



**STATE OF NEW JERSEY**  
**Board of Public Utilities**  
**44 South Clinton Avenue, 9<sup>th</sup> Floor**  
**Post Office Box 350**  
**Trenton, New Jersey 08625-0350**  
[www.nj.gov/bpu/](http://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 June 17, 2015, at the State House Annex, Committee Room 16, 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 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 July 22, 2015 at the State House Annex, Committee Room 11, 125 West State Street, Trenton, New Jersey 08625.

## CONSENT AGENDA

### I. AUDITS

#### A. Energy Agent, Private Aggregator and/or Energy Consultant Initial Registrations

EE14080924L	XL Energy Corporation	I – EA
EE14101226L	Brightergy, LLC	I – EA
EE14101189L	Inertia Energy Advisors, LLC	I – EA/EC
GE15050577L		
EE15050520L	Pappas Financial Group	I – EA/PA/EC
GE15050521L	d/b/a EnergyLink	

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

EE14080888L	Energy Procurement Partners, LLC	R – EA
EE14050526L	Sable Power & Gas, LLC	R – EA
EE14080915L	Energy Solutions Group, LLC	R – EA
EE14070824L	Energy Spectrum, Inc.	R – EA
EE14070825L	National Utility Service, Inc. d/b/a NUS Consulting Group	R – EA
EE14101186L	Blue & Silver Energy Consulting, LLC d/b/a Pro-Star Energy Services	R – EA
EE15010099L	Mondre Energy, Incorporated	R – EA/PA/EC
GE15010100L		

#### Electric Power and Natural Gas Supplier Initial Licenses

EE15030291L	Everyday Energy, LLC	I – EGSL
GE15030292L	d/b/a Energy Rewards	

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

EE14091027L	Ethical Electric, Inc. d/b/a Ethical Electric, Clean Energy Option	R – ESL
EE15010066L	ConocoPhillips Company	R – EGSL
GE15010067L		
GE14091072L	Sprague Operating Resources, LLC	R – GSL

**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 registered clean power marketers, as well as energy agents and private aggregators, are required to renew timely their licenses or registrations in order to continue to do business in New Jersey.

Having reviewed the submitted applications in accord with N.J.A.C. 14:4-5.8, Staff recommended that the Board issue initial registrations as an energy agent, private aggregator and/or energy consultant for one year to:

- XL Energy Corp.
- Brightergy, LLC
- Inertia Energy Advisors, LLC
- Pappas Financial Group d/b/a EnergyLink

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 in accord with N.J.A.C. 14:4-5.9:

- Energy Procurement Partners, LLC
- Sable Power & Gas, LLC
- Energy Solutions Group LLC
- Energy Spectrum, Inc.
- National Utility Service, Inc. d/b/a NUS Consulting Group
- Blue & Silver Energy Consulting, LLC d/b/a Pro-Star Energy Services
- Mondre Energy, Inc.

Having reviewed the applications in accord with N.J.A.C. 14:4-5.4, Staff recommended that the following applicant be issued an initial license as an electric power and natural gas supplier for one year:

- Everyday Energy, LLC d/b/a Energy Rewards

Lastly, Staff recommended that the following applicants be issued a renewal license as an electric power and/or natural gas supplier for one year:

- Ethical Electric, Inc. d/b/a Ethical Electric, Clean Energy Option
- ConocoPhillips Company
- Sprague Operating Resources LLC

**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

### A. Docket No. ER15010003 – In the Matter of the Federal Energy Items for 2015: FERC Docket EL15-67 – Linden VFT, LLC v. PJM Interconnection, LLC – Motion to Intervene.

**BACKGROUND:** The Board is the administrative agency charged under New Jersey Law with the general supervision, regulation, jurisdiction, and control over all public utilities in the State, including electric and gas utilities and their rates and service. Accordingly, the Board is entitled to be a party in this proceeding upon filing a notice of intervention within the time period established by the Federal Energy Regulatory Commission.

Staff recommended that the Board file this Notice of Intervention in the above-captioned proceeding.

**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 No. GE14040315 – In the Matter of the Petition of New Jersey Natural Gas Company for Approval of a Municipal Franchise in the Township of Montville, Morris County, New Jersey.**

**BACKGROUND:** This matter involved the approval of municipal consent granted to New Jersey Natural Gas Company (NJNG or Company) by the Township of Montville, Morris County, NJ. NJNG filed a petition with the Board on March 31, 2014. NJNG requested Board approval of the consent for the provision of service and the use of the streets for the furnishing of gas service for a period of twenty years in the Township of Montville.

The consent is renewal of prior consent that had expired. The ordinance enacted by the municipality grant NJNG permission to lay and construct its facilities within the public rights-of-way. Since the time the consent expired, the Company has continued to provide adequate and safe gas service to its customers at tariff rates approved by the Board.

After review, Staff recommended that the Board approve the municipal consents without modification.

**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>

**C. Docket No. GE14080900 – In the Matter of the Petition of New Jersey Natural Gas Company for Approval of a Municipal Franchise in the Borough of Bay Head, Ocean County, New Jersey.**

**BACKGROUND:** This matter involved the approval of municipal consent granted to New Jersey Natural Gas Company (NJNG or Company) by the Borough of Bay Head, Ocean County, NJ. The Company filed a petition with the Board on March 31, 2014 requesting Board approval of the consent for the provision of service and the use of the streets for the furnishing of gas service for a period of fifty years in the Borough of Bay Head.

The consent is renewal of prior consent that had expired. The ordinance enacted by the municipality grant NJNG permission to lay and construct its facilities within the public rights-of-way. Since the time the consent expired, the Company has continued to provide adequate and safe gas service to its customers at tariff rates approved by the Board.

Staff recommended that the Board approve the municipal consents without modification.

**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>

### III. CABLE TELEVISION

**A. Docket No. CE15010112 – 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 City of Somers Point, County of Atlantic, State of New Jersey.**

**BACKGROUND:** Commissioner Chivukula recused himself from this matter. On October 23, 2014, the City of Somers Point (City) adopted an ordinance granting renewal municipal consent to Comcast of South Jersey, LLC (Comcast). On November 25, 2014, Comcast formally accepted the terms and conditions of the ordinance, and on January 28, 2015, Comcast filed with the Board for a renewal of its Certificate of Approval.

