



STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 3rd Floor, Suite 314
Post Office Box 350
Trenton, New Jersey 08625-0350
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 August 23, 2017, at the State House Annex, Committee Room 11, 125 West State Street, Trenton, New Jersey 08625.

Public notice was given pursuant to N.J.S.A. 10:4-18 by posting notice of the meeting at the Board's Trenton Office, on the Board's website, filing notice of the meeting with the New Jersey Department of State and the following newspapers circulated in the State of New Jersey:

Asbury Park Press
Atlantic City Press
Burlington County Times
Courier Post (Camden)
Home News Tribune (New Brunswick)
North Jersey Herald and News (Passaic)
The Record (Hackensack)
The Star Ledger (Newark)
The Trenton Times

The following members of the Board of Public Utilities were present:

Richard S. Mroz, President
Joseph L. Fiordaliso, Commissioner
Mary-Anna Holden, Commissioner
Dianne Solomon, Commissioner
Upendra J. Chivukula, Commissioner

President Mroz presided at the meeting and 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 September 22, 2017 at the State House Annex, Committee Room 11, 125 West State Street, Trenton, New Jersey 08625.

CONSENT AGENDA

I. AUDITS

A. Energy Agent and/or Private Aggregator Initial Registrations

EE17080804L	Noble Hill Brokerage, LLC	I – EA
EE16070687L	I.C. Thomasson Associates, Inc.	I – EA/PA
GE16070688L		
EE15121348L	Energy Management Advisors, LLC	I – EA

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

EE17020156L	Energy Procurement Partners, LLC	R – EA
EE17020149L	Troy & Banks, Incorporated	R – EA
EE17070766L	Northeastern Energy Consultants, LLC	R – EA
EE17040338L	Connect Energy Resources, LLC	R – EA
EE16121168L	Progressive Energy Consultants, LLC	R – EA
EE17060662L	Optimum Group, LLC d/b/a Optimum Energy Solutions	R – EA
EE16100930L	Greenwave Concepts, LLC	R – EA/PA
GE16100931L	d/b/a TruEnergy	
EE16090866L	AUI Associates, Inc.	R – EA/PA
GE16090867L		
EE17050532L	Commercial Utility Consultants, Inc.	R – EA/PA/EC
GE17050533L	d/b/a Commercial Utility Consultants	

Electric Power and/or Natural Gas Supplier Initial Licenses

EE17020167L	Covanta Energy Marketing, LLC	I – ESL
EE16121175L	Calpine Energy Solutions, LLC	I – EGSL
GE16121176L		

Electric Power and/or Natural Gas Supplier Renewal Licenses

EE17060657L	Reliant Energy Northeast, LLC d/b/a NRG Home, NRG Business, NRG Retail Solutions	R – ESL
EE17050485L	Harborside Energy, LLC	R – EGSL
GE17050484L		
GE15121379L	Core Energy, Inc.	R – GSL

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

Staff recommended that the following applicants be issued initial registrations as an energy agent and/or private aggregator for one year:

- Noble Hill Brokerage LLC
- I.C. Thomasson Associates, Inc.
- Energy Management Advisors, LLC

Staff also recommended that the following applicants be issued a renewal registration as an energy agent, private aggregator and/or energy consultant for one year:

- Energy Procurement Partners LLC
- Troy & Banks, Inc.
- Northeastern Energy Consultants, LLC
- Connect Energy Resources, LLC
- Progressive Energy Consultants, LLC
- Optimum Group, LLC d/b/a Optimum Energy Solutions
- Greenwave Concepts, LLC d/b/a TruEnergy
- AUI Associates, Inc.
- Commercial Utilities Consultants, Inc. d/b/a Commercial Utility Consultants

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

- Covanta Energy Marketing LLC
- Calpine Energy Solutions, LLC

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

- Reliant Energy Northeast LLC d/b/a NRG Home, NRG Business, NRG Retail Solutions
- Harborside Energy, LLC
- Core Energy Inc.

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

II. ENERGY

A. Docket No. ER17030308 – 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 for Approval of a Grid Resiliency Initiative and Cost Recovery Related Thereto, and for Other Appropriate Relief (2017).

BACKGROUND: On March 30, 2017, Atlantic City Electric Company (ACE or Company) filed a petition with the Board seeking authority to (i) increase rates and charges for electric service that would result from the proposed amendments to the Company's tariff; (ii) create a regulatory asset to record the costs to achieve merger synergy savings and to amortize those costs over a five year period; (ii) incorporate the results of its Cost of Service Study and consider the unitized rate of return for each customer rate class in the allocation of overall revenue requirements among rate

classes; and (iii) modify certain charges, including monthly customer charges, and provide format changes to tariff sheets delineating the pricing for certain Rate Schedules.

