



**STATE OF NEW JERSEY**  
**Board of Public Utilities**  
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**MINUTES OF THE REGULAR MEETING OF THE  
BOARD OF PUBLIC UTILITIES**

A Regular Board meeting of the Board of Public Utilities was held on January 21, 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

President Mroz presided at the meeting and Kenneth J. Sheehan, Secretary of the Board, and Carmen D. Diaz, Assistant Secretary of the Board, carried out the duties of Secretary.

It was announced that the next regular Board Meeting would be held on February 11, 2015 at the State House Annex, Committee Room 11, 125 West State Street, Trenton, New Jersey 08625.

## AGENDA

### 9. MISCELLANEOUS

**A. Non-docketed Matter – In the Matter of the Board’s Designation of Kenneth J. Sheehan as Secretary of the Board of Public Utilities and Records Custodian Pursuant to N.J.A.C. 14:1-1.3. and N.J.S.A. 47:1A-1, et seq.**

**BACKGROUND AND DISCUSSION:** On January 1, 2015, the Secretary of the Board vacated her position. Staff recommended the Board designate Kenneth J. Sheehan as the Board Secretary for the interim period of time until a permanent replacement is made.

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

<b>Roll Call Vote:</b>	<b>President Mroz</b>	<b>Aye</b>
	<b>Commissioner Fiordaliso</b>	<b>Aye</b>
	<b>Commissioner Holden</b>	<b>Aye</b>
	<b>Commissioner Solomon</b>	<b>Aye</b>
	<b>Commissioner Chivukula</b>	<b>Aye</b>

## CONSENT AGENDA

### I. AUDITS

#### A. Energy Agent and/or Energy Consultant Initial Registrations

EE14121407L	Accenture, LLP	I-EA
EE14070658L	Relationship Energy and Services, LLC	I-EA/EC
GE14070659L		

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

EE14070717L	Consumer Sales Solutions, LLC	R – EA
EE14070662L	New Energy Concepts, LLC	R – EA/PA
GE14070663L		
EE14070660L	I.C. Thomasson Associates, Incorporated	R – EA/PA
GE14070661L		
EE14070718L	Taylor Consulting and Contracting, LLC	R – EA/PA/EC
GE14070719L		

#### Electric Power or Natural Gas Supplier Renewal Licenses

EE14060583L	Credit Suisse (USA), Incorporated	R – ESL
EE14060572L	Discount Energy Group, LLC	R – ESL
GE14060602L	Core Energy, Incorporated	R – GSL
GE14050456L	Dominion Retail, Incorporated	R – GSL
	d/b/a Dominion Energy Solutions	
GE14060595L	Colonial Energy, Incorporated	R – GSL

**BACKGROUND:** The Board must register all energy agents and consultants, and the Board must 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 the Board issue initial registrations as an energy agent and/or energy consultant for one year to:

- Accenture LLP
- Relationship Energy & Services LLC

Staff also recommended the Board issue renewal registrations as an energy agent, private aggregator and/or energy consultant for one year to:

- Consumer Sales Solutions LLC
- New Energy Concepts LLC

- I.C. Thomasson Associates, Inc.
- Taylor Consulting and Contracting, LLC

Staff further recommended the following applicants be issued renewal licenses as an electric power and/or natural gas supplier for one year to:

- Credit Suisse (USA), Inc.
- Discount Energy Group, LLC
- Core Energy Inc.
- Dominion Retail, Inc. d/b/a Dominion Energy Solutions
- Colonial Energy, Inc.

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

<b>Roll Call Vote:</b>	<b>President Mroz</b>	<b>Aye</b>
	<b>Commissioner Fiordaliso</b>	<b>Aye</b>
	<b>Commissioner Holden</b>	<b>Aye</b>
	<b>Commissioner Solomon</b>	<b>Aye</b>
	<b>Commissioner Chivukula</b>	<b>Aye</b>

**II. ENERGY**

There were no items in this category.

**III. CABLE TELEVISION**

There were no items in this category.

**IV. TELECOMMUNICATIONS**

**A. Docket No. T014091079 – In the Matter of the Verified Amended Petition of Cavalier Telephone Mid-Atlantic, LLC, Intellifiber Networks, Inc., Paetec Communications, Inc., Talk America, Inc., and US LEC of Pennsylvania, Inc. for the Transfer and Mass Migration of Certain Intrastate Telecommunications Service Customers in the State of New Jersey to Talk America Services, LLC and for the Contemporaneous Change of Control of Talk America Services, LLC.**

**BACKGROUND:** On September 29, 2014, Cavalier Telephone Mid-Atlantic, LLC Intellifiber Networks, Inc. PaeTec Communications Inc., Talk America, Inc. and US LEC of Pennsylvania, Inc. (collectively, Petitioners) filed a petition with the Board for approval to transfer the residential local and long distance customers and a change of control from Petitioners to Talk America Services, LLC (TAS). TAS will acquire the residential customers and undergo a change in control.

All transferred customers to Talk America Services, LLC will continue to receive telecommunications services under the same rates, terms and conditions of service.

After review, Staff did not find any reason to believe that there will be an adverse impact on rates, competition or in the provision of safe, adequate and proper service to New Jersey subscribers. Moreover, a positive benefit may be expected from the strengthening of the Petitioners' competitive posture in the telecommunications market. Staff recommended that the Petitioners be allowed to proceed with the proposed transactions and financing.

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

<b>Roll Call Vote:</b>	<b>President Mroz</b>	<b>Aye</b>
	<b>Commissioner Fiordaliso</b>	<b>Aye</b>
	<b>Commissioner Holden</b>	<b>Aye</b>
	<b>Commissioner Solomon</b>	<b>Aye</b>
	<b>Commissioner Chivukula</b>	<b>Aye</b>

## V. WATER

There were no items in this category.

## VI. RELIABILITY & SECURITY

### A. Docket Nos. GS14121360K, 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 (the 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 Act.

Staff recommended 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.

<b>Roll Call Vote:</b>	<b>President Mroz</b>	<b>Aye</b>
	<b>Commissioner Fiordaliso</b>	<b>Aye</b>
	<b>Commissioner Holden</b>	<b>Aye</b>
	<b>Commissioner Solomon</b>	<b>Aye</b>
	<b>Commissioner Chivukula</b>	<b>Aye</b>

**B. Docket Nos. GS14121372K, 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 (the 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 Act.

Staff recommended 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.

<b>Roll Call Vote:</b>	<b>President Mroz</b>	<b>Aye</b>
	<b>Commissioner Fiordaliso</b>	<b>Aye</b>
	<b>Commissioner Holden</b>	<b>Aye</b>
	<b>Commissioner Solomon</b>	<b>Aye</b>

**VII. CUSTOMER ASSISTANCE**

**A. Docket Nos. BPU EC14070673U and OAL PUC 13176-14 – In the Matter of Magda Symonds, Petitioner v. Public Service Electric and Gas Company, Respondent – Billing Dispute.**

**BACKGROUND AND DISCUSSION:** Commissioner Chivukula recused himself from this matter. This matter involved a billing dispute between Magda Symonds (Petitioner) and Public Service Electric and Gas Company (PSE&G). The petition was transmitted to the Office of Administrative Law on October 10, 2014, as a contested case. Administrative Law Judge (ALJ) James A. Geraghty filed an Initial Decision in this matter with the Board on December 30, 2014, approving a Stipulation of Settlement (Settlement) of the parties.