After review, Staff recommended approval of the proposed Renewal Certificate of Approval for the City. This Certificate shall expire on January 23, 2027.

**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. Docket No. CE11060358 – 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 Borough of Beachwood, County of Ocean, State of New Jersey.**

**BACKGROUND:** Commissioner Chivukula recused himself from this matter. On June 14, 2011, Comcast of New Jersey, LLC (Comcast) filed a petition for an Automatic Renewal Certificate of Approval for the Borough of Beachwood based on the automatic renewal provision, for a term to expire on June 24, 2021.

The petition is based on the Borough’s ordinance granting renewal municipal consent which was adopted on February 20, 1996, and amended by the Borough on June 18, 1996. The Borough’s ordinance granted a term of 15 years with an automatic renewal term of ten years. The initial term expired on June 24, 2011.

After review, Staff recommended approval of the proposed Automatic Renewal Certificate of Approval for the Borough. This Certificate shall expire June 24, 2021.

**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>

**C. Docket No. CE15030387 – 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 Scotch Plains, County of Union, State of New Jersey.**

**BACKGROUND:** Commissioner Chivukula recused himself from this matter. On December 16, 2014, the Township of Scotch Plains (Township) granted Comcast of New Jersey II, LLC (Comcast) renewal municipal consent for a term of 15 years. On January 21, 2015, Comcast accepted the terms and conditions of the ordinance, and on March 31, 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 June 27, 2029.

**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>

**D. Docket No. CE15030388 – 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 Borough of Kenilworth, County of Union, State of New Jersey.**

**BACKGROUND:** Commissioner Chivukula recused himself from this matter. On November 12, 2014, the Borough of Kenilworth (Borough) granted Comcast of New Jersey II, LLC (Comcast) renewal municipal consent for a term of 15 years, with a provision for a ten year automatic renewal term thereafter. On December 18, 2014, Comcast accepted terms and conditions of the ordinance, and on March 30, 2015, Comcast filed a petition with the Board.

After review, Staff recommended approval of the proposed Renewal Certificate of Approval for the Borough. This Certificate shall expire on May 23, 2029.

**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>

**E. Docket No. CE15040451 – In the Matter of the Petition of Comcast of Northwest 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 Washington, County of Warren, State of New Jersey.**

**BACKGROUND:** Commissioner Chivukula recused himself from this matter. This matter involved a request for an Automatic Renewal Certificate of Approval to Comcast of New Jersey II, LLC (Comcast) for the Township of Washington (Township) for a term of five years.

On May 16, 2012, Comcast notified the Township of the start of the ascertainment process. On May 4, 2012, the Office of Cable Television notified the Township of the start of the three-year federally permitted ascertainment process. The notification letter outlined the procedures required if the Township chose to undergo the ascertainment process.

On July 16, 2014, the Township was notified by the Office of Cable Television that the Renewal Certificate of Approval contained provision for automatic renewal. The notification letter outlined the steps necessary to not accept the automatic renewal.

On February 6, 2015, Comcast filed notice with the Township that it intended to invoke the automatic renewal provisions of the franchise.

After review, Staff recommended approval of the proposed Automatic Renewal Certificate of Approval for the Township.

**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>

**F. Docket No. CO15050552 – In the Matter of Service Electric Cable TV of Hunterdon, Inc. Request for Waiver, of the 30-day Notice Period for Filing of an Alteration in Channel Allocation, Pursuant to N.J.A.C. 14:18-3-17.**

**BACKGROUND:** On May 5, 2015, Service Electric Cable TV of Hunterdon, Inc. (SECTV), in lieu of a petition, requested a waiver, as within time, of the 30 day notice requirements as specified under N.J.A.C. 14:18-3.17. The reason for the waiver request was due to the deletion of Live Well TV programming which was previously broadcast on channel 106, as a part of SECTV's digital tier service. On April 16, 2015, SECTV was informed by a subscriber that effective April 16, 2015, Live Well TV programming was deleted and will be replaced by LAFF TV programming on channel 106.

SECTV stated that subscribers and affected municipalities were notified of the deletion of Live Well TV on April 16, 2015. SECTV also notified the Office of Cable Television by letter dated April 16, 2015.

After review, Staff recommended the Board approve the waiver of the 30 day notice required for a deletion of service.

**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>

**IV. TELECOMMUNICATIONS**

**A. Docket No. TO15020268 – In the Matter of the Joint Application of Verizon New Jersey, Inc. and Vitcom, LLC for Approval of an Interconnection Agreement Under Section 252(e) of the Telecommunications Act of 1996.**

**BACKGROUND:** Commissioner Chivukula recused himself from this matter. By separate letters, Verizon New Jersey, Inc. (Verizon NJ) and Vitcom, LLC (collectively, the Petitioners) filed an application with the Board, for the approval of a negotiated interconnection agreement (Agreement). The Agreement 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 within each Local Access and Transport Area in which they operate in New Jersey.



The agreement addresses a number of issues, which provide for:

- (1) access to unbundled network elements;
- (2) reciprocal compensation for terminating local traffic depending on where traffic is terminated on the companies' respective networks;
- (3) the resale of Verizon NJ retail telecommunications services for a wholesale discount; and
- (4) the offering of 911 services to all customers.

After review, Staff recommended approval of the Agreement.

**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. Docket No. TM15030356 – In the Matter of the Verified Petition of Crown Castle NG East, LLC for Approval of (1) A Pro Forma Change in Indirect Ownership, and (2) Its Participation in Certain Financing Arrangements.**

**BACKGROUND:** On March 16, 2015, Crown Castle NG East LLC (CCNG-East or Petitioner), filed a petition with the Board requesting approval, as within time, of a pro forma change in indirect ownership of the Petitioner that occurred in connection with the conversion of the Petitioner's ultimate, publicly held parent company (Holdco) into a publicly held real estate investment trust. The Petitioner also requested approval to participate in certain financing arrangements.

