was October 16, 2015.

The protocols include industry accepted algorithms and inputs used to estimate energy savings for renewable energy generation from projects that receive NJCEP incentives. Specific protocols for determination of the resource savings for generation of each program are presented for each eligible measure and technology. Resource savings to be measured include electric energy and capacity savings, natural gas savings, and savings of other resources when applicable. In turn, these resource savings will be used to determine environmental emissions as well. As has been a practice over the past several years, the protocols are updated from time to time to incorporate new measures that are added to the program and to reflect updated information, including new codes or

standards, updated baselines or other changes in the marketplace.

Some of the recommended changes include revised algorithms scores, low-flow shower heads and faucet barriers, revised algorithms for combination boiler and water heaters, and revised protocols for refrigerators and appliance recycling.

Staff recommended that the Board approve the revised protocols.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye

B. Docket No.QO15040477 – In the Matter of the Clean Energy Programs and Budget for Fiscal Year 2016; and

Docket No. QO15121333 – In the Matter of the Renewable Electric Storage Incentives in the Renewable Energy Incentive Program – Revision to the New Jersey Clean Energy Program Compliance Filing.

BACKGROUND AND DISCUSSION: Commissioner Chivukula recused himself from this matter. This matter involved Staff seeking Board authorization for the Renewable Energy Market Managers (Market Managers) to conduct an energy capacity based rebate program for renewable electric storage applications. Staff proposed that \$3 million, half of the Board-approved Fiscal Year 2016 (FY16) program budget of \$6 million for renewable electric storage applications, be allocated to this rebate offer.

The proposal is described in the Market Manager’s revisions to their FY16 New Jersey Clean Energy Program Compliance Filing. The recommendation is based upon experience garnered from the FY15 competitive solicitation and stakeholder input on two successive straw proposals issued for public comment. The remainder of the FY16 program budget is anticipated to be the subject of a subsequent recommendation based upon research being conducted at Rutgers Laboratory for Energy Smart Solutions.

Staff recommended the Board approve a rebate of \$300 per kilowatt-hour based on the energy capacity of the storage equipment (minimum of 100 kWh) as verified by the manufacturer’s spec sheets. Maximum incentive levels are \$300,000.00 per project and \$500,000.00 per entity, with an entity defined as either the site host or the project developer if the developer proposes to own the system. Staff also recommended the Projects receiving a rebate be eligible for reimbursement of 50% of the cost of a Level 3 Interconnection Study required by the Electric Distribution Company with the reimbursement not to be counted against project or entity maximum rebate amounts.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye

C. Docket No. EO12090799 – In the Matter of the Verified Petition of Atlantic City Electric Company Concerning a Proposal for an Extended Solar Renewable Energy Certificate (SREC)-Based Financing Program Under N.J.S.A. 48:3-98.1 (SREC II);

Docket No. EO12080750 – In the Matter of the Verified Petition of Jersey Central Power & Light Company Concerning a Proposal for a SREC-Based Financing Program Under N.J.S.A. 48:3-98.1; and

Docket No. EO13020118 – In the Matter of the Verified Petition of Rockland Electric Company Concerning a Proposal for an Extended SREC-Based Financing Program Under N.J.S.A. 48:3-98.1 (SREC II).

BACKGROUND AND DISCUSSION: Commissioner Chivukula recused himself from this matter. This matter involved Staff seeking Board approval of the final recommendations of the Solicitation Manager (SM) for the second solicitation conducted under the Electric Distribution Companies' (EDCs) Solar Renewable Energy Certificate II (SREC II) Programs. On December 18, 2013, the Board approved the settlement stipulations of Atlantic City Electric Company (ACE), Jersey Central Power and Light (JCP&L) and the Rockland Electric Company for the extension of their SREC-based financing programs (jointly SREC II Programs). After a Request for Proposals process, the EDCs retained Navigant Consulting, Inc. to act as the SM for these programs.

The timeline for the second solicitation in the SREC II Programs was announced on August 12, 2015, including a webinar for prospective bidders on August 28, 2015, and consolidated bid applications were due on October 12, 2015. The solicitation included three market segments: residential and commercial under 50 kW, residential and commercial from 51 kW to 2 MW, and Landfill/Brownfield/Area of Historic Fill.

The SM issued its final recommendations report on November 20, 2015. The SM recommended awarding 11 of the 13 bids received for the market segment under 50 kW and all seven of the bids received for the market segment from 51 kW to 2 MW. No bids were received for the brownfield and landfill segment.

