



**STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 9th Floor
Post Office Box 350
Trenton, New Jersey 08625-0350**

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

A Regular Board meeting of the Board of Public Utilities was held on August 20, 2014, 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:

Dianne Solomon, President
Jeanne M. Fox, Commissioner
Joseph L. Fiordaliso, Commissioner
Mary-Anna Holden, Commissioner

President Solomon presided at the meeting and Kristi Izzo, Secretary of the Board, carried out the duties of Secretary.

It was announced that the next regular Board Meeting would be held on September 30, 2014 at the State House Annex, Committee Room 11, 125 West State Street, Trenton, New Jersey 08625.

The Board recognized and thanked Commissioner Jeanne M. Fox and, by unanimous vote, adopted a resolution commending her many years of service to the Board and the citizens of the State of New Jersey.

CONSENT

I. AUDITS

A. Docket No. TE14070751 – In the Matter of the Verified Petition of Block Line Systems, LLC for Authorization to Provide Resold and Facilities-Based Local Exchange, Exchange Access and Interexchange Telecommunications Services in the State of New Jersey.

BACKGROUND: By letter dated July 17, 2014, Block Line Systems, LLC (Petitioner or BLS) filed a Petition with the Board requesting authority to provide both resold and facilities-based local exchange, exchange access and interexchange telecommunications services in the State of New Jersey.

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

By letter dated July 31, 2014, the New Jersey Division of Rate Counsel (Rate Counsel) submitted comments with the Board stating that, based on its review, "Rate Counsel is satisfied that the Verified Petition meets the regulatory requirements and is consistent with the public interest, convenience, and necessity."

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

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

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

EE14070664L	NORESKO, LLC	I – EA/PA/EC
GE14070665L	f/k/a Dome-Tech, Incorporated	
EE14050454L	Health Resource Network, Incorporated	I – EA/PA/EC
GE14050455L	d/b/a HRNEnergy	

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

EE14050474L	The Eric Ryan Corporation	R – EA
EE 14050457L	Northeastern Energy Consultants, LLC	R – EA
EE14030253L	Colonial Power Group, Incorporated	R – EA/PA
GE14030254L		
EE14050441L	Diversegy, LLC	R – EA/PA/EC
GE14050442L		
EE14050465L	Greencrown Energy, LLC	R – EA/PA/EC
GE14050466L		

Energy Agent, Private Aggregator and/or Energy Consultant Renewal Registrations
EE14040329L Luthin Associates, Incorporated R – EA/EC
GE14040330L

Electric Power and Natural Gas Supplier Initial Licenses
EE14030227L SFE Energy NJ, Incorporated I – EGSL
GE14030228L d/b/a SFE Energy and SFE

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

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

- NORESCO, LLC f/k/a Dome-Tech, Inc.
- Health Resource Network, Inc. d/b/a HRN Energy

Staff also recommended the following applicants be issued renewal registrations as an energy agent, private aggregator and energy consultant for one year:

- The Eric Ryan Corporation
- Northeastern Energy Consultants, LLC
- Colonial Power Group, Inc.
- Diversegy, Inc.
- Greencrown Energy, LLC
- Luthin Associates, Inc.

In addition, Staff recommended the following applicant be issued initial licenses as an electric power and natural gas supplier for one year:

- SFE Energy NJ, Inc. d/b/a SFE Energy and SFE

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

II. ENERGY

There were no items in this category.

III. CABLE TELEVISION

There were no items in this category.

IV. TELECOMMUNICATIONS

There were no items in this category.

V. WATER

A. Docket Nos. BPU WR14040325 and OAL PUC 05139-14 – In the Matter of the Petition of Gordon’s Corner Water Company for an Increase in Rates and Charges for Water Service.

BACKGROUND: On April 10, 2014, Gordon’s Corner Water Company filed a petition with the Board requesting to increase rates for the purpose of producing approximately \$877,829 in additional annual revenues. This represents an increase of approximately 8.81%. Under the terms of the proposed rate increase, the average bill for the general metered 5/8 inch residential customer using 9,000 gallons of water per month, or 108,000 gallons per year, would increase from \$56.16 per month, or \$673.92 annually, to \$60.85 per month or \$730.20 annually which equates to approximately 8.35%.

Gordon’s Corner Water Company provides water service to approximately 15,000 customers in the Townships of Marlboro and Manalapan, Monmouth County, NJ.

Staff recommended the Board issue an Order suspending the proposed rates until January 20, 2015.

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

VI. RELIABILITY & SECURITY

There were no items in this category.