Pursuant to the terms of the Settlement, the parties agreed that PSE&G would make a credit adjustment to Petitioners' account in the amount of \$2,819.65. This adjustment reduced the amount owed to \$2,819.65. The Petitioner agreed to make a payment in the amount of \$2,819.65 within 30 days of the approved Settlement.

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

**DECISION:** After discussion, the Board adopted the recommendation of Staff as set forth above.

<b>Roll Call Vote:</b>	<b>President Mroz</b>	<b>Aye</b>
	<b>Commissioner Fiordaliso</b>	<b>Aye</b>
	<b>Commissioner Holden</b>	<b>Aye</b>
	<b>Commissioner Solomon</b>	<b>Aye</b>

**B. Docket Nos. BPU GC13070636U and OAL PUC 13471-13 – In the Matter of Dianne Argila, Petitioner v. New Jersey Natural Gas Company, Respondent – OAL Request for Extension.**

**BACKGROUND:** The record in this matter closed on August 27, 2014. By previous orders of extension, the due date for issuing an initial decision was extended until January 12, 2015. Administrative Law Judge Elia A. Pelios has requested additional time to complete the initial decision due to voluminous caseload.

Good cause having been shown, pursuant to N.J.S.A. 52:14B-10(c) and N.J.A.C. 1:1-18.8, Staff recommended the time for filing the initial decision be extended until February 26, 2015.

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

<b>Roll Call Vote:</b>	<b>President Mroz</b>	<b>Aye</b>
	<b>Commissioner Fiordaliso</b>	<b>Aye</b>
	<b>Commissioner Holden</b>	<b>Aye</b>
	<b>Commissioner Solomon</b>	<b>Aye</b>
	<b>Commissioner Chivukula</b>	<b>Aye</b>

**VIII. CLEAN ENERGY**

There were no items in this category.

**IX. MISCELLANEOUS**

**A. Approval of the Minutes of the November 21, 2014 Agenda Meetings.**

**BACKGROUND:** Staff presented the minutes of November 21, 2014 Board meeting minutes and recommended that they be accepted.

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

<b>Roll Call Vote:</b>	<b>President Mroz</b>	<b>Aye</b>
	<b>Commissioner Fiordaliso</b>	<b>Aye</b>
	<b>Commissioner Holden</b>	<b>Aye</b>
	<b>Commissioner Solomon</b>	<b>Abstained</b>
	<b>Commissioner Chivukula</b>	<b>Aye</b>

**A. Approval of the Minutes of the December 17, 2014 Agenda Meetings.**

**BACKGROUND:** Staff presented the minutes of December 17, 2014 Board meeting minutes and recommended that they be accepted.

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

<b>Roll Call Vote:</b>	<b>President Mroz</b>	<b>Aye</b>
	<b>Commissioner Fiordaliso</b>	<b>Aye</b>
	<b>Commissioner Holden</b>	<b>Aye</b>
	<b>Commissioner Solomon</b>	<b>Aye</b>
	<b>Commissioner Chivukula</b>	<b>Aye</b>



## AGENDA

### 1. AUDITS

**A. Docket No. EA07100794 – In the Matter of an Audit of the Affiliated Transactions between Atlantic City Electric Company and Pepco Holdings, Inc. and Its Affiliates and a Management Audit of Atlantic City Electric Company Pursuant to N.J.S.A. 48:2-16.4, 48:3-49, 48:3-55, 48:3-56, 48:3-58 and N.J.A.C. 14:3-12.1, 14:4-5 et seq.**

**Paul Flanagan, Executive Director**, presented this matter.

**BACKGROUND AND DISCUSSION:** On March 3, 2010, the Board accepted the report of Overland Consulting in a matter entitled Affiliated Transactions Audit between Atlantic City Electric Company (ACE) and Pepco Holdings, Inc., (PHI) and its Affiliates and a Management Audit of Atlantic City Electric Company.

The report contained seventy-seven recommendations. The assignment was conducted by Overland in two concurrent phases. Phase I concentrated on ACE's retail and wholesale transactions with PHI and its affiliates. Phase II included a comprehensive management audit of ACE's major organizational areas, including an examination of executive management and corporate governance, organizational structure, strategic planning, finance, accounting and property records, distribution and operation management, human resources, customer service and external relations, and support services.

Staff reviewed the final report, recommendations, and the comments that were subsequently submitted by ACE and rate counsel, and is satisfied that all but two of the 77 recommendations in the final report have already been addressed.

Fourteen of the recommendations were included in the resolution of other proceedings before the Board. The sale of Conectiv Company resulted in three recommendations. The Company no longer owns generation. Four recommendations were already addressed by the Company and Staff concluded that the current practices of the company met the current intent of the recommendations.

During the acceptance by the Board, the Company has been implementing the remaining 54 recommendations. ACE held several meetings and participated in a number of discussions with Staff and provided the audit division with documentation, information regarding the implementation process. Based upon that documentation and information, Staff believed that the 54 recommendations have been implemented.

Staff agreed with the Company that the final two recommendations do not need to be implemented at this time pending the outcome of the proposed Exelon merger. More specifically the pending merger between PHI and Exelon may change the systems and programs currently in place which would eliminate the need to implement the recommendations 3-1 and 3-2. 3-1 would require PHI Service Company to include detailed definitions of calculations of allocation factors in its cost allocations manual, and recommendation 3-2 would require PHI Service Company to develop reports to show: A- how PHI Service Company's cost centers link with allocation cost pools; and B- the

statistical key figures allocation factors that are applied to the cross pool.

In light of the fact that there is a pending merger and if it goes through, Exelon has its own system of doing those things which would be adopted by PHI. Staff recommended the Board direct Staff to monitor the merger and take appropriate actions whether or not it goes through.

**DECISION:** After discussion, the Board adopted the recommendation of Staff as set forth above.

<b>Roll Call Vote:</b>	<b>President Mroz</b>	<b>Aye</b>
	<b>Commissioner Fiordaliso</b>	<b>Aye</b>
	<b>Commissioner Holden</b>	<b>Aye</b>
	<b>Commissioner Solomon</b>	<b>Aye</b>
	<b>Commissioner Chivukula</b>	<b>Aye</b>

## 2. ENERGY

**Jerome May, Director, Division of Energy**, presented these matters.

### **A. Docket No. ER14030209 – In the Matter of the Petition of Atlantic City Electric Company to Reconcile and Update the Level of Its Non-Utility Generation Charge, Its Societal Benefits Charge and Its System Control Charge (2014).**

**BACKGROUND AND DISCUSSION:** On March 4, 2014, Atlantic City Electric Company (ACE or Company) filed a petition with the Board requesting approval for changes in its Non-Utility Generation Charge (NGC), its Societal Benefits Charge (SBC) and its System Control Charge (SCC). The net impact of adjusting the NGC, SBC, and the SCC rates (including Sales and Use Tax (SUT) is an overall annual rate decrease of approximately \$24.525 million. The petition further requested permission to terminate the SCC effective June 1, 2014 and include any over/under recovered balance that remain after the program has terminated in the Company's next Regional Greenhouse Gas Initiative (RGGI) Recovery Charge filing.