Staff recommended that the Board approve the results of the second solicitation conducted under the EDCs SREC II programs including:

- Authorizing the EDCs' execution of Purchase Sale Agreements for 20 projects in ACE and JCP&L's territories with SREC prices deemed competitive.
- Rejecting two proponents' bids which were deemed to be uncompetitive.
- Authorizing the SM's implementation of the Third Solicitation in the SREC II Programs, including the schedule and measures designed to increase participation.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye

D. In the Matter of the Clean Energy Program Authorization of Commercial and Industrial Program Energy Efficiency Incentives Exceeding \$500,000:

Docket No. QG15080966 – Walmart Woodbury
Docket No. QG15080967 – Walmart Williamstown
Docket No. QG15111313 – Credit Suisse

This matter was deferred.

E. In the Matter of the Clean Energy Program Authorization of Commercial and Industrial Program Energy Efficiency Incentives Exceeding \$500,000:

Docket No. QG15111314 Merck & Company, Inc.

BACKGROUND AND DISCUSSION: This matter involved Staff presenting the application of Merck & Company, Inc. (Merck) for an incentive of \$1.2 million under the Large Energy Users Program (LEUP) for a project located in Rahway. The scope of the project entails upgrades to the pumping system in Merck's largest campus by chilled water loop. These upgrades will allow the system to run more efficiently by the chilled water loop while using less energy. Installing these measures will reduce annual electric usage by an estimated 3.5 million kilowatt hours and will reduce the annual electric demand by 1,000 kilowatts. These measures will also save the applicant 84,000 therms annually.

Overall, the proposed project will have an estimated annual energy cost savings of \$482,000.00 and a total project cost of 2.1 million. The applicant will also realize an operation and maintenance saving of \$16,500.00 per year. The simple payback period is 1.8 years with incentives.

Staff determined that this application met the eligibility criteria for the LEUP Program and recommended that the Board approve the Merck application for the project.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye
	Commissioner Chivukula	Aye

F. Docket Nos. EO07030203 and EO11100631V – In the Matter of the Comprehensive Energy Efficiency and Renewable Energy Resource Analysis for the Years 2009 through 2012: Revised 2012 Programs Large Scale Combined Heat and Power/Fuel Cell Grant Program – Request for Award Modification.

This matter was deferred.

G. Docket No. GO15050504 – In the Matter of the Petition of Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas for Authority to Extend the Term of Energy Efficiency Programs with Certain Modifications and Approval of Associated Cost Recovery Mechanism; and

Docket No. GO12100946 – In the Matter of the Petition of Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas for Authority to Extend the Term of Energy

Efficiency Programs with Certain Modifications and Approval of Associated Cost Recovery Mechanism.

BACKGROUND AND DISCUSSION: Commissioner Chivukula recused himself from this matter. This matter involved Staff seeking the Board approval of the Stipulation entered into by Elizabethtown Gas (the Company), New Jersey Division of Rate Counsel (Rate Counsel) and Staff (the Parties). The current Elizabethtown Gas energy efficiency program is authorized for two years by order dated August 21, 2013. That order approved the company to administer three programs: The residential Heating, Ventilation and Air Conditioning and gas hot water heater incentive program; a commercial energy efficiency program; and a customer education outreach dashboard program.

In April 2015, the Company filed another petition seeking to continue those three programs, plus add an energy savings kit and a programmable thermostat. On the August 27 agenda, the Board extended the program through December 31, 2015 to allow for continued settlement talks. The current stipulation extended the programs for one year using the remaining funds. As of November 30, 2015, the Company had \$818,566.00 remaining.

The Company agreed to withdraw their April 30 petition and over the course of the next six months meet with Staff and the Rate Counsel to discuss future program design, measurement verification data, and operation and maintenance expenses. The Company will continue to recover program costs for the existing rider and return of investment will continue at 9.75 as was previously approved by the Board.

Staff recommended that the Board approve the Stipulation of the Parties.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Mroz	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye

9. MISCELLANEOUS

There were no items in this category.

EXECUTIVE SESSION

After appropriate motion, the following matter, which involved pending litigation attorney-client privilege, and/or contract exceptions to the Open Public Meetings Act was discussed in Executive Session.

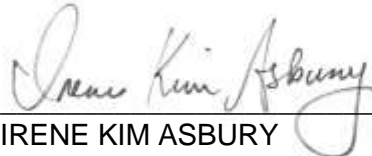
7. CUSTOMER ASSISTANCE

- A. Docket No. EO14070702U – In the Matter of John J. Hoffman, Acting Attorney General of the State of New Jersey, et al. v. Palmco Power New Jersey, LLC, et al., – Docket No. MER-C-33-14 – Update.**

The substance of this discussion shall remain confidential except to the extent that making the discussion public is not inconsistent with law.

After appropriate motion, the Board reconvened to Open Session.

There being no further business before the Board, the meeting was adjourned.



IRENE KIM ASBURY
BOARD SECRETARY

DATED: January 27, 2016