VII. CUSTOMER ASSISTANCE

A. Docket Nos. BPU EC13060460U and OAL PUC 11163-13 – In the Matter of Orly Industry, Inc., Petitioner v. Public Service Electric and Gas Company, Respondent – Billing Dispute.

BACKGROUND: This matter involved a billing dispute between Orly Industry Inc. (Orly) and Public Service Electric and Gas Company (PSE&G or Company). The petition was transmitted to the Office of Administrative Law on July 31, 2013, as a contested case. Administrative Law Judge (ALJ) Kimberly A. Moss filed an Initial Decision in this matter with the Board on June 12, 2014, approving a Stipulation of Settlement (Settlement) of the parties.

As per Settlement, the total amount due and owing on Orly’s account ending in 8106 is \$79,275.45. PSE&G agreed to accept \$61,000.00 in full and final settlement on this account. PSE&G agreed to provide bills for the time period of March 2013 to May 2013, representing \$25,175.37 which is included in the Settlement amount of \$61,000.00.

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

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

VIII. CLEAN ENERGY

There were no items in this category.

IX. MISCELLANEOUS

A. Approval of the Minutes of the June 18, 2014 Agenda Meeting.

BACKGROUND: Staff presented the minutes from the Board's agenda meeting of June 18, 2014, and recommended that they be accepted.

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

After appropriate motion, the consent agenda was approved.

Roll Call Vote:	President Solomon	Aye
	Commissioner Fox	Aye
	Commissioner Fiordaliso	Aye
	Commissioner Holden	Aye

AGENDA

1. AUDITS

There were no items in this category.

2. ENERGY

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

A. Docket No. ER14060608 – In the Matter of the Provision of Basic Generation Service and Compliance Tariff Filing Reflecting Changes to Schedule 12 Charges in PJM Open Access Transmission Tariff – Jersey Central Power & Light Company, Public Service Electric and Gas Company and Rockland Electric Company – June 18, 2014 Filing.

BACKGROUND AND DISCUSSION: On June 18, 2014, Jersey Central Power & Light Company, Public Service Electric and Gas Company, and Rockland Electric Company (collectively, the EDCs) filed a joint petition with the Board requesting recovery of Federal Energy Regulatory Commission (FERC) approved changes in firm transmission service related charges.

The EDCs' proposed tariff changes reflect increases to the Basic Generation Service (BGS) Fixed Price (BGS-FP) and Commercial and Industrial Energy Pricing (BGS-CIEP) rates to customers resulting from changes in the PJM Open Access Transmission Tariff (OATT) made in response to (i) the annual formula rate update filings made by PPL Electric Utilities Corporation in FERC Docket No. ER09-1148, by American Electric Power Service Corporation in FERC Docket No. ER08-1329 and ER10-355, and by Trans-Allegheny Interstate Line Company in FERC Docket No. ER07-562, and (ii) the formula rate update filings made by the public utility affiliates of Pepco Holdings Inc. in FERC Docket No. ER08-1423 and the respective utility affiliate compliance filings for formula rate updates made by Atlantic City Electric Company in FERC Docket No. ER09-1156, Delmarva Power and Light in Docket No. ER09-1158, and Potomac Electric Power Company in Docket No. ER09-1159. The filings referred to in (i) and (ii) above are collectively referred to as the "Filings." The EDCs requested that the changes become effective on September 1, 2014.

The Transmission Enhancement Charges (TECs) were implemented to compensate transmission owners for the annual transmission revenue requirements for "Required Transmission Enhancements" that are requested by PJM for reliability or economic purposes. TECs are recovered by PJM through an additional transmission charge in the transmission zones assigned cost responsibility for Required Transmission Enhancement projects.

The BGS-FP and BGS-CIEP rates included in the amended tariff sheets for each EDC reflect costs effective on June 1, 2014 for TECs resulting from all of the FERC-approved filings, except the AEP-East filing which is effective on July 1, 2014. The EDCs also requested that the BGS suppliers be compensated for the changes to the OATT resulting from the implementation of the updates from formula rates effective June 1 and July 1, 2014. Suppliers will be compensated subject to the terms and conditions of the applicable Supplier Master Agreements. Any differences between payments to BGS-FP and BGS-

CIEP Suppliers and charges to customers will flow through BGS Reconciliation Charges. This treatment is consistent with the previously-approved mechanisms.

No comments were received from New Jersey Rate Counsel or any other party.

Staff recommended the Board issue an order accepting the proposed tariff changes and approving implementation of changes to the EDCs' retail transmission rates as filed with FERC. Staff further recommended approval of the EDCs' request that the affected BGS suppliers receive the appropriate compensation for the rate adjustment(s) subject to the terms and conditions of the appropriate BGS-FP and BGS-CIEP Supplier Master Agreement(s).