Although the pro forma change resulted in a change to the ultimate parent of the Petitioner, the pro forma change did not result in a change to the direct parent of Petitioner or to the ultimate owners of the Petitioner (i.e., the shareholders of Holdco). The CCNG-East continues to operate in New Jersey and continues to provide services to its existing customers pursuant to the existing rates, terms, and conditions. Following the proposed transfer, the Petitioner will continue to offer the same services in New Jersey at the same rates, terms, and conditions.

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. Therefore, Staff recommended that the Board approve the Transaction and financing matter requested by the Petitioner.

**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

### A. Docket No. WR15010035 – In the Matter of the Petition of New Jersey-American Water Company, Inc. for Approval of Increased Tariff Rates and Charges for Water and Sewer Service, Change in Depreciation Rates and Other Tariff Modifications.

**BACKGROUND:** President Mroz and Commissioner Chivukula recused themselves from this matter. New Jersey American Water Company filed a petition for a rate increase on January 9, 2015. This matter was transmitted to the Office of Administrative Law (OAL) for hearings and on February 8, 2015, the Board issued an Order Suspending the proposed rate increase until June 8, 2015. This matter is still pending before the OAL. Therefore, Staff recommended that the Board issue an Order further suspending the proposed rate increase until October 8, 2015.

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

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

## VI. RELIABILITY & SECURITY

### A. Docket Nos. GS15050568K, 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. This matter did not contain settlements involving catastrophic situations, death or major property damage. 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 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 and not more than \$2,500 per violation per day, with a \$25,000 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 for each violation for each day with a \$1,000,000 maximum for any related series of violations.

After review, 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.

<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. GS15050594K, et al. – In the Matter of Alleged Violations of the Underground Facility Protection Act, N.J.S.A. 48:2-73 et seq.**

**BACKGROUND:** President Mroz and Commissioner Chivukula recused themselves from this matter. This matter involved settlements of alleged violations of the Underground Facility Protection Act by both excavators and operators of underground facilities. This matter did not involve settlements of catastrophic situations, death or major property damage. 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.

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 and not more than \$2,500 per violation per day, with a \$25,000 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 for each violation for each day with a \$1,000,000 maximum for any related series of violations.

After review, 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.

<b>Roll Call Vote:</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 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 May 28, 2015. Administrative Law Judge Elia A. Pelios 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 that the time for filing the initial decision be extended until July 13, 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>

**B. Docket Nos. BPU EC14040322U and OAL PUC 07755-14 – In the Matter of David Raymond, 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 David Raymond, (Petitioner) and Public Service Electric and Gas Company (PSE&G). The petition was transmitted to the Office of Administrative Law on June 19, 2014, as a contested case. Administrative Law Judge (ALJ) Joseph A. Ascione filed an Initial Decision in this matter with the Board on May 20, 2015, approving a Stipulation of Settlement (Settlement) of the parties.

Pursuant to the terms of the Settlement, and in order to fully resolve this matter in settlement of the petition filed by the Petitioner, PSE&G agreed to credit the Petitioner's account ending in 649 07 in the amount of \$500.00, leaving a balance of \$1,151.42.

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

**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>

**C. Docket Nos. BPU GC14020173U and OAL PUC 07754-14 – In the Matter of Helen Angaine, 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 Helen Angaine (Petitioner) and Public Service Electric and Gas Company (PSE&G). The petition was transmitted to the Office of Administrative Law on June 19, 2014, as a contested case. Administrative Law Judge (ALJ) John F. Russo, Jr. filed an Initial Decision in this matter with the Board on May 21, 2015, approving a Stipulation of Settlement (Settlement) of the parties.

Pursuant to the terms of the Settlement and in order to fully resolve this matter, PSE&G agreed to credit the Petitioner's account ending in 333 04 in the amount of \$932.00. PSE&G also agreed to credit the Petitioner's account ending in 704 01 in the amount of \$228.23, and have the credit report removed.

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

**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>

**VIII. CLEAN ENERGY**

There were no items in this category.

**IX. MISCELLANEOUS**

**A. Approval of the Minutes of the February 12, 2015 Special Meeting and the May 19, 2015 Agenda Meeting.**

**BACKGROUND:** Staff presented the minutes of Board meeting of February 12, 2015 Special Board meeting and the May 19, 2015 Board agenda meeting, 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. ES15060650 – In the Matter of N.J.A.C. 14:4-5.9 through 5.11 – Renewal Applications for Energy Agents, Energy Consultants and Private Aggregators.

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

**BACKGROUND AND DISCUSSION:** Energy agents, energy consultants and private aggregators' registrations expire one year from the date of issue, except where a registrant has submitted a complete renewal application at least 30 days before the expiration of the existing registration, in which case the existing registration does not expire until a decision has been reached upon the renewal application. Thereafter, registered energy agents, energy consultants and private aggregators are required to renew timely their registrations to continue to do business in New Jersey.

On February 9, 1999, the Electric Discount and Energy Competition Act (EDECA), became law. One of EDECA's objectives was to afford New Jersey consumers the opportunity to access the competitive markets for electric power generation and gas supply service. Recognizing that regulatory oversight over competitive purveyors of retail power and natural gas supply was necessary, including over those who facilitate sales in the competitive market, the Board, through implementing rules, mandated that energy agents, energy consultants and private aggregators be registered by the Board, and set forth requirements for energy agents, energy consultants and private aggregators - to acquire and maintain registration.

Staff recommended approval of a limited waiver period for renewal of current energy agent, energy consultant and private aggregator registrations to avoid disruption in the energy market that could otherwise occur if the registrations of all of the affected energy agents, energy consultants and private aggregators were terminated.

**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>

**2. ENERGY**

**A. Docket No. GR14101135 – In the Matter of the Petition of Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas to Revise the Remediation Adjustment Clause Component of Its Societal Benefits Charge Rate.**

**Jerome May, Director, Division of Energy**, presented this matter.

**BACKGROUND AND DISCUSSION:** Commissioner Chivukula recused himself from this matter. On October 6, 2014, Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas (the Company) filed its annual petition with the Board requesting approval of its Remediation Adjustment Clause (RAC) rate. The Company, the New Jersey Division of Rate Counsel and Staff executed a stipulation that recommended approval of a \$0.0000 per therm RAC rate, a decrease from \$0.0317 per therm.