By letter dated April 16, 2014, the Company updated the petition with actual information through March 31, 2014. Based on the updated filing, the net impact of adjusting the NGC, SBC and SCC rates (including SUT) is an overall annual rate decrease of approximately \$41.085.

On May 1, 2014, ACE, Board Staff (Staff) and the New Jersey Division of Rate Counsel (Rate Counsel) (collectively, the Parties) executed a Stipulation of Settlement (Stipulation) requesting that the Board approve changes in the NGC and SBC on a provisional basis, subject to refund with interest, to allow the Parties sufficient time to complete their review of the petition and the proposed rates and costs. In addition, the Stipulation recommended termination of the SCC effective June 1, 2014 with any remaining over/under recovery associated with the SCC legacy programs being recovered through the Company's RGGI Recovery Charge filing.

By Order dated May 21, 2014 the Board approved a stipulation to implement NGC, SBC, and SCC rates, on a provisional basis, subject to refund with interest to provide parties additional time to complete the review of the proposed rates in the March 2013 Petition (May 2014 Order).

During the review of the instant petition, the Company determined it inconsistently applied certain revenues and costs associated with the Logan Assignment. On June 17, 2014, ACE filed a supplemental petition seeking Board approval of what the Company has asserted is an appropriate ratemaking treatment for revenues and expenses associated with the Logan Assignment.

On January 7, 2015, ACE, the New Jersey Division of Rate Counsel, and Staff executed a Stipulation of Settlement (Stipulation) that recommended finalization of the rates that were implemented per the May 2014 Order. The Stipulation also resolved the issue of the Logan Assignment financials.

Staff recommended the Board issue an Order accepting the Stipulation which seeks to finalize the rates that were provisionally implemented in both dockets as well as revising the treatment of the costs and revenues associated with the Logan Assignment to more appropriately align with the restructured electric utility. As a result, the rates implemented per the May 2014 Order will remain in effect until the Board approves rates in a subsequent filing.

**DECISION:** After discussion, the Board adopted the recommendation of Staff as set forth above.

<b>Roll Call Vote:</b>	<b>President Mroz</b>	<b>Aye</b>
	<b>Commissioner Fiordaliso</b>	<b>Aye</b>
	<b>Commissioner Holden</b>	<b>Aye</b>
	<b>Commissioner Solomon</b>	<b>Aye</b>
	<b>Commissioner Chivukula</b>	<b>Aye</b>

**B. Docket No. EO14030281 – In the Matter of the Petition of Jersey Central Power & Light Company Pursuant to N.J.S.A. 40:55D-19 for a Determination that the Oceanview 230Kv Transmission Project is Reasonably Necessary for the Service, Convenience or Welfare of the Public.**

**BACKGROUND AND DISCUSSION:** Commissioner Chivukula recused himself from this matter. On March 25, 2014, Jersey Central Power & Light Company (JCP&L) filed a petition with the Board seeking a decision that a proposed 230 kV transmission line between JCP&L's Larabee substation in Howell, New Jersey, and its Oceanview substation in Neptune, New Jersey, along with associated upgrades to these substations (the Project), is reasonably necessary for the service, convenience or welfare of the public and that, accordingly, the zoning and land use ordinances of municipalities along the proposed route of the Project shall not apply.

PJM Interconnection, LLC (PJM), the Federal Energy Regulatory Commission (FERC) - approved Regional Transmission Organization, identified a planning criteria violation in regard to the JCP&L Atlantic - Oceanview 230kV lines as part of its Regional Transmission Expansion Planning process, specifically a reliability criteria violation for a

potential voltage collapse on the system. PJM approved the Project, as part of the 2012 PJM Baseline Reliability Assessment issued January 4, 2013. JCP&L and PJM established an in-service date of June 1, 2017 which JCP&L believes will allow for sufficient time to receive all necessary approvals for the Project and to complete its construction.

The Project is identified to avoid voltage drop violations at the Atlantic substation and potential local voltage collapse for the identified North American Electric Reliability Corporation (NERC) (N-1-1) contingency. JCP&L claims that failure to construct the line by the proposed June 1, 2017 in-service date could result in extended interruption of electric service to a large block of JCP&L customers due to the loss of the Atlantic – Oceanview (X2024 and Y2025) 230 kV transmission lines.

Based upon the analyses of PJM and JCP&L, the loss of both the X2024 and Y2025 230 kV lines would result in a potential local voltage collapse in the Oceanview area and could result in a service outage for over 100,000 JCP&L customers. The planning studies have indicated a potential local loss of load that would exceed the planning criteria limit under modeled case conditions. The Project resolves the criteria concerns within the area and is necessary to provide safe and reliable service to customers.

Staff recommended the Board approve the Project's construction.

**DECISION:** After discussion, the Board adopted the recommendation of Staff as set forth above.

<b>Roll Call Vote:</b>	<b>President Mroz</b>	<b>Aye</b>
	<b>Commissioner Fiordaliso</b>	<b>Aye</b>
	<b>Commissioner Holden</b>	<b>Aye</b>
	<b>Commissioner Solomon</b>	<b>Aye</b>

**C. Docket Nos. BPU EO14020185 and OAL PUC 04056-14 – In the Matter of the Petition of Public Service Electric and Gas Company Pursuant to N.J.S.A. 40:55D-19 from a Decision of the City of Newark Zoning Board of Adjustment Denying an Application for Preliminary and Final Site Plan Approval and Variances Necessary for the Construction of a 260/26/13kV Switching Station (McCarter Switching Station).**

**BACKGROUND AND DISCUSSION:** Commissioner Chivukula recused himself from this matter. On January 11, 2013, Public Service Electric and Gas Company (PSE&G) filed an application with the City of Newark Zoning Board of Adjustment (ZBA) for preliminary and final site plan approval and variances to construct a new 230kV/23kV/13kV Switching Station at 29-53 Eleventh Avenue and 13-45 Littleton Avenue, Newark, New Jersey (the Project). At a special public hearing held on December 3, 2013, the ZBA voted to deny approval of PSE&G's application. This decision was memorialized by resolution on January 23, 2014. Subsequently, PSE&G filed a petition with the Board on February 27, 2014, appealing the decision of the ZBA and seeking Board approval of the Project and a determination that the Project is reasonably necessary for the service, convenience or welfare of the public and therefore not subject to the ordinances of the City of Newark or any other ordinance or regulation authorized by the Municipal land use law.

On April 3, 2014, this matter was transmitted to the Office of Administrative Law for hearing. The case was assigned to Administrative Law Judge Gail M. Cookson (ALJ). Evidentiary hearings were held on September 15, 17, 18 and 19, 2014. Board Staff and the New Jersey Division of Rate Counsel (Rate Counsel) participated in the proceedings. A Stipulation of Settlement (Settlement) signed by the Signatory Parties was transmitted to ALJ Cookson on November 26, 2014. On December 1, 2014, ALJ Cookson entered an Initial Decision finding that the Settlement was voluntary, was agreed to by all of the parties, disposes of all issues in controversy and is consistent with law. ALJ Cookson ordered the matter be deemed dismissed with prejudice and that the proceedings be concluded.