Additionally, the Company requested that the Board relieve it of the obligation to file an alternative rate design using Peak and Average Coincident Peak method as required by the Board in the Order issued in connection with in Docket No. ER03020110.

ACE also sought approval of a tracker to permit contemporaneous recovery of costs associated with reliability and system renewal-related capital investments as those facilities are placed in service. The Company sought to implement its proposed rates to become effective for service rendered on or after April 30, 2017, but in no event after December 30, 2017.

Since a review of this matter will not be complete prior to August 30, 2017, Staff recommended that the Board issue an order suspending the proposed rate increase until December 30, 2017, pending further action on this matter. In addition, Staff anticipated that this matter will be transmitted to the Office of Administrative Law for hearing.

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

B. Docket Nos. BPU EC15091094 and OAL PUC 01588-16 – In the Matter of Roudi, et al., Petitioners v. Jersey Central Power & Light Company; First Energy Corporation; New Jersey Natural Gas Company; New Jersey Resources Corporation and ABC Companies Nos. 1-10, Respondents – Request for Extension.

BACKGROUND: The Initial Decision of the Administrative Law Judge was received by the Board on June 23, 2017. By previous Order of Extension, the period for issuing a Final Decision was extended to September 21, 2017. Prior to that date, and having received the consent of all parties, the Board requested an additional 45-day extension of time for issuing the Final Decision in order to adequately review the record in this matter.

Good cause having been shown, pursuant to N.J.S.A. 52:14B-10(c) and N.J.A.C. 1:1-18.8, Staff recommended that the time limit for the Board to render a Final Decision be extended until November 5, 2017.

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

C. Docket Nos. BPU EC15060657 and OAL PUC 01594-16 – In the Matter of Minutella, et al., Petitioners v. Jersey Central Power & Light Company; First Energy Corporation; New Jersey Natural Gas Company; New Jersey Resources Corporation and ABC Companies Nos. 1-10, Respondents – Request for Extension.

BACKGROUND: The Initial Decision of the Administrative Law Judge was received by the Board on June 23, 2017. By previous Order of Extension, the period for issuing a Final Decision was extended to September 21, 2017. Prior to that date, and having received the consent of all parties, the Board requested an additional 45-day extension of time for issuing the Final Decision in order to adequately review the record in this matter.

Good cause having been shown, pursuant to N.J.S.A. 52:14B-10(c) and N.J.A.C. 1:1-18.8, Staff recommended that the time limit for the Board to render a Final Decision be extended until November 5, 2017.

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

D. Docket Nos. BPU EC15060658 and OAL PUC 01589-16 – In the Matter of Harvey, et al., Petitioners v. Jersey Central Power & Light Company; First Energy Corporation; New Jersey Natural Gas Company; New Jersey Resources Corporation and ABC Companies Nos. 1-10, Respondents – Request for Extension.

BACKGROUND: The Initial Decision of the Administrative Law Judge was received by the Board on June 23, 2017. By previous Order of Extension, the period for issuing a Final Decision was extended to September 21, 2017. Prior to that date, and having received the consent of all parties, the Board requested an additional 45-day extension of time for issuing the Final Decision in order to adequately review the record in this matter.

Good cause having been shown, pursuant to N.J.S.A. 52:14B-10(c) and N.J.A.C. 1:1-18.8, Staff recommended that the time limit for the Board to render a Final Decision be extended until November 5, 2017.

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

E. Docket No. ER17010003 – In the Matter of the Federal Energy Items for 2017: FERC Docket No. ER17-2073 PJM Interconnection, LLC Re: Amendment to Service Agreement No. 2536, Queue Nos. O66/V1-034 to Convert TWR.

BACKGROUND: This matter involved Staff, on behalf of the Board, filing for intervention in this matter to establish the Board as a party in this proceeding as an “interested state commission” under the Federal Energy Regulatory Commission (FERC) rules of practice. The FERC e-filing rules allow for doc-less interventions within a specified time period. Staff intends to monitor this proceeding and, should Staff seek to comment, will return with that recommendation to be addressed on the regular agenda at a later date.

On July 10, 2017, PJM submitted for filing an unexecuted Interconnection Service Agreement entered into among PJM, Hudson Transmission Partners, LLC and Public Service Electric and Gas Company, which modifies Service Agreement No. 2536 filed with and accepted by the FERC in Docket No. ER10-1740-000.