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

Roll Call Vote:	President Solomon	Aye
	Commissioner Fox	Aye
	Commissioner Fiordaliso	Aye
	Commissioner Holden	Aye

B. Docket No. ER14070709 – In the Matter of the Petition of Atlantic City Electric Company for Approval to Implement Federal Energy Regulatory Commission Approved Changes to Atlantic City Electric's Retail Transmission (Formula) Rate Pursuant to Paragraphs 15.9 of the BGS-FP and BGS-CIEP Supplier Master Agreements and Tariff Filing Reflecting Changes to Schedule 12 Charges in PJM Open Access Transmission Tariff (2014).

BACKGROUND AND DISCUSSION: On July 3, 2014, Atlantic City Electric Company (ACE or Company) filed a petition with the Board requesting recovery of Federal Energy Regulatory Commission (FERC) approved changes in firm transmission service related charges with rates to be effective as of September 1, 2014.

The Company's proposed tariffs reflect changes to the Basic Generation Service-Fixed Price (BGS-FP) and BGS-Commercial and Industrial Pricing (BGS-CIEP) rates to customers resulting from changes in the PJM Open Access Transmission Tariff (OATT) made in response to an updated formula rate filing made by PPL Electric Utilities Corporation in FERC Docket No. ER09-1148; a revised formula rate filing made by American Electric Power Service Corporation in FERC Docket No. ER08-1329; a revised formula rate filing made by Trans-Allegheny Interstate Line Company in FERC Docket No. ER07-562; a revised formula rate filing made by Delmarva Power and Light Company (Delmarva) in FERC Docket No. ER09-1158; a revised formula rate filing made by Potomac Electric Power Company (PEPCo) in FERC Docket No. ER09-1159; and ACE's revised formula rate filing in FERC Docket No. ER09-1156. The modified rate filing made by PEPCo Holdings Inc.'s three public utility affiliates (Delmarva, PEPCo, and ACE) were made with respect to the Mid Atlantic Power Pathway project, which was approved by FERC in Docket No. ER08-1423.

ACE also requested that the BGS suppliers be compensated for the changes resulting from the implementation of these updates to formula rates, subject to the terms and conditions of the applicable Supplier Master Agreement(s). Any differences between payments to BGS Suppliers and charges to customers would flow through the BGS Reconciliation Charges.

related costs and incentive compensation costs of the 2009 SBC/SCC and RAC Filing. The Stipulation left the SCC element open. In its 2009 SBC/SCC/RAC filing, JCP&L did not seek any adjustment to the then current level of its Rider SCC charge. The NRD related RAC costs are not addressed in this matter.

On July 22, 2011, JCP&L filed a Petition with the Board seeking (1) review and approval of its deferred balances relating to the SBC clause of its filed Tariff, and (2) review and approval of its deferred balance relating to the SCC clause of its filed Tariff.

The 2010 SBC/SCC filing sought review and approval of the deferred balances accumulated with respect to the Consumer Education (CED), Demand Side Factor (DSF), Uncollectible Accounts Charge (UNC) and Nuclear Decommissioning Costs (NDC) components of the Company's SBC, in each case to the extent accumulated from January 1, 2010 through December 31, 2010.

The 2010 SBC/SCC Filing sought review and approval of the deferred balance accumulated with respect to the Company's SCC clause at December 31, 2010. The 2010 SBC/SCC Filing did not propose any changes to the Company's individual SBC rate components, the SBC or SCC rates.

On August 15, 2012, JCP&L filed a Petition with the Board seeking (1) review and approval of its deferred balances relating to, and an adjustment of certain components of, the SBC clause of its filed Tariff, and (2) review and approval of its deferred balance relating to the SCC clause of its filed Tariff.

The 2011 SBC/SCC filing sought review and approval of the deferred balances accumulated with respect to the CED, DSF, UNC and NDC components of the Company's SBC, in each case to the extent accumulated from January 1, 2011 through December 31, 2011. With respect to the SCC, the 2011 SBC/SCC Filing sought review and approval of the deferred balance accumulated with respect to the Company's SCC clause at December 31, 2011.

The 2011 SBC/SCC filing proposed an increase in the Company's Rider DSF rate to recover an additional \$14.6 million on an annual basis. The 2011 SBC/SCC Filing also proposed an increase in the Company's Rider UNC rate to recover an additional \$997,000 on an annual basis. The 2011 Filing did not propose any change to the Company's SCC rates. Thus, the proposed revenue increase is \$15.597 million. JCP&L is not seeking an increase in its Rider SCC.