However, while Board Staff and Rate Counsel were listed as parties of record on the Initial Decision, they did not sign the settlement. By letter dated December 12, 2014, Rate Counsel informed the Board that notwithstanding the statement in the Initial Decision that all parties had executed the Stipulation of Settlement, Rate Counsel had not participated in settlement discussions and did not sign the settlement. Additionally, Rate Counsel did not support or oppose the settlement.

Staff recommended the Board issue an Order adopting the initial decision, modifying it solely to reflect that neither Rate Counsel nor Board Staff were signatories to the Settlement.

**DECISION:** After discussion, the Board adopted the recommendation of Staff as set forth above.

<b>Roll Call Vote:</b>	<b>President Mroz</b>	<b>Aye</b>
	<b>Commissioner Fiordaliso</b>	<b>Aye</b>
	<b>Commissioner Holden</b>	<b>Aye</b>
	<b>Commissioner Solomon</b>	<b>Aye</b>

**D. Docket No. ER12080757– In the Matter of the Verified Petition of Jersey Central Power & Light Company Constituting Its Annual Filing with Respect to the Non-Utility Generation Charge Clause of Its Filed Tariff (2011 NGC Filing); and**

**Docket No. ER14101262 – In the Matter of the Verified Petition of Jersey Central Power & Light Company Constituting Its Annual Filings with Respect to the Non-Utility Generation Charge Clause of Its Filed Tariff (2012/2013 NGC Filing).**

**BACKGROUND AND DISCUSSION:** Commissioner Chivukula recused himself from this matter. On August 15, 2012, Jersey Central Power & Light Company (JCP&L) filed a petition with the Board (2011 Non-Utility Generation charge (NGC) Filing) seeking review and approval of the amounts included in the Company's NGC deferred balance, which primarily relate to amounts paid by the Company under Board-approved contracts with non-utility generators (NUGs), to the extent accumulated from January 1, 2011 through December 31, 2011. The 2011 NCG Filing continued to show an over recovery in the amount of \$110.6 million.

On October 31, 2014, JCP&L filed a petition with the Board (2012/2013 NGC Filing)

seeking review and approval of the amounts included in the Company's NGC deferred balance, which primarily relate to amounts paid by the Company under Board-approved contracts with NUGs, to the extent accumulated during two periods: from January 1, 2012 through December 31, 2012, and from January 1, 2013 through December 31, 2014. The Company projected that, at present rates, the net NGC deferred balance at December 2014 will be an under-recovery of \$19.29 million, after the application of carrying costs of \$11.43 million.

JCP&L proposed to change the current level of its NGC which includes a non-securitized component of the NGC set as a credit of \$.001149 per kWh pursuant to the February 2012 Order. JCP&L sought approval to set its non-securitized NGC factor to \$.000205 per kWh, effective January 2015. The Company did not proposed any change to the securitized NGC factor. Therefore, the new composite NGC factor will be \$.003750 excluding SUT, resulting in an increase in the revenues collected through the NGC rate of \$19.29 million annually.

On December 10, 2014, public hearings on the 2012/2013 NGC filing were held in Morristown, New Jersey and Freehold, New Jersey. No members of the public appeared at the public hearings.

On January 14, 2014, the Parties signed a Stipulation of Settlement (Stipulation). The Stipulation resolved the 2011 NGC Filing, and stipulated to a provisional rate in the non-securitized component of the NGC for the 2012/2013 NGC Filing, increasing that portion of the rate from a credit of \$.001149 per kWh to a new non-securitized NGC factor of \$.000205 per kWh.

Staff recommended the Board adopt the Stipulation of the Parties. Staff also recommended the Board direct the Company to file, within 10 days of the effective date of the Order, the appropriate revised tariff sheets consistent with the terms of the Order. Staff further recommended the effective date of the Order be February 1, 2015.

**DECISION:** After discussion, the Board adopted the recommendation of Staff as set forth above.

<b>Roll Call Vote:</b>	<b>President Mroz</b>	<b>Aye</b>
	<b>Commissioner Fiordaliso</b>	<b>Aye</b>
	<b>Commissioner Holden</b>	<b>Aye</b>
	<b>Commissioner Solomon</b>	<b>Aye</b>

**E. Docket Nos. BPU ER12111052 and OAL PUC 16310-12 – In the Matter of the Verified Petition of Jersey Central Power & Light Company for Review and Approval of Increases in and Other Adjustments to Its Rates and Charges for Electric Service, and for Approval of Other Proposed Tariff Revisions in Connection Therewith and for Approval of an Accelerated Reliability Enhancement Program (2012 Base Rate Filing) – OAL Request for Extension.**

**Bethany Rocque-Romaine, Office of the Chief Counsel,** presented this matter.

**BACKGROUND AND DISCUSSION:** Commissioner Chivukula recused himself from this matter. The record in this matter closed on June 30, 2014. By previous order of extension, the due date for issuing an initial decision was extended until December 29,

2014. Administrative Law Judge Richard McGill requested additional time to complete the Initial Decision due to the number and complexity of the issues in this matter.

Good cause having been shown, pursuant to N.J.S.A. 52:14B-10(c) and N.J.A.C. 1:1-18.8, Staff recommended the time for filing the initial decision be extended until January 9, 2015.

**DECISION:** After discussion, the Board adopted the recommendation of Staff as set forth above.

<b>Roll Call Vote:</b>	<b>President Mroz</b>	<b>Aye</b>
	<b>Commissioner Fiordaliso</b>	<b>Aye</b>
	<b>Commissioner Holden</b>	<b>Aye</b>
	<b>Commissioner Solomon</b>	<b>Aye</b>

### 3. CABLE TELEVISION

There were no items in this category.

### 4. TELECOMMUNICATIONS

**Paul Flanagan, Executive Director**, presented these matters.

#### **A. Docket No. TX14040385 – In the Matter of the Petition Seeking Rulemaking and Order Regulating Rates Charged by Global Tel\*Link and Securus for Phone Calls from New Jersey Correctional Facilities.**

**BACKGROUND AND DISCUSSION:** Commissioner Chivukula recused himself from this matter. On April 30, 2014, the Board received a petition from the Garden State Bar Association, Crystal Gibson, Sherin Makar, Lori Monteiro, the Prison Initiative Project of the Center for Action Research, the New Jersey Advocates for Immigrant Detainees, the New Jersey Institute for Social Justice, Pauline Ndzie, Jean Ross, and Rhonda Williams Whetsone (the Petitioners). On May 15, 2014, the Petitioners amended their filing to clarify that the petition should be considered a rulemaking request.

The Board's Notice of Receipt of the petition was published on June 16, 2014 in the New Jersey Register. Pursuant to N.J.A.C. 1:30-4.2 the Board is required to act on the petition within 60 days. Staff believed the issue required further deliberation thus requiring additional time for review.