Staff recommended that the Board ratify the intervention.

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

F. Docket No. ER17010003 – In the Matter of the Federal Energy Items for 2017: FERC Docket No. EL17-82 Independent Market Monitor for PJM v. PJM Interconnection, LLC.

BACKGROUND: This matter involved Staff, on behalf of the Board, filing for intervention in this matter to establish the Board as a party in this proceeding as an “interested state commission” under Federal Energy Regulatory Commission (FERC)

rules of practice. The FERC e-filing rules allow for doc-less interventions within a specified time period. Staff intends to monitor this proceeding and, should Staff seek to comment, will return with that recommendation to be addressed on the regular agenda at a later date.

On July 21, 2017, the Independent Market Monitor for PJM (IMM) filed a formal complaint against PJM Interconnection challenging PJM's decision to grant a Minimum Offer Price Rule exemption to an unidentified company (withheld due to confidentiality concerns - market sensitive data). On a subsequent conference call with the Organization of PJM States, Inc. (OPSI). Staff, PJM indicated that it would take the position that the IMM does not have the right to file complaints at FERC against PJM. OPSI, of which the Board is an active member, also filed comments in opposition to PJM's interpretation of the scope of the IMM's authority.

Staff recommended that the Board ratify the intervention.

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

G. Docket Nos. BPU EO15030383 and OAL PUC 08235-15 – In the Matter of the Petitioner of Jersey Central Power & Light Company Pursuant to N.J.S.A. 40:55D-19 for a Determination that the Montville-Whippany 230kv Transmission Project is Reasonably Necessary for the Service, Convenience or Welfare of the Public.

BACKGROUND: On March 27, 2015, Jersey Central Power & Light Company (Company) filed a petition with the Board, seeking a determination that the Montville-Whippany 230 kV Transmission project (Project) is reasonably necessary for the service, convenience or welfare of the public, and therefore the Company is entitled to relief from complying with the zoning, site plan review and other municipal land use ordinances or rules passed by municipalities along the proposed Project route under authority of Title 40, the Municipal Land Use Law. The matter was transmitted to the Office of Administrative Law (OAL) for hearing as a contested matter, and subsequently assigned to Administrative Law Judge Leland McGee (ALJ McGee).

Montville and the Montville Board of Education (Montville BOE) were granted Intervenor status, and the Wildlife Preserves, Inc. was granted Participant status. ALJ McGee held hearings and closed the record in July 2016. In July 2017, the Board granted the OAL multiple, as within time, extensions to issue an initial decision by August 9, 2017. The Initial Decision was issued and filed with the Board on August 10, 2017 allowing all parties to file exceptions within 13 days by August 23, 2017. On August 17, 2017, Montville BOE filed a request for a ten day extension of time to file exceptions to the initial decision, by September 5, 2017.

Staff recommended that the Board approve the request for a ten day extension, to September 5, 2017, the Montville Board of Education to file exceptions to the initial decision.

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

III. CABLE TELEVISION

A. Docket No. CE13080756 – In the Matter of the Application of Verizon New Jersey, Inc. for Renewal of a System-Wide Cable Television Franchise.

BACKGROUND: This matter involved an Order memorializing the addition of the Township of Berkeley to the renewal system-wide cable television franchise issued to Verizon New Jersey, Inc. (Verizon or Petitioner) on January 30, 2014.

On December 18, 2006, the Board issued an Order approving a System-wide Cable Television Franchise to Verizon in Docket No. CE06110768.

On June 27, 2017, the Petitioner filed notice with the Board that it was seeking to add the Township of Berkeley to its System-wide Cable Television Franchise. Verizon filed with the Township of Berkeley on June 27, 2017. This notice brings the total number of municipalities covered by Verizon's System-wide Cable Television Franchise to 386.

Based upon the elements of the System-wide Cable Television Franchise, and the legal mandates under which the Board operates, this Order Commemorates the addition of the Township of Berkeley to Verizon's System-wide Cable Television Franchise.

This Sixth Order of Amendment to the Renewal System-wide Cable Television Franchise serves only to add the Township of Berkeley to the Verizon Renewal System-wide Cable Television Franchise, and does not, in any manner, modify, change or otherwise affect the terms and conditions of the January 30, 2014 Order.

Staff recommended that the Board approve the Sixth Order of Amendment to include the Township of Berkeley into Verizon's renewal system-wide cable television franchise.