The Company, Board Staff and the New Jersey Division of Rate Counsel (collectively, the Parties) conducted discovery and participated in a number of meetings and discussions to review outstanding issues and explore settlement. As a result of those meetings and related discussions, on July 14, 2014, the Parties entered into a Stipulation of Settlement resolving the remaining SCC issue in the 2009 SBC/SCC proceeding, and all issues in the 2010 and 2011 SBC/SCC proceedings.

Public hearings on the 2011 SBC/SCC Filing were held on September 18, 2013 in Morristown and Freehold, New Jersey. No members of the public attended.

As a result of the Stipulation of Settlement, typical residential customers consuming 500 kwh in a month will see an increase in their monthly bills from \$71.03 to \$71.42, an

increase of \$0.39 or 0.55% as set forth in the public notice that was published for the 2011 SBC/SCC Filing on August 29, 2013.

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

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

Roll Call Vote:	President Solomon	Aye
	Commissioner Fox	Aye
	Commissioner Fiordaliso	Aye
	Commissioner Holden	Aye

D. Docket Nos. BPU ER14030245 and OAL PUC 03527-14 – In the Matter of the Petition of Atlantic City Electric Company for Approval of Amendments to Its Tariff to Provide for an Increase in Rates and Charges for Electric Service Pursuant to N.J.S.A. 48:2-21 and N.J.S.A. 48:2-21.1 and for Other Appropriate Relief (2014).

BACKGROUND AND DISCUSSION: On March 14, 2014, Atlantic City Electric Company (Company) filed a Petition with the Board seeking \$61.7 million annual revenue increase in the Company's base rates for electric distribution service.

A discovery was conducted and numerous settlement discussions were held. On August 7, 2014, the Company, New Jersey Rate Counsel, and Staff (collectively, the Parties) reached a settlement, agreeing that an increase in base revenues of \$19.0 million effective on and after September 1, 2014, would be just and reasonable, the increase reflects consideration of a consolidated income tax adjustment and a change in the monthly customer charge for residential service from \$3.00 to \$4.00.

On August 8, 2014, Administrative Law Judge (ALJ) issued his Initial Decision approving the settlement.

Staff recommended the Board adopt the Initial Decision of ALJ and Settlement of the Parties.

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

Roll Call Vote:	President Solomon	Aye
	Commissioner Fox	Aye
	Commissioner Fiordaliso	Aye
	Commissioner Holden	Aye

E. Docket No. AX13030197 – In the Matter of the Board's Establishment of a Generic Proceeding to Review Costs, Benefits and Reliability Impacts of Major Storm Event Mitigation Efforts; and

Docket No. GO13090814 – In the Matter of the Petition of South Jersey Gas Company for Approval of a Storm Hardening and Reliability Program (SHARP) and Associated Recovery Mechanism.

BACKGROUND AND DISCUSSION: On March 20, 2013, the Board issued an Order (March Order), which initiated a generic proceeding to investigate possible avenues to support and protect New Jersey's utility infrastructure so that it may be better able to withstand the effects of future Major Storm Events. The March Order also invited all regulated utilities to submit detailed proposals for infrastructure upgrades designed to protect the State's utility infrastructure from future Major Storm Events, and found that all petitions filed in the future should be retained by the Board for review and hearing.

On September 3, 2013, South Jersey Gas Company (Company) filed a petition with the Board for approval of its Storm Hardening and Reliability Program (SHARP). SHARP is comprised of the following:

1. The replacement of 179 miles of low pressure mains and associated services with high pressure mains and associated services municipalities of Atlantic City, Ventnor City, Margate, Longport, Ocean City, Wildwood, North Wildwood, Wildwood Crest and West Cape May (the Barrier Islands); and
2. The elimination of 52 regulator stations and the installation of Excess Flow Valves on the Barrier Islands.

On August 6, 2014, the Company, New Jersey Rate Counsel, New Jersey Large Energy Users Coalition and Board Staff (collectively, the Parties) reached a Stipulation of Agreement, which authorized the Company to spend \$103.5 million over a period of 3 years, excluding allowance for funds used during construction of incremental natural gas infrastructure and related facilities investments, aimed at mitigating the impact of major storms.

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

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

Roll Call Vote:	President Solomon	Aye
	Commissioner Fox	Aye
	Commissioner Fiordaliso	Aye
	Commissioner Holden	Aye

3. CABLE TELEVISION

There were no items in this category.

4. TELECOMMUNICATIONS

There were no items in this category.

5. WATER

A. Docket Nos. BPU WR14010019 and OAL PUC 01147-14 – In the Matter of the Petition of Aqua New Jersey, Inc. for Approval of an Increase in Rates for Water Service and Other Tariff Changes.