On June 12, 2014, the Petitioners consented by letter to extend the period for Board deliberation on the petition for rulemaking until October 31, 2014. The Board agreed to the extension at its June 18, 2014 Agenda meeting. On October 2, 2014, the Petitioners consented by letter to further extend the period for Board deliberation on the petition for rulemaking until January 31, 2015. The Board agreed to the extension at its October 22, 2014 Agenda meeting. On January 14, 2015, the Petitioners requested by letter to extend the period for Board deliberation on the petition for rulemaking for 30 days to March 2, 2015.

Staff recommended the Board agree to the Petitioner's request to further extend the period for Board deliberation to March 2, 2015.

**DECISION:** After discussion, the Board adopted the recommendation of Staff as set forth above.

<b>Roll Call Vote:</b>	<b>President Mroz</b>	<b>Aye</b>
	<b>Commissioner Fiordaliso</b>	<b>Aye</b>
	<b>Commissioner Holden</b>	<b>Aye</b>
	<b>Commissioner Solomon</b>	<b>Aye</b>

**B. Docket No. TT14060550 – In the Matter of the Proposed Readoption with Amendments of N.J.A.C. 14:10 – Rules Governing Telecommunications.**

**BACKGROUND AND DISCUSSION:** Commissioner Chivukula recused himself from this matter. This matter involved Staff proposing amendments to the rules governing telecommunications service, N.J.A.C. 14:10. These rules pertain to telephone utilities and other telecommunications providers that are subject to the jurisdiction of the Board, in areas such as, service standards, payments for service, telecommunications carrier regulations and mass migration of customers. The amendments proposed are aimed at reducing regulation to reflect the current state of today's telecommunications market while assuring that basic consumer protections are kept in place.

The amendments include:

- 1 - General provisions which require telephone utilities to provide maps to the Board so that customer locations can be determined and mileage or zone charges quoted. In light of the recognition of varying customer purchasing preferences, this is no longer necessary. So staff recommended that this section be eliminated.
- 2 - Section on directories and certain sections have been deleted regarding publication, distribution, and content of the directories and the procedures to be followed when telephone numbers are changed. Again, this reflects the current telecommunication market.
- 3 - Contents of bills and back-billing, the list of items that are to be included on a customer's bill and also sets forth the terms and conditions for back-billing.
- 4 - Section on deleting language indicating that a separate line item calculated on a quarterly basis for optimal service be eliminated.
- 5 - Non-financial reporting requirements for incumbent local exchange carrier, and competitive local exchange carriers (CLEC), that provide intrastate telecommunications services to end users in New Jersey. The enhanced data now required by the Federal Communications Commission (FCC) is sufficient to meet the Board's requirement and, therefore, the section about specific reporting has been eliminated.



6 – Informational tariff filings is being amended to revise tariff content requirements of new legislation to reflect that local exchange and interexchange carriers will be required to make any terms or conditions of retail competitive services available on a carrier's website. In addition, a link to the website is required to be placed on the Board's website.

7 - The tariff revisions that do not increase charges is being amended to delete references to CLEC and IXC tariffs. The reference to filing revised tariff pages with the board is also being deleted. Language stating that the tariff is effective upon customer notification is being added.

8 - New competitive telecommunications offerings by interexchange carriers is being amended to add language stating that tariffs must be posted on the carrier's website.

9 - Operator service providers. This subchapter is substantially modified due to the reduction in providers and complaints for such services. Only certain requirements will be maintained, such as language regarding alternate operator services providing notification to callers of their involvement in a call and the ownership of the telephone and the provision of dialing procedures.

10 - Public Pay Telephone Service is being modified, eliminating most of the subchapter to reflect the decline in pay phone use and the proliferation of wireless phones. Certain requirements will still be maintained to require dial tone first and free access to certain services such as 811, 911, etcetera.

11 - IntraLATA Toll Competition. In this section language requiring local exchange carriers not to encourage or persuade customers to subscribe to its intraLATA service is being deleted since the intraLATA telecommunications marketplace has matured and the rule is no longer necessary. The only provision that will remain are those that prohibit discriminatory behavior.

12 - There are three sections regarding third-party suppliers. Application to depart a service territory. The rule is being changed to reduce the time from 90 days to 60 days.

13 - The second one regarding the Third Party Suppliers (TPS) provides that the Board maintain a TPS service list on its website. The rule provides a notice of the departures be posted on the Board's website and also the Board will send a notice to the TPSs on the service list. That has been deleted.

14 - Finally, for third party suppliers, notice to end users requires the third party suppliers to provide notice of its departure to end users 60 days prior to departure. This is amended to 30 days to mirror the FCC guidelines for such departures which also only require one letter, not two, as under the prior Board rules.

Based on the proposed rules, three sets of comments were received from rate counsel, CenturyLink, and Verizon. Rate counsel supported the rule amendments.

Verizon suggested that the rules be eliminated based on the current state of the telecommunications market, especially the rules concerning the distribution of directories, service quality, and N.J.A.C. 14:3 not pertain to them, as well as seeking reduction in time frame for record retention and modifications to non-financial reporting based on the FCC requirements, AOS, and mass migration rules.

CenturyLink also believed the rules should be eliminated in some instances similarly to Verizon with respect to service quality and directory distribution, as well as those rules pertaining to competitive tariffed services.

Staff recommended the Board approve the rules as submitted by the staff for publication.

**DECISION:** After discussion, the Board adopted the recommendation of Staff as set forth above.

<b>Roll Call Vote:</b>	<b>President Mroz</b>	<b>Aye</b>
	<b>Commissioner Fiordaliso</b>	<b>Aye</b>
	<b>Commissioner Holden</b>	<b>Aye</b>
	<b>Commissioner Solomon</b>	<b>Aye</b>

## 5. WATER

**Maria L. Moran, Director, Division of Water**, presented these matters.

### **A. Docket No. WC14111333 – In the Matter of Anthony J. Maio, Petitioner v. New Jersey American Water Company, Respondent.**

**BACKGROUND AND DISCUSSION:** President Mroz and Commissioner Chivukula recused themselves from this matter. On November 19, 2014, Mr. Maio (Petitioner) filed a Petition requesting a formal hearing before the Board against the New Jersey American Water Company. The Petitioner asserted that the water pressure to his residence at 57 Shadybrook Drive in Middletown was inadequate at 45 pounds per square inch (psi). The Petitioner requested that New Jersey American Water assist in the cost of installing a pump to increase the water pressure at his residence.

Board Staff's review of current and historical water pressure data near the Petitioner's residence indicated that the water pressure was in the range of 40 psi. Based on the information provided by the Company and the Petitioner, it is apparent that New Jersey American Water is in compliance with the regulations regarding minimum water pressure as contained in N.J.A.C. 7:10-11.10(d) and N.J.A.C. 5:21-5.3(i)3, which both state that: "Design capacity of water mains shall be such as to maintain a minimum pressure of 20 psi at street level under all flow conditions."

Since there are no contested issues in this matter and the Petitioner can provide no regulatory citation requiring action by the Board, Staff recommended the Board dismiss the Petition filed by the Petitioner.

