



**STATE OF NEW JERSEY**  
**Board of Public Utilities**  
**Two Gateway Center**  
**Newark, NJ 07102**  
**www.nj.gov/bpu/**

**DIVISION OF ENERGY &**  
**OFFICE OF CLEAN ENERGY**

IN THE MATTER OF THE PETITION OF NEW JERSEY )  
NATURAL GAS COMPANY FOR APPROVAL OF )  
REGIONAL GREENHOUSE GAS INITIATIVE )  
PROGRAMS AND ASSOCIATED COST RECOVERY )  
MECHANISMS PURSUANT TO N.J.S.A. 48:3-98.1 )

ORDER DESIGNATING )  
COMMISSIONER )

DOCKET NO. GO10030225

(SERVICE LIST ATTACHED)

Tracey Thayer, Attorney for the Petitioner, New Jersey Natural Gas Company

Paul E. Flanagan, Esq., Felicia Thomas-Friel, Esq., Judith Appel, Esq., Kurt Lewandowski, Esq., Esq., Department of the Public Advocate, Division of Rate Counsel (Stefanie A. Brand, Esq., Acting Public Advocate and Director)

Jessica Campbell, Deputy Attorney General, for the Staff of the New Jersey Board of Public Utilities (Paula Dow, Attorney General of New Jersey)

BY THE BOARD<sup>1</sup>:

**BACKGROUND AND PROCEDURAL HISTORY**

On January 13, 2008, L. 2007, c. 340 ("Act") was signed into law by former Governor Corzine based on the New Jersey Legislature's findings that energy efficiency and conservation measures must be essential elements of the State's energy future, and that greater reliance on energy efficiency and conservation will provide significant benefits to the citizens of New Jersey. The Legislature also found that public utility involvement and competition in the conservation and energy efficiency industries are essential to maximize efficiencies. N.J.S.A. 26:2C-45.

Pursuant to Section 13 of the Act, codified as N.J.S.A. 48:3-98.1 (a)(1), an electric or gas public utility may, among other things, provide and invest in energy efficiency and conservation programs in its service territory on a regulated basis. Such investment in energy efficiency and

<sup>1</sup> Commissioner Elizabeth Randall did not participate in this matter.

conservation programs may be eligible for rate treatment approved by the New Jersey Board of Public Utilities ("Board"), including a return on equity, or other incentives or rate mechanisms that decouple utility revenue from sales of electricity and gas. N.J.S.A. 48:3-98.1(b). Ratemaking treatment may include placing appropriate technology and program cost investments in the utility's rate base, or recovering the utility's technology and program costs through another ratemaking methodology approved by the Board. An electric or gas public utility seeking cost recovery for any energy efficiency and conservation programs pursuant to N.J.S.A. 48:3-98.1 must file a petition with the Board.

On July 17, 2009, the Board authorized New Jersey Natural Gas Company ("NJNG" or "Company") to implement three energy efficiency programs: 1) Home Performance with Energy Star ("HPES") Enhancements; 2) Enhanced Warm Advantage Rebate Program; and 3) Commercial Customer Direct Install Program as part of former Governor Corzine's Economic Stimulus Plan announced in October 2008.<sup>2</sup> ("NJNG SAVEGREEN Project") The programs were designed to complement or supplement existing New Jersey Clean Energy Program ("NJCEP") offerings including the ongoing WarmAdvantage, COOLAdvantage, HPES, Commercial Direct Install and Smart Start Building programs. The NJNG programs were to be available to eligible customers for approximately twelve months. In the event there was still program funding available after that period, NJNG could continue to offer the approved programs through December 31, 2010.

#### **March 2010 Filing**

On March 29, 2010, NJNG filed the instant petition with the Board. On April 27, 2010, Board Staff notified NJNG that the filing was administratively complete.<sup>3</sup>

In the filing, the Company seeks approval to implement four energy-efficiency programs and one solar energy program. The petition also seeks approval for associated cost recovery. NJNG proposes to continue offering much of what is currently included in the NJNG SAVEGREEN Project for an additional three years. The Company's filing proposes the following programs:

1. Residential Energy-Efficiency Program ("REEP")
2. Access to Affordable Energy Pilot Program ("Access")
3. Commercial Energy-Efficiency Program ("CEEP")
4. Fostering Environmental and Economic Development ("FEED")
5. Solar Energy Program ("SEP")

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<sup>2</sup> I/M/O Energy Efficiency Programs and Associated Cost Recovery Mechanisms AND I/M/O the Petition of New Jersey Natural Gas Company for Approval of Energy Efficiency Programs with an Associated Cost Recovery Mechanism, BPU Docket Nos. EO09010056 and GO09010057, Order dated July 17, 2009.

<sup>3</sup> N.J.S.A. 48: 3-98.1 requires the Board to decide cost recovery issues within 180 days. Pursuant to the Board Order issued in response to a further statutory directive within that section, Board Staff must review a petition for completeness within 30 days and, when a petition is determined to be complete, set the beginning of the 180-day period. I/M/O Electric Public Utilities and Gas Public Utilities Offering Energy Efficiency and Conservation Programs, Investing in Class I Renewable Energy Resources, and Offering Class I Renewable Energy Programs in their Respective Service Territories on a Regulated Basis Pursuant to N.J.S.A. 48:3-98.1, Dkt. No. EO08030164 (May 8, 2008). Accordingly, the 180-day for a Board determination commenced on March 29, 2010.

The total proposed investment for these programs is \$102 million and NJNG proposes to recover the costs through NJNG's current energy-efficiency rider.

**DISCUSSION AND FINDINGS**

The Board has determined that the petition described above should be retained by the Board for hearing and, pursuant to N.J.S.A. 48:2-32, **HEREBY DESIGNATES** Commissioner Nicholas Asselta as the presiding officer who is authorized to rule on all motions that arise during the pendency of these proceedings and modify any schedules that may be set as necessary to secure a just and expeditious determination of the issues.

The Board **HEREBY DIRECTS** Staff to post this Order on the Board's website.

DATED: 5/12/10

BOARD OF PUBLIC UTILITIES  
BY:



LEE A. SOLOMON  
PRESIDENT



JEANNE M. FOX  
COMMISSIONER



JOSEPH L. FIORDALISO  
COMMISSIONER



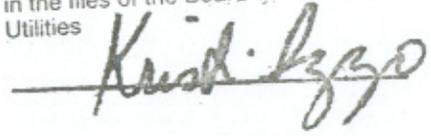
NICHOLAS ASSELTA  
COMMISSIONER

ATTEST:



KRISTI IZZO  
SECRETARY

I HEREBY CERTIFY that the within document is a true copy of the original in the files of the Board of Public Utilities



I/M/O the Petition of NJNG for Approval of Regional Greenhouse Gas Initiative Programs and Associated Cost Recovery Mechanisms Pursuant to N.J.S.A. 48:3-98.1  
BPU Docket No. GO10030225

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I/M/O the Petition of NJNG for Approval of RGGI Programs and Associated Cost Recovery Mechanisms Pursuant to N.J.S./  
48:3-98.1  
BPU Dkt. No. GO10030225

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