Michael Kammer, Bureau Chief, Division of Water, presented this matter.

BACKGROUND AND DISCUSSION: On January 16, 2014, Aqua New Jersey (Company) filed a petition with the Board for a rate increase of 11.16%.

This matter was transmitted to the Office of Administrative Law for hearings and was assigned to Administrative Law Judge Elia A. Pelios (ALJ Pelios).

Public hearings were held in Hamilton and Phillipsburg on May 21, 2014. A representative of the Township of Lawrence appeared at the hearing in Hamilton and spoke in opposition to the proposed rate increase. One member of the public appeared at the hearing in Phillipsburg, but did not provide a statement. By letter dated May 20, 2014, the Township of Hardyston passed a resolution opposing the increase.

Subsequent to the public hearings and prior to evidentiary hearings in this matter, the Company, Rate Counsel and Board Staff (collectively, the Parties) engaged in settlement negotiations and entered into a Stipulation that provided for an overall increase in annual revenues of \$1,150,000, representing a 3.27% increase above actual test year operating revenues.

ALJ Pelios issued an Initial Decision (ID) recommending the Board adopt the Stipulation executed by the Parties.

Staff's recommended the Board approve the ID of ALJ Pelios which adopts the Stipulation of the Parties.

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

Roll Call Vote:	President Solomon	Aye
	Commissioner Fox	Aye
	Commissioner Fiordaliso	Aye
	Commissioner Holden	Aye

B. Docket No. WR14050508 – In the Matter of the Petition of Middlesex Water Company for Approval of a Foundational Filing for Establishing a Distribution System Improvement Charge.

Mona Mosser, Bureau Chief, Bureau of Conservation and Engineering, Division of Water, presented this matter.

BACKGROUND AND DISCUSSION: On May 30, 2014, Middlesex Water Company (Middlesex or Company) filed a petition with the Board seeking to enable the implementation of a Distribution System Improvement Charge (DSIC). Specifically, the Company requested that the Board approve the Company's foundational filing and allow it to recover costs associated with DSIC eligible projects through an approved DSIC maximum rate.

Company serves approximately 59,000 general metered water customers throughout portions of Middlesex County.

On July 28, 2014, a public hearing was held at the Woodbridge Community Center, located in Woodbridge, NJ at 5:30 pm. No members of the public were in attendance.

The Company, the Division of Rate Counsel and Board Staff (collectively, the Parties), engaged in settlement negotiations and as a result, reached an agreement on the parameters of the foundational filing through an executed Stipulation of Settlement.

Staff recommended the Board adopt the Stipulation of the Parties which establishes the foundational filing for Middlesex Water Company and is in accordance with the applicable administrative code.

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

Roll Call Vote:	President Solomon	Aye
	Commissioner Fox	Aye
	Commissioner Fiordaliso	Aye
	Commissioner Holden	Aye

C. Docket Nos. BPU WR14030269 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.

Michael Kammer, Bureau Chief, Division of Water, presented this matter.

BACKGROUND AND DISCUSSION: On March 21, 2014, Lake Lenape Water Company (Company) filed a petition with the Board seeking to increase and revise its rates and charges for water service amounting to \$18,902 or 14.37%. The effective date of the last rate increase was April 28, 2010.

Company serves approximately 357 retail water customers in the Township of Andover in Sussex County.

The matter was transmitted to the Office of Administrative Law and assigned to Administrative Law Judge Leland S. McGee (ALJ McGee). A public hearing was held on July 9, 2014 at the Andover Borough Fire Department. No members of the public appeared at the hearing.

Subsequent to the public hearing and prior to the evidentiary hearings, the Parties, consisting of the Company, the Division of Rate Counsel and Board Staff, engaged in settlement negotiations and as a result, reached a settlement on all issues in the case and executed a Stipulation of Settlement.

ALJ McGee issued his Initial Decision to the Board adopting the Stipulation of the Parties.

Staff recommended the Board adopt the Initial Decision of ALJ McGee.

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

Roll Call Vote:	President Solomon	Aye
	Commissioner Fox	Aye
	Commissioner Fiordaliso	Aye
	Commissioner Holden	Aye

6. RELIABILITY & SECURITY

A. Docket No. AX14070647 – In the Matter of N.J.A.C. 14:2 – Protection of Underground Facilities – One Call Damage Prevention System – Proposed Readoption without Amendments.

James P. Giuliano, Director, Division of Reliability and Security and Jake Gertsman, Legal Specialist, Office of Chief Counsel, presented this matter.