The annual bill impact of the stipulated \$0.0000 RAC rate on a typical residential heating customer using 1,000 therms is a decrease of \$31.70, from \$990.00 to \$958.30, or 3.2%.

Staff recommended that the Board approve the \$0.0000 per therm RAC rate.

**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>

**Cynthia Holland, Esq., Legal Specialist**, presented these matters.

**B. Docket No. ER15010003 – In the Matter of the Federal Energy Items for 2015 – FERC Docket No. RP-15-990 – Tennessee Gas Pipeline, LLC – Motion to Intervene and Submit Joint Comments Out of Time by the New Jersey Board of Public Utilities and the New Jersey Division of Rate Counsel.**

**BACKGROUND AND DISCUSSION:** This matter involved the Tennessee Gas Pipeline Company that filed a settlement before Federal Energy Regulatory Commission (FERC) which will implement rate reductions beginning on November 1, 2015.

Staff intervened in this matter on behalf of the Board and jointly with New Jersey Division of Rate Counsel filed comments that were limited to the use of nondisclosure agreements which precluded Staff's and rate counsel's full participation in the negotiations.

Staff recommended that the Board ratify the intervention and comments submitted to FERC in this proceeding.

**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>

**C. Docket No. ER15010003 – In the Matter of the Federal Energy Items for 2015: Motions to Intervene in D.C. Circuit Case Nos. 15-1118, 15-1119, and 15-1121, Petitions for Review of Federal Energy Regulatory Commission Opinion Nos. 531, 531-A, and 531-B.**

**BACKGROUND AND DISCUSSION:** This matter involved Staff seeking ratification of its intervention on behalf of the Board in the above cited three petitions pending before the D.C. Circuit Court of Appeals. The outcomes of those proceedings may impact the base return on equity which could impact the Board's current litigation in other matters before the Federal Energy Regulatory Commission. Staff recommended ratification of the intervention on behalf of the Board.

**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>

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

**D. Docket No. GO14101149 – In the Matter of the Petition of New Jersey Natural Gas Company and Lakewood Cogeneration, L.P. for (1) Approval of a Capacity Agreement Between Lakewood, L.P. and New Jersey Natural Gas Company and (2) A Protective Order and Exemption from Public Disclosure of Confidential Information.**

**BACKGROUND AND DISCUSSION:** This matter involved a petition filed on October 10, 2014 by New Jersey Natural Gas Company (NJNG or Company) and Lakewood Cogeneration, L.P. (Lakewood) (collectively, Joint Petitioners) for approval of a Capacity Agreement between the Joint Petitioners, as well as a Protective Order and exemption from public disclosure of confidential information. The Joint Petitioners requested that the matter be retained at the Board. The Joint Petitioners cited to the evergreen clause within the original capacity agreement approved by the Board in 1989 (Original Agreement) as the basis for the extension of the services to be provided through the Capacity Agreement.

On May 4, 2015 and May 13, 2015, the New Jersey Division of Rate Counsel (Rate Counsel) filed comments and reply comments, respectively, recommending that the Board not approve the Capacity Agreement stating that there are procedural issues with the filing and citing to substantive changes regarding the terms of the service, which it claims change the intent of the evergreen clause. Rate Counsel also took issue with the



Company's justification for extending services through the proposed Capacity Agreement.

By letter dated May 6, 2015, NJNG responded to the allegations raised by Rate Counsel. NJNG continued to justify the rate discount under the Capacity Agreement solely upon the evergreen provision of the Original Agreement. NJNG argued that the service interruptions may result in additional interruptions rather than less as argued by Rate Counsel while ratepayers will benefit from no longer having to reimburse Lakewood for the incremental costs it incurs during interruptions. Thus, according to the Company, the value of service is not akin to firm but remains interruptible warranting continuation of the rate discount pursuant to the evergreen clause in the Original Agreement.

Staff found that the approval of the Capacity Agreement is consistent with the policies set forth in the Energy Master Plan and will continue to provide benefits from the margins reflected in base rates and from the 85% sharing of off system sales margins if NJNG provides off system sales to Lakewood. Staff further found that the discounted rate under the Capacity Agreement will result in lower operating costs to the cogeneration facility, thereby enhancing its competitiveness in the electric markets and potentially improving its ability to be dispatched in PJM.

Staff recommended that the Board issue an order approving the Capacity Agreement based upon the evergreen provision contained in the Original Agreement. Under the Capacity Agreement, contrary to Rate Counsel's claims, the cogeneration facility can be interrupted more frequently, while ratepayers will no longer have to compensate Lakewood for the interruptions.

**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>

**E. Docket No. GO12070640 – In the Matter of the Petition of New Jersey Natural Gas Company for Approval of the Extension of Energy Efficiency Programs and the Associated Cost Recovery Mechanism Pursuant to N.J.S.A. 48:3-98.1; and**

**Docket No. GO14121412 – In the Matter of the Petition of New Jersey Natural Gas Company for Approval of the Extension of Energy Efficiency Programs and the Associated Cost Recovery Mechanism Pursuant to N.J.S.A. 48:3-98.1.**

**BACKGROUND AND DISCUSSION:** This matter involved a petition by New Jersey Natural Gas Company (NJNG, Company) for approval of the extension of energy efficiency (EE) programs and cost recovery mechanism. This petition was originally filed in December 2014. After being found administratively deficient, NJNG submitted a supplemental filing which Staff found to be administratively complete. Consequently, the statutory 180-day review period commenced on January 26, 2015 and expires on July 25, 2015,

The existing New Jersey Natural Energy Efficiency Program is set to expire at the end of June 2015, and while there's sufficient funds in that program to continue to operate it, the Company would need explicit direction from the Board to allow them to continue to spend on those programs beyond June 30, 2015.

Staff recommended the Board approve an extension funding for those programs under their existing EE program through July 31, 2015.

The parties also agreed to allow Rate Counsel additional time until January 25 to file its testimony in this matter.