**DECISION:** After discussion, the Board adopted the recommendation of Staff as set forth above.

**Roll Call Vote:**            **Commissioner Fiordaliso    Aye**  
                                  **Commissioner Holden        Aye**  
                                  **Commissioner Solomon      Aye**

**B. Docket Nos. BPU WM14030269 and OAL PUC 04042-14 – In the Matter of the Petition of Lake Lenape Water Company for Approval of an Increase in Rates for Service.**

**BACKGROUND AND DISCUSSION:** The Board previously approved a rate increase for Lake Lenape Water Company (Lake Lenape) this past August which would increase rates by \$10,000 or 7.54%. As part of the Stipulation that was approved, Lake Lenape agreed that it would begin the necessary upgrades to paint the interior of its water tank on or before October 15, 2014.

By letter dated December 5, 2014, Lake Lenape informed the Board that its licensed operator identified a number of potential issues that could pose a serious threat to the water service of its customers as the Company began preparation to paint the tank. These issues included being able to provide safe, adequate and proper service along with the logistics of operating the system while the tank was being painted. The operator also stated that cold weather was coming fast and noted that paint does not dry or cure the same at colder temperatures. The operator requested that the tank painting project be postponed until Spring 2015. Based upon the operator's concerns, Lake Lenape decided to postpone the tank painting until May 2015.

By letter dated January 13, 2015, Rate Counsel, a party to the rate increase proceeding and a signatory to the aforementioned Stipulation, recommended the Board extend the time to complete the tank painting project from October 15, 2014 to June 15, 2015. Since ratepayers are paying for the tank painting project prior to the completion of the tank painting project, Rate Counsel further recommended the Board order that Lake Lenape's rates be declared interim subject to refund pending completion of the tank painting project and that the Company be required to refund a portion of the rate increase, with interest, to its ratepayers if the tank painting project is not completed by June 15, 2015.

Via an email dated January 12, 2015, Lake Lenape advised Board Staff that it did not object to a modification of the Board's prior Order making the rate increase interim.

Staff recommended the Board modify that portion of the Stipulation that agrees to paint the interior of its water tank on or before October 15, 2014. Staff further recommended the Board order that the tank painting project be completed no later than June 15, 2015, and that the Company provide certification that the project was completed. Since ratepayers are paying for the tank painting prior to the completion of the tank painting project, Staff further recommended the Board order that Lake Lenape's rates be declared interim, subject to refund, pending completion of the tank painting project. Staff also recommended the Board order Lake Lenape to take the necessary steps to prepare for the spring tank painting and notify Rate Counsel and the Board of any further delays.

**DECISION:** After discussion, the Board adopted the recommendation of Staff as set forth above.

<b>Roll Call Vote:</b>	<b>President Mroz</b>	<b>Aye</b>
	<b>Commissioner Fiordaliso</b>	<b>Aye</b>
	<b>Commissioner Holden</b>	<b>Aye</b>
	<b>Commissioner Solomon</b>	<b>Aye</b>
	<b>Commissioner Chivukula</b>	<b>Aye</b>

**6. RELIABILITY & SECURITY**

There were no items in this category.

**7. CUSTOMER ASSISTANCE**

**Eric Hartsfield, Director, Division of Customer Assistance**, presented these matters.

**A. Docket Nos. BPU GC13070633U and OAL PUC 12615-13 – In the Matter of Frank and Barbara Grazioli, Petitioners v. Public Service Electric and Gas Company, Respondent – Billing Dispute.**

**BACKGROUND AND DISCUSSION:** Commissioner Chivukula recused himself from this matter. This matter, which involved a billing dispute between Frank and Barbara Grazioli (Petitioners) and Public Service Electric and Gas Company (PSE&G), was transmitted to the Office of Administrative Law on September 4, 2013, for hearing as a contested case. Administrative Law Judge (ALJ) Jeff S. Masin filed an Initial Decision in this matter with the Board on November 25, 2014. At its December 17, 2014, Board meeting Staff recommended and was granted a 45-day extension of time for issuing a final decision. No exceptions have been filed in this matter.

ALJ Masin, in his Initial Decision, concluded that the petition be denied because the Petitioners failed to prove, by a preponderance of the credible evidence, that their PSE&G electric and gas bills were inaccurate. ALJ Masin found that based on the evidence, the electric meter was properly tested and it was 100.660 percent accurate. This finding meets the regulatory test for accuracy such that no adjustment to bills are required under the test regulation. ALJ Masin concluded that the bills rendered are accurate reflections of the usage. The Petitioners' challenges to the bills fail, and the entire balance is owed, in addition to any further billings rendered since the date that remain unpaid. ALJ Masin concluded that the Petitioner's petition be dismissed.

Staff recommended that the Board adopt the ALJ Masin Initial Decision in part and modify it in part as it pertains to billing accuracy up until August 27, 2014.

**DECISION:** After discussion, the Board adopted the recommendation of Staff as set forth above.

<b>Roll Call Vote:</b>	<b>President Mroz</b>	<b>Aye</b>
	<b>Commissioner Fiordaliso</b>	<b>Aye</b>

Commissioner Holden     Aye  
Commissioner Solomon    Aye

**B. Docket Nos. BPU EC14030249U and OAL PUC 05137-14 – In the Matter of Marcella Drakeford, Petitioner v. Public Service Electric and Gas Company, Respondent – Billing Dispute.**

**BACKGROUND AND DISCUSSION:** Commissioner Chivukula recused himself from this matter. This matter involved a billing dispute between Marcella Drakeford (Petitioner) and Public Service Electric and Gas Company (PSE&G). The petition was transmitted to the Office of Administrative Law on April 28, 2014 as a contested case. Administrative Law Judge (ALJ) Irene Jones filed an Initial Decision in this matter with the Board on December 16, 2014, dismissing the petition of Ms. Drakeford for failure to appear at the scheduled October 3, 2014 hearing. No exceptions to the Initial Decision have been received by the Board.

ALJ Irene Jones set a hearing date that was scheduled and noticed for October 13, 2014. On the scheduled date, the Petitioner did not appear and did not provide an explanation for her nonappearance. PSE&G moved to dismiss the petition and ALJ Jones granted the Motion on grounds of failure to prosecute noting that the Petitioner had failed to appear, had not contacted her, and as the hearing notice had not been returned, it was appropriate to presume it had been received.

The Board has not received any notice from the Petitioner indicating that she still intends to pursue this matter. Additionally, she has not provided any explanation for her failure to appear at hearing, and the 13 day deadline for her to do so has since expired. Moreover, the Petitioner did not file exceptions to the Initial Decision.

Staff recommended acceptance of the Initial Decision in this matter without modification.

**DECISION:** After discussion, the Board adopted the recommendation of Staff as set forth above.

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

**C. Docket Nos. BPU GC08100906U and OAL PUC 12746 and 01407-13 – In the Matter of Washington Commons, LLC, Petitioner v. Public Service Electric and Gas Company, Respondent – Billing Dispute.**

**BACKGROUND AND DISCUSSION:** Commissioner Chivukula recused himself from this matter. The Petitioner, Washington Commons, LLC, is a developer of a building located at 311 Washington Street in Jersey City, New Jersey (the Property). The Property contains sixty-eight condominium units for which Respondent, PSE&G, provided utility services since November 22, 2006.

Washington Commons Condominium Association, Inc. (Association) is an entity formed by the owners of the condominium units, who at some point, assume the utility charges

on the Property. The Association is not a party to this case.