Staff recommended the Board approve the proposed readoption of N.J.A.C. 14:2 et seq. concerning “Protection of Underground Facilities: One Call Damage Prevention System” without change. These rules provide for the implementation, administration and enforcement of N.J.S.A. 48:2-73 et seq. Underground Facilities Protection Act (UFPA) and will expire on August 23, 2014.

In October 1994, the New Jersey Legislature, recognizing the potential hazards posed by underground facilities and that damages to underground facilities caused by excavation or the discharge of explosives poses a significant risk to public safety, enacted N.J.S.A. 48:2-73 et seq. The UFPA within the UFPA the Legislature determined that the Board is the appropriate State agency to designate the operator of, and provide policy oversight to, the One-Call Damages Prevention System and enforce the provisions of the act.

The Board created rules which are contained within the New Jersey Administrative Code, N.J.A.C. 14:2 et seq. “Protection of Underground Facilities: One Call Damage Prevention System” to provide for the implementation, administration and enforcement of the UFPA. Accordingly the Board implemented a comprehensive New Jersey One-Call Damage Prevention System which substantially reduces the frequency of damages caused by excavation.

The New Jersey One-Call Damage Prevention System serves as a central repository for the receipt of notices of intent to excavate, from which the notices are forwarded to the appropriate utility. The UFPA requires that, within three days of receipt of such notice, an operator of an underground facility shall mark, stake, locate or otherwise provide the position and number of its underground facilities which may be affected by a planned excavation or demolition.

Staff recommended the Board approve the readoption without change, to be published in the New Jersey Register.

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

Roll Call Vote:	President Solomon	Aye
	Commissioner Fox	Aye
	Commissioner Fiordaliso	Aye
	Commissioner Holden	Aye

7. CUSTOMER ASSISTANCE

There were no items in this category.

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;

Docket No. QO13111130 – In the Matter of Public Service Electric and Gas Company – Parklands Landfill; and

Docket No. QO13111111 – In the Matter of Public Service Electric and Gas Company - Kinsley's Landfill.

Scott Hunter, Renewable Energy Program Administrator in the Office of Clean Energy, presented this matter.

BACKGROUND AND DISCUSSION: Public Service Electric and Gas Company (PSE&G) filed an application with the Board on October 29, 2013 to have its Kinsley's Landfill project certified as located on a properly closed landfill pursuant to Subsection t of the Solar Act. In the application, PSE&G represented that the project was comprised of 10 MWdc and would be located on the Kinsley's Landfill in Deptford Township, New Jersey. The Board granted PSE&G conditional certification for the project on January 29, 2014. However, on May 6, 2014, PSE&G filed an amended application with the Board indicating that the solar facility size for the project has increased from 10 MWdc to 11.18 MWdc. The Company also represented that the improvement in system capacity was achieved by "optimizing panels and arrangements," and that there would be no impact on the overall footprint of the array on the landfill. Staff forwarded the amended application to the New Jersey Department of Environmental Protection (NJDEP) for review and an advisory recommendation.

Thereafter, on May 21, 2014, PSE&G filed an amended application with the Board indicating that the solar facility size for another solar project on the Parklands Landfill located in Bordentown, NJ had increased from 10 MWdc to 10.135 MWdc. The Board previously granted PSE&G conditional certification for the project on December 18, 2013.

The Company represented that the improvement in system capacity was achieved by "optimizing panels and arrangements," and that there would be no impact on the overall footprint of the array on the landfill. Staff forwarded the amended application to NJDEP for review and an advisory recommendation.

The NJDEP reviewed the applications and supplied advisory memos to Board Staff on the land use classification and the remediation status in light of the amended applications. Staff received advisory recommendations from the NJDEP for applications described above and once again recommended the Board grant "conditional certification" to PSE&G for regarding the amended applications for the solar projects on the Kinsley's and Parklands landfills, subject to the developers satisfying all the permit conditions imposed by the NJDEP for construction of the solar facilities on the sites. NJDEP found that the proposed increase to the systems' sizes do not impact the footprint of the arrays on the landfills. On the basis of the NJDEP's determination, information contained in the application, and other relevant factors, Staff recommended conditional certification for the applications.

Staff also recommended the Board direct PSE&G to submit amended solar renewable energy certificate registration materials within 14 days of the Board order. Staff further recommended the Board grant a modification of one year provided in the current Solar Renewable Energy Credit (SREC) Registration Program rules to two years for construction to accommodate the longer construction periods for Subsection t projects. In addition, Staff recommended the Board direct Staff to begin the process of amending the SREC registration rules to conform to the requirements of the Solar Act and this Board Order.