**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>

**F. Docket No. GO12050363 – In the Matter of the Petition of South Jersey Gas Company for Approval of an Energy Efficiency Program with an Associated Energy Efficiency Tracker Pursuant to N.J.S.A. 48:3-98.1; and**

**Docket No. GR15010090 – In the Matter of the Petition of South Jersey Gas Company for Approval to Continue Its Energy Efficiency Programs and Energy Efficiency Tracker Pursuant to N.J.S.A. 48:3-98.1.**

**BACKGROUND AND DISCUSSION:** Commissioner Chivukula recused himself from this matter. By Order dated June 21, 2013, the Board authorized South Jersey Gas Company (SJG or Company) to continue to offer four Energy Efficiency Programs (EEPs) through June 30, 2015 with an approved budget of \$24 million: the Residential Home Performance and Finance Energy Efficiency Program; the Non-Residential Energy Efficiency Investment Program; the Enhanced Residential Heating, Ventilation and Air Conditioning Rebate Program; and the Commercial Customer Direct Install Finance Program. (Existing EEPs)

On January 20, 2015, SJG filed a petition with the Board seeking approval to continue its Existing EEPs for a three year period commencing July 1, 2015 with a total investment budget of approximately \$56 million (2015 Petition). The 2015 Petition sought approval to continue the four Existing EEPs as they currently exist, with one modification to the repayment term for the Commercial Customer Direct Install Program. In addition, the petition requested approval to implement a new Social Marketing and Education Program. SJG proposed to recover costs associated with the EEPs through the Energy Efficiency Tracker set forth in Rider N of the Company's tariff.

On February 18, 2015, Board Staff notified SJG that the petition was not administratively complete. On January 23, 2015, January 26, 2015 and March 2, 2015, SJG supplemented the petition to remediate the deficiencies in the January 20, 2015 filing. On March 19, 2015, Board Staff notified SJG that with the supplemental information the petition was administratively complete. Accordingly, the 180-day review period for a Board determination on cost recovery commenced on March 2, 2015.

By Order dated February 11, 2015, the Board retained this matter for review and hearing, and designated Commissioner Dianne Solomon as the presiding officer with authority to rule on all motions that arise during the proceeding, and establish and modify any schedule that may be set as necessary to secure a just and expeditious determination of the issues. The Board also delegated Commissioner Solomon the authority to grant a single extension of the review period, if requested by the Company and agreed to by the remaining parties. The February 11 Order also set February 27, 2015 as the last day for the filing of motions to intervene or participate in this matter. By Order dated April 13, 2015, Commissioner Solomon issued an order approving a procedural schedule agreed to by the Company, Staff and the New Jersey Division of Rate Counsel (collectively, the Parties).

On June 3, 2015, the Parties entered into a stipulation of settlement (Stipulation) whereby the Parties agreed to an extension of the Existing EEPs while continuing to review the 2015 Petition.

Staff recommended that the Board issue an Order adopting the Stipulation executed by the Parties, thereby extending the Existing EEPs for an additional 31 days, through July 31, 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>

**G. Docket No. ER15010003 – In the Matter of the Federal Energy Items for 2015 – FERC Docket No. EL05-121-009 – In the Matter of the Settlement Proceedings Regarding FERC Order 494 Remand – 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.

**3. CABLE TELEVISION**

There were no items in this category.

**4. TELECOMMUNICATIONS**

There were no items in this category.

**5. WATER**

There were no items in this category.

**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 No. EO14101162 – In the Matter of the Emergent Petition of Atlantic City Electric Company for Approval to Deviate for a Limited Period of Time from the Provisions of N.J.A.C. 14:3-3.5 Pertaining to the Timing of the Payment of Interest on Customer Deposit Accounts.**

**BACKGROUND AND DISCUSSION:** On October 15, 2014, Atlantic City Electric Company (ACE or Company) filed a petition with the Board requesting authorization to deviate for a limited period of time from the provision of N.J.A.C. 14:3-3.5 pertaining to the timing of the payment of interest on customer deposit.

ACE requested approval to pay interest earned in 2015, in January 2016, which would result in the payment of interest over a 13 month, rather than a 12 month, period. Thereafter, beginning in 2017, ACE will comply with N.J.A.C. 14:3-3.5(g) and pay interest earned during the year in the following January, so that the Company would be in compliance with the provision of the Tariff and New Jersey Administrative Code.

The New Jersey Division of the Rate Counsel, advised Staff on May 20, 2015, that it did not oppose the request. The Board received no letters in opposition to the request from interested parties or customers.

Staff recommended that the Board grant ACE the authorization to deviate for a limited period of time from the provision of N.J.A.C. 14:3-3.5 pertaining to the timing of the payment of interest on customer deposit accounts.

**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. BPU EC14010109U and OAL PUC 07751-14 – In the Matter of Dereck Dillard and Susan Carmen, Petitioners 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 Dereck Dillard and Susan Carmen (Petitioners) and Public Service Electric and Gas Company (PSE&G or Company). The petition was transmitted to the Office of Administrative Law (OAL) on June 19, 2014, as a contested case. Administrative Law Judge (ALJ) Kimberly A. Moss filed an Initial Decision in this matter with the Board on June 2, 2015, dismissing the petition.

ALJ Moss, in her Initial Decision stated that during a June 2, 2015 hearing the Petitioners withdrew their petition with prejudice. ALJ Moss further stated that this matter is no longer a contested case before the OAL, and concluded that the matter has been rendered moot by their withdrawal. Therefore, ALJ Moss ruled that the petition be dismissed with prejudice.

The Board, at its discretion, has the option of accepting, modifying or rejecting the Initial Decision of ALJ Moss. Staff recommended that the Board accept the Initial Decision of ALJ and dismiss the petition.

**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>

## 8. CLEAN ENERGY

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

**Docket No. QG15050627 – Ahold USA, Incorporated**

**Docket No. QG15050628 – Shoprite of Oakland, Incorporated**

**Docket No. QG15050629 – Shoprite Eickhoff – Burlington.**

**Elizabeth Ackerman, Acting Director, Division of Economic Development and Energy Policy**, presented this matter.

**BACKGROUND AND DISCUSSION:** The Board and its New Jersey Clean Energy Program (NJCEP) administer individual Commercial & Industrial (C&I) Energy Efficiency Programs including the Combined Heat and Power and Fuel Cells (CHP/FC) and Large Energy Users Program (LEUP).