Respondent installed a new gas meter on the Property on May 5, 2008. The Petitioner claimed that following the new meter's installation, its monthly utility charges dropped dramatically. As a result, the Petitioner sought reimbursement for, what it felt, were overcharges during the construction period, approximately one and one-half years after the initial installation of the gas and electric meter on the Property (the "Usage Period").

The record developed during the initial proceedings disclosed that, at some point, Respondent had re-billed the gas account for the Usage Period and issued a refund check in the amount of \$178,150.55 to account number ending with 7101. The check was payable to "Washington Commons" and mailed on February 24, 2009 to Washington Commons, c/o RELB PM at P.O. Box 6457, Jersey City, New Jersey. The check was returned, un-cashed, to Respondent as "undeliverable." On April 21, 2009, Respondent issued a new check for \$170,680.27 to an account number ending with 0002. The second check, also issued to "Washington Commons," was sent to the same address as the first check without the "c/o RELB PM" designation. The second check was received and cashed by the Association.

In correspondence dated April 24, 2012, the Association informed Respondent that it believed it paid the utility charges during the Usage Period and was entitled to the refund. On June 4, 2012, Respondent filed a motion seeking to amend its Answer by joining the Association as a party to this case. In its motion, Respondent argued that joining the Association to this matter was necessary because both the Petitioner and the Association claimed the refund as its own.

The Administrative Law Judge (ALJ) issued an Initial Decision on August 3, 2012, denying Respondent's motion to join the Association as a party to the case, and granting Respondent's motion to dismiss the Petition.

By Order dated January 24, 2013, the Board affirmed the ALJ's decision to deny Respondent's motion to join the Association, but did so for other reasons. It denied the ALJ's decision to dismiss the Petition and remanded the matter as there were numerous questions of fact that needed to be answered.

While this matter was pending at the OAL on remand, the Petitioner and Respondent engaged in negotiations and entered into and signed a Stipulation of Settlement (Settlement) that was submitted to the ALJ. The Settlement provided that: (a) by December 15, 2014, the Petitioner would provide the Respondent with cancelled checks for the period encompassing November 2006 to December 2008 as proof that it paid for the utilities on the Property during the time at issue; (b) in the event the Petitioner could only provide some of the cancelled checks for the period in question, Respondent would review those cancelled checks; and (c) if Respondent verified that the Petitioner in fact paid for the utility services, it would issue an appropriate refund to the Petitioner and debit the Association's account the commensurate amount.

By Initial Decision issued on November 3, 2014, and submitted to the Board on November 5, 2014, to which the Settlement was attached and made part thereof, the ALJ found that the Settlement was voluntary, its terms fully disposed of all issues in controversy that arose from the issuance of a refund check issued by PSE&G in the

amount of \$170,680.04, and it satisfied the requirements of N.J.A.C. 1:1-19.1.

Staff recommended the Board adopt the Initial Decision and the Settlement executed by the parties, but modified the Initial Decision and the Settlement by removing the last clause of the Settlement referencing the Association because it is not a party in this matter.

**DECISION:** After discussion, the Board adopted the recommendation of Staff as set forth above.

<b>Roll Call Vote:</b>	<b>President Mroz</b>	<b>Aye</b>
	<b>Commissioner Fiordaliso</b>	<b>Aye</b>
	<b>Commissioner Holden</b>	<b>Aye</b>
	<b>Commissioner Solomon</b>	<b>Aye</b>

## 8. CLEAN ENERGY

**A. Docket No. EO12090832V – In the Matter of the Implementation of L. 2012, C. 24, The Solar Act of 2012;**

**Docket No. EO12090862V – In the Matter of the Implementation of L. 2012, C. 24, N.J.S.A. 48:3-87(t) – A Proceeding to Establish a Program to Provide Solar Renewable Energy Certificates to Certified Brownfield, Historic Fill and Landfill Facilities; and**

**Docket No. QO14070714 – In the Matter of Pro-Tech Energy Solutions, LLC – Florence Land Recontouring Landfill.**

**Marisa Slaten, Assistant Director, Division of Economic Development and Energy Policy,** presented this matter.

**BACKGROUND AND DISCUSSION:** On July 14, 2014, Pro-Tech Energy Solutions, LLC (Pro-Tech) submitted an application to the Board to have its project certified as being located on a properly closed landfill pursuant to Subsection (t) of the Solar Act. The application represented that the project was for a 9.2 megawatt project proposed to be constructed on the Florence Land Recontouring Landfill in Burlington County.

The New Jersey Department of Environmental Protection (NJDEP) advised that only 29 acres within the proposed 60-acre site met the definition of a “properly closed sanitary landfill facility,” with three of the five proposed solar arrays being located within the portion that is properly closed. NJDEP indicated that the proposed solar installation “will constitute the construction of improvements on a closed landfill,” and therefore, will require additional permits prior to construction of the solar electric power generation facility. Because NJDEP operates and maintains engineering controls at the landfill site, it must revisit the issue of operation and maintenance of the 29-acre landfill site if the applicant moves forward with the proposed solar project.

Based on the information provided in the application and NJDEP’s indication that additional approvals are necessary as modifications to the current closure plan may be required. Staff recommended the Board grant conditional certification of a portion of the proposed project limited to those solar arrays specified within the application identified

by the NJDEP as located on the “properly closed landfill”. Full certification is conditioned upon the project developers satisfying NJDEP permit requirements for the construction of the solar facility. Staff further recommended that should the applicant proceed with construction of a solar facility with the reduced acreage, the Board authorize the applicant to submit a Subsection (t) application consistent with the recommendations from the NJDEP within thirty days of the effective date of this Order.

**DECISION:** After discussion, the Board adopted the recommendation of Staff as set forth above.

<b>Roll Call Vote:</b>	<b>President Mroz</b>	<b>Aye</b>
	<b>Commissioner Fiordaliso</b>	<b>Aye</b>
	<b>Commissioner Holden</b>	<b>Aye</b>
	<b>Commissioner Solomon</b>	<b>Aye</b>
	<b>Commissioner Chivukula</b>	<b>Aye</b>

**Elizabeth Ackerman, RA+LEED AP, Acting Director, Division of Economic Development & Energy Policy, presented these matters.**

**B. Docket No. QG14121438 – In the Matter of the Clean Energy Program Authorization of Commercial and Industrial Program Energy Efficiency Incentives Exceeding \$500,000 – Rutgers University; and**

**Docket No. QG14121439 – In the Matter of the Clean Energy Program Authorization of Commercial and Industrial Program Energy Efficiency Incentives Exceeding \$500,000 – The Goldman Sachs Group, Inc.**

**BACKGROUND AND DISCUSSION:** This matter involved Commercial and Industrial (C&I) Program Energy Efficiency incentives exceeding \$500,000 for two Large Energy Users Program applications. To qualify, entities must have contributed a minimum of \$300,000 of Societal Benefits Charges into the Clean Energy Program (CEP) fund in fiscal year 2014 (from July 1, 2013 through June 30, 2014).