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

Roll Call Vote:	President Solomon	Aye
	Commissioner Fox	Aye
	Commissioner Fiordaliso	Aye
	Commissioner Holden	Aye

B. Docket No. QX14070798 – In the Matter of N.J.A.C. 14:8-7 - Aggregated Net Metering Rules – Proposed Readoption of Special Adoption.

Rachel Boylan, Legal Specialist, Office of the Chief Counsel, presented this matter.

BACKGROUND AND DISCUSSION: The aggregated net metering rules were specially adopted pursuant to section (e)(4) of the Solar Act, which mandated that the Board adopt such rules within 270 days of the Solar Act's effective date, or prior to April 19, 2013. Since they were a special adoption, these rules will expire after eighteen months, on September 20, 2014 and Staff recommended them for readoption, without change.

The rules implement the plain meaning of the subsection, which provides that a single public entity customer may build a solar generation system sized to meet the combined, or aggregated, usage of that customer's "qualified facilities," which are metered facilities owned by the customer which are all billed by the Electric Distribution Companies under the same tariff.

The Solar Act also provides that the customer shall receive a retail credit against its next monthly bill only for the meter on the host facility to which the solar generation system is connected. For all solar generation in excess of the usage recorded on the host site's meter, the customer shall receive compensation at the wholesale avoided cost rate at the end of its selected historical 12-month period. The proposed readoption must be filed with the Office of Administration prior to September 20, 2014 in order to avoid lapse of the rule.

Staff recommended the Board approve the proposed readoption without change.

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

Roll Call Vote:	President Solomon	Aye
	Commissioner Fox	Aye
	Commissioner Fiordaliso	Aye
	Commissioner Holden	Aye

C. Docket No. QS14040316 – In the Matter of Michael Manis and Manis Lighting, LLC – New Jersey Clean Energy Program Renewable Energy Incentive Program – See Executive Session.

Marisa Slaten, Esq., Assistant Director, Division of Economic Development & Energy Policy, presented this matter.

BACKGROUND AND DISCUSSION: This matter was initially discussed in Executive Session pursuant to the attorney/client privilege exceptions to the Open Public Meetings Act. This matter involved pending applications by Michael Manis of Manis Lighting, LLC (Manis) under the Smart Start Prescriptive Lighting Program. Manis was suspended from the New Jersey Clean Energy Programs (NJCEP) effective June 28, 2014, following the Program Manager's findings and Manis' own admission that he had submitted forged State tax clearance certificates (TCC) in his customers' names on twelve Smart Start applications. At the time the Order to Show Cause was issued, Manis had approximately 27 open applications at various stages of completion, including the 12 involving forged TCCs. In all instances, Manis is the assigned payee of the incentive.

The 27 Manis applications are divided into four categories:

- 1 - The 12 applications where Manis submitted forged TCC's to the NJCEP during the period of January 7, 2014 through February 21, 2014. Since each customer initially applied for a State TCC prior to Manis' submission of forged ones, it is possible that valid TCCs subsequently issued on some of these applications. That information would have to be validated by the twelve customers.
- 2 - Two applications where Manis had only partially completed the scope of work at the time of this action and therefore, had not yet submitted paperwork to the NJCEP for incentive processing at the time of his suspension.
- 3 - Four applications that were approved by the Program but for which Manis hadn't commenced work at the time of the suspension. These applications have not yet expired; and

- 4 - Three applications where Manis completed the scope of work and submitted valid TCCs for each application. Two of the three TCCs were submitted prior to the date Manis began falsifying TCCs, while the third valid TCC was submitted to the NJCEP on January 9, 2014, which is during the period of time that Manis' was submitting forged TCCs to the NJCEP.

TRC Energy Services (TRC), the program manager, sent letters to Manis and these customers seeking information relevant to the status of each application and the TCCs. TRC received a response from Manis and the customer responses are due August 29, 2014.

Staff recommended the Board direct the Secretary to issue a letter to Manis informing him that the incentive treatment for these applications is under review. With that letter, Manis will receive copies of any customer responses received by TRC. The letter will further offer Manis a sufficient period of time to respond and to offer proposed incentive treatment for each. Upon timely receipt of his response, Staff will make a recommendation to the Board on incentive treatment for these applications. Upon receipt and review of the record, the Board will amend Manis' suspension order to address how the incentives for outstanding applications will be treated.

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

Roll Call Vote:	President Solomon	Aye
	Commissioner Fox	Aye
	Commissioner Fiordaliso	Aye
	Commissioner Holden	Aye

9. MISCELLANEOUS

There were no items in this category.