Ahold USA submitted an application for a financial incentive under LEUP in the amount of \$504,253.43 under the Fiscal Year 2015 (FY15) LEUP, for projects located at thirteen Stop & Shop supermarkets to install increased efficiency refrigeration systems and heating, ventilating, and air conditioning (HVAC) units. These measures will reduce the collective annual electric usage for all listed facilities by an estimated 4,617,485 kWh, reducing annual electric demand by 661.9 kW. The proposed projects have an estimated annual energy cost savings of \$568,792.14 at a total project cost of \$688,889.

ShopRite of Oakland submitted an application for financial incentive of \$900,000 under the FY15 CHP/FC Program to install a 450 kW natural gas engine with waste heat recovery routed to an absorption chiller for refrigeration subcooling and condensing. The system is designed with blackstart capability and can island in the event of a power outage. The project is anticipated to generate 3,736,476 kWh of electricity annually with an upfront cost of \$2,463,891, saving approximately \$258,663 in annual energy costs.

ShopRite of Burlington submitted an application in for financial incentive of \$900,000 under the FY15 CHP/FC Program to install a 450 kW natural gas engine with waste heat recovery for condensing and pressure control of the refrigeration system. The system is designed with blackstart capability and can island in the event of a power outage. The project is anticipated to generate 3,783,502 kWh of electricity annually with an upfront cost of \$2,285,184, saving approximately \$248,965 in annual energy costs.

Staff recommended the Board approve the applications for the incentive amounts of \$504,253.43 for Ahold USA, \$900,000.00 for ShopRite of Oakland, and \$900,000.00 for ShopRite of Burlington, and authorize issuance of standard commitment letters.

**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>

**Marisa Slaten, Assistant Director, Division of Economic Development and Energy Policy,** presented these matters.

**B. Docket No. QO14050489 – In the Matter of the Clean Energy Programs and Budget for Fiscal Year 2015;**

**Docket No. QO14090952 – In the Matter of the Solicitation for Sustainable Biopower Incentives in the Renewable Energy Incentive Program – Second Solicitation:**

**Docket No. QO15020259 – Gloucester County Utilities Authority.**

**BACKGROUND AND DISCUSSION:** On April 20, 2015, the Gloucester County Utilities Authority (GCUA) submitted an application for an incentive of \$900,000 for a combined heat and power project proposed to generate 633 kilowatts of electricity at its water pollution control facility in West Deptford, NJ. Upon review of the submitted application, the Market Manager determined that the application was deficient. The GCUA failed to provide four electronic copies of the completed Renewable Energy Incentive Program Application packet in a digital format, a Milestone Reporting Form, a Data Collection Form, a list of project team members, and a description of similar projects installed by the project team, as required in Section 6.1 of the Solicitation. Noting the deficiencies with GCUA's application, the Market Manager forwarded GCUA's application to the Evaluation Committee, who nonetheless reviewed the application consistent with solicitation requirements.

The Committee completed a technical review of the proposed project and determined the project did not meet the minimum threshold score for an incentive award. This project received low scores based on missing or deficient application documents, errors in project calculations and concerns about project readiness.

After review of the provided project documentation and Committee recommendation, Staff determined that the applicant did not qualify for an incentive award and that

GCUA's project is ineligible for participation in the Second Solicitation. Therefore, Staff recommended that GCUA's request for an incentive award of \$900,000 be denied.

**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>

**C. 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. QO15010070 – Fiberville Estates, LLC – Hughesville Mill Site.**

**BACKGROUND AND DISCUSSION:** This matter involved Fiberville's request that the proposed Hughesville Mill solar electric generation facility be certified as a brownfield eligible for Solar Renewable Energy Certificates (SRECs) pursuant to Subsection (t) of the Solar Act of 2012. Applicant's 9 MW dc project is proposed to be constructed on 80-acres of the 126-acre Hughesville Mill site, which is owned by Fiberville in Holland Township, Hunterdon County, New Jersey. Hughesville Mill is a former paper mill, which was constructed in 1893. The site is currently vacant.

The applicant seeking certification submitted the required documentation, to enable a New Jersey Department of Environmental Protection (NJDEP) determination as to whether the proposed project is located on a brownfield, area of historic fill, or properly closed landfill. The NJDEP reviewed the application and supplied an advisory memo to Board Staff on the closure or remediation status of the proposed site.

On the basis of the NJDEP's determination, information contained in the application, and the requirements of the January 23, 2013 Order, Staff recommended that the Board approve conditional certification for the solar facility proposed for Hughesville Mill. In addition, Staff recommended that the applicant be directed to submit the Solar Registration Package to the Board within fourteen days of the effective date the Order; and, that the SREC Registration period for this project be modified from one year to two years, to accommodate the longer construction period for Subsection (t) projects.

**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>

Elizabeth Ackerman, Acting Director, Division of Economic Development and Energy Policy, presented these matters.

**D. Docket No. QO14050489 – In the Matter of the Clean Energy Programs and Budget for Fiscal Year 2015; and**

**Docket No. QO15060649 – In the Matter of the Request for Competitive Quotes for Funding Level Reconciliation of the New Jersey Clean Energy Program Calendar Years 2010-2014 – See Executive Session.**

**BACKGROUND AND DISCUSSION:** This matter was initially discussed in Executive Session pursuant to the Attorney/Client privilege exception to the Open Public Meetings Act.

This matter involved Staff seeking Board approval to release a Request For Quotes (RFQ) in order to engage an accounting or auditing firm to conduct a financial reconciliation of the Societal Benefits Charge funds collected by the utilities and deposited in the Clean Energy Program Trust Fund from January 1, 2010, through June 30, 2014, the most recently completed program year. Because the state term contract is available for use by all state entities, with Board approval, Staff may issue the RFQ in accordance with the existing rules and procedures. With Board approval, Staff will work with the Board's fiscal office to issue the RFQ for completion of the audit reviewing all financial activities and records of all entities that are authorized to collect, deposit, expend, or otherwise handle the moneys held in the trust fund.

Staff recommended that the Board approve issuance of the RFQ in order to obtain competitive quotes from firms engaged under the state term contract.