Rutgers University submitted an application to the CEP for a financial incentive in the amount of \$1,153,952 for 36 different projects at facilities in their Camden, Newark, New Brunswick and Piscataway campuses. These energy conservation measures include more efficient lighting, lighting controls and more efficient motors in their Heating/Ventilation/Air Conditioning, and water supply systems. The estimated annual savings is \$617,000. With avoided Operations and Maintenance costs calculated in, the simple payback will be 2.3 years for this project.

Goldman Sachs Group, Inc. submitted an application for a financial incentive in the amount of \$595,913.37 for three separate facilities. Their Carteret and Bridgewater facilities, which are a data center and warehouse, will change from metal halide to Light Emitting Diode lighting, and dynamic controls will be added to cooling equipment to maintain computer room temperatures. In their Jersey City network control center and some offices, they are installing variable frequency drives at the air handlers in computer rooms. The total cost of this project is \$2.1 million with an estimated average annual energy cost savings of almost \$600,000. The simple payback will be 3.6 years for this project.



Based on the certifications of the CEP Project Coordinator, Applied Energy Group and Market Manager, TRC Solutions, Staff determined that these applications meet the eligibility requirements for C&I rebates and recommended the Board approve the application.

**DECISION:** After discussion, the Board adopted the recommendation of Staff as set forth above.

<b>Roll Call Vote:</b>	<b>President Mroz</b>	<b>Aye</b>
	<b>Commissioner Fiordaliso</b>	<b>Aye</b>
	<b>Commissioner Holden</b>	<b>Aye</b>
	<b>Commissioner Solomon</b>	<b>Aye</b>
	<b>Commissioner Chivukula</b>	<b>Aye</b>

**C. Docket No. QG14121437 – In the Matter of the Clean Energy Program Authorization of Commercial and Industrial Program Energy Efficiency Incentives Exceeding \$500,000 – Merck & Co., Inc.**

**BACKGROUND AND DISCUSSION:** Commissioner Fiordaliso recused himself from this matter. This matter involved Merck & Co., Inc.'s (Merck) application for Commercial and Industrial Program Energy Efficiency incentives exceeding \$500,000 for a Large Energy Users Program. To qualify, entities must have contributed a minimum of \$300,000 of Societal Benefits Charges into the Clean Energy Program fund in fiscal year 2014 (from July 1, 2013 through June 30, 2014).

Merck's application is for two facilities, one in Kenilworth and one in Branchburg. They are applying for a financial incentive in the amount of \$1,002,197.75. For both of these facilities, Merck is going to upgrade the interior fluorescent lighting with Light Emitting Diode lighting. At the Kenilworth facility, Merck also plans to upgrade to a more energy efficient Heating/Ventilation/Air Conditioning system.

The total cost of the project is \$1.3 million. Its annual estimate savings is \$782,000, and the simple payback is 1.4 years.

**DECISION:** After discussion, the Board adopted the recommendation of Staff as set forth above.

<b>Roll Call Vote:</b>	<b>President Mroz</b>	<b>Aye</b>
	<b>Commissioner Holden</b>	<b>Aye</b>
	<b>Commissioner Solomon</b>	<b>Aye</b>
	<b>Commissioner Chivukula</b>	<b>Aye</b>

**D. Docket No. EO08070471 – In the Matter of the Edison Innovation Commission on Science and Technology Clean Energy Fund Solicitation; and**

**Docket No. QG15010034 – In the Matter of Nostrum Energy, LLC.**

**Marisa Slaten, Assistant Director, Division of Economic Development and Energy Policy,** presented this matter.

**BACKGROUND AND DISCUSSION:** On March 16, 2009, the Commission on Science and Technology posted a public competitive solicitation for the Edison innovation fund offering financial assistance in the form of grants to support New Jersey technology companies in the developmental and ancillary activities necessary to commercialize identified renewable energy technologies and innovative technologies that significantly increase energy efficiency.

On October 29, 2009, the Board approved a \$499,834 grant to Nostrum Energy, LLC. (Nostrum) for the development of a "windmill that will operate in low Class 2 and 3 winds and a simple fluid mill designed for rivers, canals and streams." In May 2010, a Grant Agreement was signed between the Board and Nostrum. Under the terms of the Grant Agreement, Nostrum received an initial grant disbursement of \$124,659.00 at the time of the grant award. Subsequent payments were made on a reimbursement basis upon submission of a signed data sheet and payment voucher.

Due to: (1) violations of the Grant Agreement's express terms; (2) the lack of progression on the project since the Board awarded the grant on October 29, 2009; (3) failure to provide testing and data documentation during final inspection; and (4) the overall increased demand for New Jersey Clean Energy Program (NJCEP) funds, Staff recommended the Board terminate the grant award to Nostrum and reallocate the remaining funds to other New Jersey Clean Energy Programs in a manner consistent with policies and procedures of the State and the NJCEP.

**DECISION:** After discussion, the Board adopted the recommendation of Staff as set forth above.

<b>Roll Call Vote:</b>	<b>President Mroz</b>	<b>Aye</b>
	<b>Commissioner Fiordaliso</b>	<b>Aye</b>
	<b>Commissioner Holden</b>	<b>Aye</b>
	<b>Commissioner Solomon</b>	<b>Aye</b>
	<b>Commissioner Chivukula</b>	<b>Aye</b>

**LATE STARTER A**

**ENERGY**

**Docket Nos. BPU ER12111052 and OAL PUC 16310-12 – In the Matter of the Verified Petition of Jersey Central Power & Light Company for Review and Approval of Increases in and Other Adjustments to Its Rates and Charges for Electric Service, and for Approval of Other Proposed Tariff Revisions in Connection Therewith and for Approval of an Accelerated Reliability Enhancement Program (2012 Base Rate Filing) - Request for Extension.**

**Bethany Rocque-Romaine, Office of the Chief Counsel,** presented this matter.

**BACKGROUND AND DISCUSSION:** Commissioner Chivukula recused himself from this matter. This matter involved a request by Staff for a two week extension to file exceptions to the Administrative Law Judge's (ALJ) decision with the Board. ALJ Richard McGill's decision which was emailed on January 8 and sent hard copy to the parties on January 9, 2015 called for the filing of exceptions within the 13 days provided by the rules. The 13<sup>th</sup> day would have been January 22, 2015. In the decision, the ALJ also Ordered the Petitioner to file revised tariff sheets in accordance with the rate design determined in the decision within 10 days. Those revised tariffs sheets were due Monday, January 19, 2015 a state holiday. Jersey Central Power & Light filed the revised tariff sheets, by e-mail, January 20 at 3:30 PM.

To ensure that there is sufficient time for careful review of the initial 117 page decision and revised tariff sheets, Staff recommended that the time for filing exceptions for all parties in this matter be extended two week(s) until February 5, 2015, and the time for filing reply exceptions for all parties in this matter be extended two week(s) until February 19, 2015.

**DECISION:** After discussion, the Board adopted the recommendation of Staff as set forth above.

<b>Roll Call Vote:</b>	<b>President Mroz</b>	<b>Aye</b>
	<b>Commissioner Fiordaliso</b>	<b>Aye</b>
	<b>Commissioner Holden</b>	<b>Aye</b>
	<b>Commissioner Solomon</b>	<b>Aye</b>

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



DATE: February 11, 2015

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KENNETH J. SHEEHAN  
BOARD SECRETARY