



Agenda Date: 3/18/15
Agenda Item: 8I

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

DIVISION OF ENERGY AND
OFFICE OF CLEAN ENERGY

IN THE MATTER OF THE PETITION OF PUBLIC) ORDER EXTENDING 180
SERVICE ELECTRIC AND GAS COMPANY TO) DAY REVIEW PERIOD
CONTINUE ITS ENERGY EFFICIENCY ECONOMIC)
EXTENSION PROGRAM ON A REGULATED BASIS)
(EEE EXTENSION II)) DOCKET NO. EO14080897

Parties of Record:

Stefanie A. Brand, Esq., Director, New Jersey Division of Rate Counsel
Alexander C. Stern, Esq., Public Service Electric and Gas Company

BY THE BOARD¹:

By this Order, the Board is considering a stipulation to extend the 180 day review period under N.J.S.A. 48:3-98.1(b).

BACKGROUND AND PROCEDURAL HISTORY

On January 13, 2008, L. 2007, c. 340 ("the Act") was signed into law. Pursuant to Section 13 of the Act, codified as N.J.S.A. 48:3-98.1, 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. 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 New Jersey Board of Public Utilities ("Board"), and the Board must make a decision on the requested cost recovery within 180 days of receipt of a complete petition ("Review Period"). N.J.S.A. 48:3-98.1 (b). Board Staff must review a petition for completeness within 30 days, and if the petition is determined to be complete, the 180-days review period begins to run from the date the petition was filed.

On January 21, 2009, Public Service Electric and Gas Company ("PSE&G" or "Company") filed a petition with the Board seeking approval of its Energy Efficiency Economic Stimulus ("EEE")

¹ Commissioner Upendra J. Chivukula recused himself due to a potential conflict of interest and as such took no part in the discussion or deliberation of this matter.

Program. By Order dated July 16, 2009, the Board approved a stipulation that authorized the Company to implement the EEE Program and begin cost recovery through the EEE Program component of the Green Program Recovery Charge, with rates to be effective as of August 1, 2009.²

On January 24, 2011, PSE&G filed a petition with the Board seeking approval to extend three of the EEE Program sub-programs: Multifamily Housing, Government/Municipal/Non-Profit Direct Install, and Hospital Efficiency. The New Jersey Division of Rate Counsel ("Rate Counsel"), the Company, and Board Staff (collectively, the "Parties"), executed a Stipulation of Settlement in that matter, which the Board approved on July 14, 2011.³

On August 8, 2014, PSE&G filed the current petition with the Board seeking a second extension of the three sub-programs from its previously approved and extended EEE Program, with certain modifications ("EEE Extension II"). Specifically, PSE&G requests that the Board approve an extension of its Hospital, Direct Install, and Residential Multifamily sub-programs. On September 5, 2014, Board Staff notified the Company that the petition was administratively complete, and therefore, the Review Period would expire on February 4, 2015.

On September 30, 2014, the Board designated Commissioner Mary-Anna Holden as the Presiding Officer with the authority to rule on all motions that arose during the pendency of this case, and modify any schedules as necessary to secure a just and expeditious determination of the issues. The Order also authorized Commissioner Holden to grant a single extension of the Review Period if all parties so agreed. During evidentiary hearings conducted on December 4 and 5, 2014, the Parties introduced their respective pre-filed testimony and exhibits, all discovery responses were moved into evidence collectively as P-6, and witnesses were cross-examined.

To provide additional time to complete the processing of the petition, on December 23, 2014, the Parties agreed to request an extension of the Review Period to February 23, 2015. Upon the submission of a stipulation, on December 26, 2014, Commissioner Holden issued an Order extending the briefing schedule to January 7, 2015 for Initial Briefs, and January 21, 2015 for Reply Briefs. Concurrently, the Parties initiated a new round of settlement efforts.

Based upon the progress of settlement discussions, the Board Agenda Meeting schedule, and the approved procedural schedule in this matter, the Parties agreed that an additional extension of the Review Period was appropriate. Accordingly, on January 30, 2015, the Parties entered into a stipulation to extend the Review Period to March 28, 2015 to allow time for continuing settlement discussions and a thorough review of the proposed EEE Extension II. The Board approved this extension at its February 11, 2015 agenda meeting.

Based upon the status of current settlement discussions, the Parties have agreed that an additional extension of the Review Period is appropriate. Accordingly, on or about March 6, 2015, the Parties entered into a stipulation to further extend the Review Period ("Stipulation") to April 27, 2015 to allow time for continuing settlement discussions and a thorough review of the proposed EEE Extension II.