**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>

**E. Docket No. QO15040476 – In the Matter of the Comprehensive Energy Efficiency and Renewable Energy Resource Analysis for the Fiscal Year 2016 Clean Energy Program – See Executive Session.**

**BACKGROUND AND DISCUSSION:** This matter was initially discussed in Executive Session pursuant to the Attorney/Client privilege exception to the Open Public Meetings Act.

As set forth in the Electric Discount and Energy Competition Act (EDECA), established in 1999, after the first eight years, the Board shall make a determination as appropriate funding levels for Energy Efficiency and Class 1 Renewable Energy programs. The EDECA also provides that the Board determine, as a result of a Comprehensive Resource Analysis (CRA), the programs to be funded by the Societal Benefits Charge (SBC) and the utilities' level of cost recovery. This is the seventh time the Board has undertaken the CRA process since the passage of EDECA.



Staff reviewed 2011 Energy Master Plan (EMP) goals and results of recent evaluations such as Rutgers University's Center for Energy, Economic and Environmental Policy "Solar Volatility Study," the Energy & Resource Solutions' "Portfolio Benchmark Study", the Small Scale Wind, Biopower, and Fuel Cell programs' "Impact Evaluation," and APPRISE Associates' "New Jersey Comfort Partners Program Evaluation." This process considered incentive levels, program designs, and existing market managers. With stakeholder engagement, this process identified improvements to increase contractor and customer participation. This CRA focused on EE programs which represent about 80 percent of the total Clean Energy Program (CEP) dollars.

Staff also considered the state's call for increased resiliency and the potential role of distributed generation in not only reducing the cost of energy in New Jersey, but also improving grid reliability and security. In addition to an allocation for CEP, the CRA identifies \$2.7 million for True Grants, \$118.2 million to the state's energy initiatives and utility costs, and \$10 million to energy resilience projects where they provide the opportunity to optimize the synergy between clean energy and resiliency. Due to a revised agreement between the Board and the Economic Development Authority (EDA) for administration of the Energy Resilience Bank (ERB), the Board will not have a direct funding role in ERB projects. Therefore, where the CRA had referenced the ERB, the \$10 million that will remain available to fund projects that did not qualify for ERB funding at EDA will be referenced as funds available through the Board's programs for energy resilience projects rather than through ERB specifically.

Staff recommended that the Board set a one-year funding level of \$344,665,000 for Fiscal Year '16, maintaining the funding level of the past two fiscal years such that there will be no incremental rate impact.

**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>

**F. Docket No. QO15040477 – In the Matter of the Clean Energy Programs and Budget for Fiscal Year 2016 – See Executive Session.**

**BACKGROUND AND DISCUSSION:** This matter was initially discussed in Executive Session pursuant to the Attorney/Client privilege exception to the Open Public Meetings Act.

The Clean Energy Program budget is comprised of new funding, plus funds that carryover from previous program years, primarily in the form of commitments for projects that have long construction time lines. In Fiscal Year 2016 (FY16) the Clean Energy Program (CEP) will receive \$216 million in new funding and carryover of approximately \$178 million from previous program years. When the Fiscal Year 2015 (FY15) supplemental lapse, as announced in the Governor's budget address in February, is factored in, Staff proposed a CEP budget of \$356.9 million.

Within the budget, there are five program sectors: Energy Efficiency (EE), Renewable Energy (RE), Combined Heat and Power/Fuel Cell (CHP/FC), Economic Development Authority (EDA) programs and CEP Administration.

The EE sector is broken into Residential and Commercial & industrial (C&I) programs. With a budget of \$116.6 million, the Residential EE sector provides funding for five programs, including the Comfort Partners programs delivered by the utilities. The C&I sector comprised of seven programs was proposed with a budget of \$165.3 million.

The CHP/FC program, which includes both large and small projects, was proposed with a budget of \$20.6 million. Staff recognized this is significantly lower than in FY14 and FY15 and acknowledged that long-lead projects, which require significant investment and planning costs, also need a stable source of funding. Due to the lack of past participation in the program, these unspent, uncommitted funds have been lapsed. Staff has recommended a stakeholder driven process to redesign the CHP/FC program.

The RE sector increase in its proposed budget to \$20 million is largely attributable to the increased cost of Solar Renewable Energy Certificate applications. Staff recommended that funding for a second RE storage solicitation be doubled from \$3 million to \$6 million. Funding for a second Biopower solicitation remained at \$3 million.

The EDA budget will receive \$2.5 million in new funding, for a total program budget of \$19.7 million, the bulk of which is attributable to CHP projects already awarded through the EDA program which remain in the pipeline. Since delivery of this program has been transferred to Staff, the new funding will be directed to EDA's business development programs, the Clean Energy Manufacturing Funds, and Green Growth Fund.

The administration budget is \$8.8 million. Staff recommended an increase over FY15 due an increase in the marketing budget and an increased evaluation budget.

Staff recommended that the Board approve the FY16 CEP Programs and budget at \$356.9 million as proposed.

**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>

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

**Docket No. QO15060648 – In the Matter of the Clean Energy Program Release of the Request for Proposal for Marketing Research and Outreach, Advertising and Public Relations, and Web-Design – See Executive Session.**

**BACKGROUND AND DISCUSSION:** This matter was initially discussed in Executive Session pursuant to the attorney/client privilege and contract negotiation exceptions to the Open Public Meetings Act.

This matter involved Staff seeking Board approval to transmit a Request For Proposals (RFP) to the New Jersey Department of the Treasury for approval to release the RFP in order to engage a contractor to perform market research and develop a marketing outreach strategy, advertising and public relations services, as well as a redesign of the Clean Energy Program (CEP) website.

The three-year term contract resulting from this RFP is structured to ensure that the CEP receives a dynamic research-based market strategy and creative campaigns for the promotion of the CEP.

The newly designed website will allow for the online submission of application to these programs. The new advertising-enhanced web capability will foster increased program participation leading to greater energy savings per program dollar spent.

Staff submitted the RFP to the Office of Management and Budgets and the Office of Information Technology and is awaiting their review. Due to the anticipated size of this contract, the RFP requires Office of State Comptroller review.