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: The Jersey Central Power & Light base rate case was filed in 2012 and is currently pending before Administrative Law Judge (ALJ) Richard McGill. The record for the case was closed on June 30, 2014 and a decision due August 14, 2014. On August 14, 2104, the Board received a request from the Office Administrative Law for a 45 day extension of time to render a decision in the case due to a heavy caseload. Staff recommended the Board grant ALJ McGill's request for an extension until September 29, 2014.

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

Roll Call Vote:	President Solomon	Aye
	Commissioner Fox	Aye
	Commissioner Fiordaliso	Aye
	Commissioner Holden	Aye

LATE STARTER B

CLEAN ENERGY

BPU Docket No. EO11050314V and Appellate Docket No. A-3932-13T3 – In the Matter of the Petition of Fishermen's Atlantic City Windfarm, LLC for Approval of the State Waters Project and Authorizing Offshore Wind Renewable Energy Certificates – See Executive Session.

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

BACKGROUND AND DISCUSSION: By Order dated March 28, 2014, the Board denied the petition of Fishermen's Atlantic City Windfarm, LLC's (FACW) for a determination, pursuant to N.J.S.A. 48:3-87.2, of eligibility as a qualified offshore wind facility as set forth in N.J.S.A. 48:3-87.1 et seq. and N.J.A.C. 14:8-6.5 et seq. By Order dated April 28, 2014, the Board denied FACW's motion to reopen the proceedings, to supplement the record and for reconsideration.

On May 5, 2014, FACW filed a notice of appeal with the Superior Court of New Jersey, Appellate Division. On June 30, 2014, FACW filed a motion to supplement the administrative record on appeal and to expedite Board findings on the supplemented record.

On August 8, 2014, the Court granted the motion and ordered the Board to complete its findings on the supplemented record within 120 days, and that the Board shall make a good faith effort to complete the remand sooner.

Staff recommended the Board designate President Dianne Solomon as the presiding officer, and authorize her to establish and modify schedules, decide all motions, and otherwise control the conduct of this case, without the need for full Board approval, subject to subsequent Board ratification.

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

Roll Call Vote:	President Solomon	Aye
	Commissioner Fox	Aye
	Commissioner Fiordaliso	Aye
	Commissioner Holden	Aye

EXECUTIVE SESSION

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

8. CLEAN ENERGY

- C. **Docket No. QS14040316 – In the Matter of Michael Manis and Manis Lighting, LLC – New Jersey Clean Energy Program Renewable Energy Incentive Program.**

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

LSB. CLEAN ENERGY

BPU Docket No. EO11050314V and Appellate Docket No. A-3932-13T3 – In the Matter of the Petition of Fishermen's Atlantic City Windfarm, LLC for Approval of the State Waters Project and Authorizing Offshore Wind Renewable Energy Certificates.

Discussion: DAG Caroline Vachier advised that the Appellate Division granted Fishermen's motion to supplement the record. The Appellate Division remanded the matter to the Board so that the Board could make findings on the supplemental record within 120 days. The Division of Law conferred with the parties concerning the schedule and recommended that the Board retain this matter and appoint a presiding Commissioner.

After appropriate motion, the Board reconvened to Open Session.

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

DATE:

10/22/14


KRISTI IZZO
BOARD SECRETARY



STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 9th Floor
Post Office Box 350
Trenton, New Jersey 08625-0350

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

A Regular Board meeting of the Board of Public Utilities was held on August 20, 2014, 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:

Dianne Solomon, President
Jeanne M. Fox, Commissioner
Joseph L. Fiordaliso, Commissioner
Mary-Anna Holden, Commissioner

President Solomon presided at the meeting and Kristi Izzo, Secretary of the Board, carried out the duties of Secretary.

It was announced that the next regular Board Meeting would be held on September 30, 2014 at the State House Annex, Committee Room 11, 125 West State Street, Trenton, New Jersey 08625.

EXECUTIVE SESSION

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

LSB. CLEAN ENERGY

BPU Docket No. EO11050314V and Appellate Docket No. A-3932-13T3 – In the Matter of the Petition of Fishermen's Atlantic City Windfarm, LLC for Approval of the State Waters Project and Authorizing Offshore Wind Renewable Energy Certificates.

Discussion: DAG Caroline Vachier advised that the Appellate Division granted Fishermen's motion to supplement the record. The Appellate Division remanded the matter to the Board so that the Board could make findings on the supplemental record within 120 days. The Division of Law conferred with the parties concerning the schedule and recommended that the Board retain this matter and appoint a presiding Commissioner.

After appropriate motion, the Board reconvened to Open Session.

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



DATE: March 18, 2015

KENNETH J. SHEEHAN
BOARD SECRETARY