² In re the Petition Of Public Service Electric And Gas Company Offering An Energy Efficiency Economic Stimulus Program In Its Service Territory On A Regulated Basis And Associated Cost Recovery Mechanism Pursuant to N.J.S.A. 48:3-98.1, BPU Docket No. EO09010058 (Order dated July 16, 2009).

³ In re the Petition of PSE&G, Dkt. No. EO11010030 (Order dated July 14, 2011).

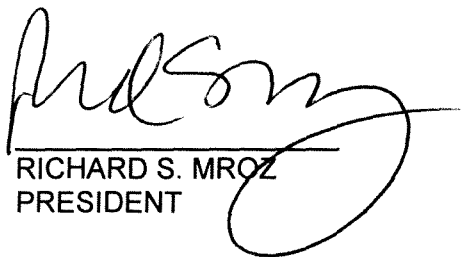
DISCUSSION AND FINDING

The Board **HEREBY FINDS** that the Stipulation extending the Review Period to April 27, 2015 is fair, reasonable, and in the public interest by providing additional time for discussion and a thorough review of the proposed EEE Extension II. Accordingly, the Board **HEREBY ADOPTS** the attached stipulation as its own, incorporating by reference its terms and conditions as if fully set forth herein and **HEREBY EXTENDS** the Review Period to April 27, 2015.

The Board Order shall be effective as of March 27, 2015.

DATED: 3/18/15

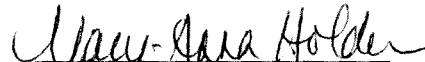
BOARD OF PUBLIC UTILITIES
BY:




RICHARD S. MROZ
PRESIDENT



JOSEPH L. FIORDALISO
COMMISSIONER

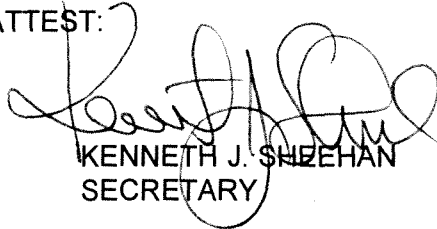


MARY-ANNA HOLDEN
COMMISSIONER



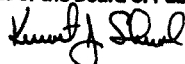
DIANNE SOLOMON
COMMISSIONER

ATTEST:



KENNETH J. SHEEHAN
SECRETARY

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



IN THE MATTER OF THE PETITION OF PUBLIC SERVICE ELECTRIC AND GAS COMPANY
TO CONTINUE ITS ENERGY EFFICIENCY ECONOMIC EXTENSION PROGRAM ON A
REGULATED BASIS ("EEE EXTENSION II")
Docket No. EO14080897

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STATE OF NEW JERSEY
BOARD OF PUBLIC UTILITIES

IN THE MATTER OF THE PETITION OF PUBLIC)
SERVICE ELECTRIC AND GAS COMPANY) STIPULATION TO FURTHER EXTEND
TO CONTINUE ITS ENERGY EFFICIENCY) THE 180-DAY PERIOD FOR DECISION
ECONOMIC EXTENSION PROGRAM)
ON A REGULATED BASIS ("EEE Extension II")) BPU Docket No. EO14080897

APPEARANCES:

Alexander C. Stern, Esq., Associate General Regulatory Counsel for the Petitioner,
Public Service Electric and Gas Company

Felicia Thomas-Friel, Esq. Deputy Rate Counsel, and **Kurt Lewandowski, Esq.**,
Sarah H. Steindel, Esq. and **James Glassen, Esq.**, Assistant Deputy Rate Counsels, New Jersey
Division of Rate Counsel (**Stefanie A. Brand**, Director)

Alex Moreau and **T. David Wand**, Deputy Attorneys General on behalf of Staff of the
New Jersey Board of Public Utilities (**John J. Hoffman**, Acting Attorney General of New Jersey)

TO THE HONORABLE BOARD OF PUBLIC UTILITIES:

1. On August 8, 2014, Public Service filed its Petition with the Board requesting approval of the proposed EEE Extension II and associated rate recovery mechanism pursuant to *N.J.S.A. 48:3-98.1 et seq.* More specifically, PSE&G sought Board approval to extend the Multi-Family, Government/Non-Profit Direct Install and Hospital segments of its EEE Extension Program in order to continue to offer energy efficiency projects across these specific customer segments.

2. On September 5, 2014 Staff of the Board of Public Utilities ("Board Staff") notified the Company that it had reviewed the Petition was administratively complete. Therefore, the Board's 180-day review period under N.J.S.A. 48:3-98.1 commenced on August 8, 2014, with an expiration date of February 4, 2015.