Staff recommended that the Board approve the transmission of the RFP to the New Jersey Department of the Treasury for release and recommended that Staff be granted the authority to implement any additional revisions of the RFP as requested by Treasury.

**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>

H. Docket No. EO09020122 – In the Matter of the Contract for Applied Energy Group, Inc. for 2015 Program Coordination Services for the New Jersey Clean Energy Program; Contract No. 68922 – Request for Extension;

Docket No. EO05080667 – In the Matter of the Clean Energy Program Request for Proposal for Market Manager;

Docket No. EO09100835 – In the Matter of the Clean Energy Program Honeywell International, Inc., Market Manager; Contract No. A67052 – Request for Extension;

Docket No. EO09100836 – In the Matter of the Clean Energy Program – TRC Energy Services, Market Manager; Contract No. A67053 – Request for Extension; and

Docket No. EO08040273 – In the Matter of the Clean Energy Program Municipal Audit Program; Contract No. 08-X-39537 – Request for Extension – See Executive Session.

**BACKGROUND AND DISCUSSION:** This matter was initially discussed in Executive Session pursuant to the attorney/client privilege and contract negotiation exceptions to the Open Public Meetings Act.

The existing Clean Energy Program (CEP) program coordinator and market manager contracts, as well the contract by which CEP engages contractors for the local government energy audit programs, are set to expire on June 30, 2015. Staff requested the Board approve extensions of these contracts for a period of up to six months in order to account for the timing of the procurement process for the Request For Proposals (RFP) for Program Administrator, to account for a transition period of adequate length to ensure uninterrupted provision of services, including the development of a next generation Information Management System and, finally, for timely coordination of the RFP for marketing services.

Staff recommended that the Board approve the transmission of these six-month contract extensions to the New Jersey Department of the Treasury for execution subject to Office of Management and Budgets and the Office of State Comptroller approvals.

**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>

**9. MISCELLANEOUS**

**A. Docket No. QO14060626 – In the Matter of the New Jersey Energy Resilience Bank – Amended Subrecipient Agreement Between the New Jersey Board of Public Utilities and the Economic Development Authority – See Executive Session.**

Thomas Walker, Deputy Director, Office of Energy Resilience Bank, presented this matter.

**BACKGROUND AND DISCUSSION:** This matter was initially discussed in Executive Session pursuant to the Attorney/Client privilege and contract exceptions to the Open Public Meetings Act.

The Board and the Economic Development Authority (EDA) have determined that the Energy Resilience Bank (ERB) program should be placed under the sole direction of the EDA in an effort to streamline the processes, applications, and funding allocations for the program. Given the nature of the U.S. Department of Housing and Urban Development funding and the timelines associated with allocation of those funds, a multilayered approval process for applicants, and the program values itself, would prove cumbersome and slow action. Under this amended Subrecipient Agreement (SRA), the EDA will have full control to develop the goals, approve applications and administer funds from the ERB. The Board will continue to provide technical support in evolution and development of the ERB guidelines and products, application reviews and technology implementation and act as a consultant to the EDA. Work will be disseminated to Board staff via tasking orders from the EDA specific to the ERB. All time and costs associated with that work will be reimbursed by the EDA to the Board. The reimbursement process is being finalized and will be completed and implemented within 30 days of approval of this Order.

Commissioner Fiordaliso expressed the need to get funding out to critical facilities as quickly as possible and acknowledged the difficulties involved in a start-up program. He also recommended utilizing consultants. Commissioner Chivukula expressed the need for the Board Staff to remain involved in marketing of the ERB. President Mroz discussed how this change would better serve the critical facilities and the public as a whole.

Staff recommended that the Board adopt the amended SRA. Staff also recommended the Board direct Staff to continue working with the EDA in an advisory/consultant role. Additionally, Staff recommended the Board direct staff to finalize the reimbursement process between the two agencies for work on the program.

**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>

## EXECUTIVE SESSION

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

### 2. ENERGY

**G. Docket No. ER15010003 – In the Matter of the Federal Energy Items for 2015 – FERC Docket No. EL05-121-009 – In the Matter of the Settlement Proceedings Regarding FERC Order 494 Remand.**

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

### 8. CLEAN ENERGY

**D. Docket No. QO14050489 – In the Matter of the Clean Energy Programs and Budget for Fiscal Year 2015; and**

**Docket No. QO15060649 – In the Matter of the Request for Competitive Quotes for Funding Level Reconciliation of the New Jersey Clean Energy Program Calendar Years 2010-2014.**

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

**E. Docket No. QO15040476 – In the Matter of the Comprehensive Energy Efficiency and Renewable Energy Resource Analysis for the Fiscal Year 2016 Clean Energy Program**

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

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

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

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

**Docket No. QO15060648 – In the Matter of the Clean Energy Program Release of the Request for Proposal for Marketing Research and Outreach, Advertising and Public Relations, and Web-Design.**

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

H. Docket No. EO09020122 – In the Matter of the Contract for Applied Energy Group, Inc. for 2015 Program Coordination Services for the New Jersey Clean Energy Program; Contract No. 68922 – Request for Extension;

Docket No. EO05080667 – In the Matter of the Clean Energy Program Request for Proposal for Market Manager;

Docket No. EO09100835 – In the Matter of the Clean Energy Program Honeywell International, Inc., Market Manager; Contract No. A67052 – Request for Extension;

Docket No. EO09100836 – In the Matter of the Clean Energy Program – TRC Energy Services, Market Manager; Contract No. A67053 – Request for Extension; and

Docket No. EO08040273 – In the Matter of the Clean Energy Program Municipal Audit Program; Contract No. 08-X-39537 – Request for Extension.

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

## 9. MISCELLANEOUS

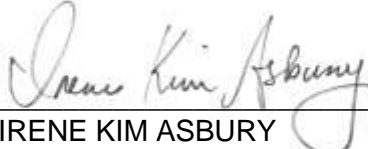
Docket No. QO14060626 – In the Matter of the New Jersey Energy Resilience Bank – Amended Subrecipient Agreement Between the New Jersey Board of Public Utilities and the Economic Development Authority.

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.

DATE: July 22, 2015

  
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IRENE KIM ASBURY  
BOARD SECRETARY