3. On September 30, 2014, the Board designated Commissioner Mary-Anna Holden as the presiding officer who is authorized to rule on all motions that arise during the

pendency of this case and modify any schedules that may be set as necessary to secure a just and expeditious determination of the issues. See Order Designating Commissioner, September 30, 2014, BPU Docket No. EO14080897. Commissioner Holden subsequently issued a procedural order. See Order Adopting Procedural Schedule, October 16, 2014, BPU Docket No. EO14080897.

4. Evidentiary hearings were conducted on December 4 and 5, 2014. During the hearings, the Company, Board Staff and Rate Counsel (collectively, “the Parties”) introduced their respective pre-filed testimonies and exhibits, all discovery responses were moved into evidence collectively as P-6 and witnesses were cross-examined.

5. In order to provide the Board with additional time to complete the processing of the Petition and issue a final determination in this matter, on December 23, 2014 the parties agreed to request an extension of the 180-day period to February 23, 2015.

6. Upon the submission of a Joint Stipulation of the Parties agreeing to extend the 180-day period for a Board decision to February 23, 2015, Commissioner Holden issued an Order extending the briefing schedule to January 7, 2015 for Initial Briefs and January 21, 2015 for Reply Briefs. See Order Modifying Procedural Schedule and Extending Timeline, December 26, 2014, BPU Docket No. EO14080897.

7. The Parties filed Initial Briefs on January 7, 2015 and Reply Briefs on January 21, 2015. Concurrently, Board Staff initiated a new round of settlement efforts with the Company and Rate Counsel.

8. Renewed settlement discussions were delayed due to shifting priorities resulting from planning required to be prepared for a potential blizzard forecasted to hit the northeast, including New Jersey (“Winter Storm Juno”).

9. Recognizing that pursuant to the May 12, 2008 Order¹ establishing procedures for handling N.J.S.A. 48:3-98.1 matters, “[t]he Board encourages all interested parties to work toward a settlement for the Board’s consideration before the expiration of the 180 day period,” as well as the delay in discussions necessitated by Winter Storm Juno, the parties agreed to request a further extension of the 180-day period to March 28, 2015. Upon the submission of a Joint Stipulation of the Parties agreeing to further extend the 180-day period for a Board decision to March 28, 2015, the Board issued an Order extending the schedule. See Order Extending 180 Review Period, February 11, 2015, BPU Docket No. EO14080897.

10. Renewed settlement discussions have been productive and an agreement in principle among the Parties has recently been reached. However, additional time is required to develop and execute a Stipulation of Settlement.

9. The Parties have agreed to request a further extension of the 180-day period to April 27, 2015 to allow for a Stipulation of Settlement to be finalized and executed.

Accordingly, the undersigned parties hereby **STIPULATE AND AGREE** as follows:

10. The undersigned parties, pursuant to N.J.S.A. 48:2-21.3, have agreed to further extend the 180-day period for Board action on PSE&G’s Petition, required under N.J.S.A. 48:3-98.1 with a new deadline for Board action on the Petition to be effective no later than April 27, 2015.

11. This Stipulation represents a mutual balancing of interests, contains interdependent provisions and, therefore, is intended to be accepted and approved in its entirety.


¹ *IN THE MATTER OF ELECTRIC PUBLIC UTILITIES AND ENERGY GAS PUBLIC UTILITIES OFFERING ENERGY EFFICIENCY AND CONSERVATION PROGRAMS, INVESTING IN CLASS I RENEWABLE ENERGY ORDER PURSUANT TO 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, Order Pursuant to N.J.S.A. 48:3-98.1(c), BPU DOCKET NO. EO08030164, (Order dated May 12, 2008).*


In the event any particular aspect of this Stipulation is not accepted and approved in its entirety by the Board, any of the undersigned parties aggrieved thereby shall not be bound to proceed with this Stipulation and shall have the right to litigate all issues addressed herein to a conclusion. More particularly, in the event this Stipulation is not adopted in its entirety by the Board, in any applicable Order(s), then any of the undersigned parties hereto is free to pursue its then available legal remedies with respect to all issues addressed in this Stipulation as though this Stipulation had not been signed.

WHEREFORE, the undersigned parties hereto do respectfully submit this Stipulation and request that the Board issue a Decision and Order approving an extension until April 27, 2015.

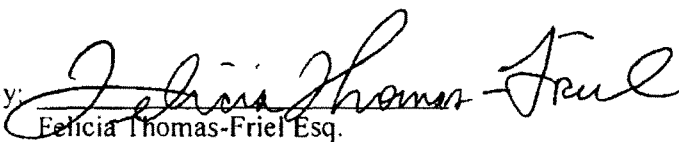
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Dated: March __, 2015