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

B. Docket No. CE15030379 – In the Matter of the Petition of Comcast of Garden State, LP for a Renewal Certificate of Approval to Continue to Construct, Operate and Maintain a Cable Television System in and for the Borough of Haddonfield and the Borough of Tavistock, County of Camden, State of New Jersey.

BACKGROUND: On December 16, 2014, Borough of Haddonfield (Borough) adopted an ordinance granting renewal municipal consent to Comcast of Garden State, L.P. (Comcast). On January 23, 2015, Comcast formally accepted the terms and conditions of the ordinance, and on March 25, 2015, Comcast filed with the Board for a renewal of its Certificate of Approval for the Borough and requested that the Borough of Tavistock be included in the same petition.

After review, Staff recommended approval of the proposed Renewal Certificate of Approval for the Borough of Haddonfield. This Certificate shall expire on August 27, 2027.

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

C. Docket No. CE15040425 – In the Matter of the Petition of Comcast of Central 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 East Brunswick, County of Middlesex, State of New Jersey.

BACKGROUND: On July 25, 2017, Comcast of Central New Jersey, LLC (Comcast, Company) filed an amended petition with the Board for a Renewal Certificate of Approval for the Township of East Brunswick (Township) for a term of 10 years from the date of issuance.

On March 9, 2015, the Township adopted an ordinance granting renewal municipal consent to Comcast. On April 1, 2015, Comcast rejected the ordinance stating that the ordinance contained provisions not agreed to by the Company. On April 6, 2015, Comcast filed a petition with the Board based on the arbitrary refusal provision of the New Jersey State Cable Television Act. On December 2, 2015, the Township filed an answer to the petition. A pre-transmittal settlement conference was held on February 17, 2016, but no settlement could be reached.

On March 4, 2016, the matter was transmitted to the Office of Administrative Law and the case was assigned to Administrative Law Judge (ALJ) Michael Antoniewicz. A telephone prehearing conference was held on May 16, 2016.

On January 24, 2017, the Township adopted an amended ordinance granting Comcast renewal municipal consent for ten years from the date of issuance of the Renewal Certificate of Approval. On March 17, 2017, Comcast accepted the amended ordinance that formally disposed of all issues in the matter.

The parties notified ALJ Antoniewicz that a settlement had been reached and that the matter could be returned to the Board. On May 16, 2017, the matter was returned to the Board. On July 25, 2017, Comcast filed an amended petition formally disposing of all issues in the matter and amending the petition previously filed with the Board.

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

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

D. Docket No. CE15040483 – 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 Township of Egg Harbor, County of Atlantic, State of New Jersey.

BACKGROUND: On April 21, 2015, Comcast of South Jersey, LLC (Comcast) filed a petition for an Automatic Renewal Certificate of Approval for the Township of Egg Harbor (Township), based on the automatic renewal provision. The Comcast petition is based on the Township's ordinance granting renewal municipal consent which was adopted on September 27, 2000. The Township's ordinance granted a term of 15 years with an automatic renewal term of five years.

After review, Staff recommended approval of the proposed Automatic Renewal Certificate of Approval. This Certificate shall expire April 3, 2020.

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

IV. TELECOMMUNICATIONS

A. Docket No. TM17050555 – In the Matter of the Verified Joint Petition of West Corporation, Transferor and Olympus Holdings II, LLC Transferee for Approval of the Indirect Transfer of Control of West Safety Communications, Inc. and West Telecom Services, LLC Operating Companies.

BACKGROUND: On May 25, 2017, West Corporation (West) and Olympus Holdings II, LLC (Olympus, and collectively with West, the Petitioners) submitted a petition with the Board requesting approval to complete a merger transaction whereby Olympus, by and through its wholly owned subsidiary Olympus Merger Sub, Inc. will acquire ultimate control of West and West's wholly-owned subsidiaries, including West Safety Communications Inc. (West Safety) and West Telecom Services, LLC (West Telecom," and, collectively with West Safety, the Operating Companies) (the Transaction). Following the proposed Transaction, the Operating Companies will continue to offer the same services in New Jersey at the same rates, terms, and conditions.

By letter dated July 14, 2017, the New Jersey Division of Rate Counsel (Rate Counsel) submitted comments stating it does not object to approval of the proposed acquisition provided conditions are imposed to ensure continued service quality in connection with potential future employment attrition in New Jersey. Specifically, as a condition of approval, Rate Counsel urged that the Board require the Petitioners to notify the Board and Rate Counsel, providing an appropriate explanation in writing within a minimum of thirty days prior to effectuating a reduction in New Jersey jobs that is greater than fifteen percent throughout a period of four years post-issuance of the Board order.

By letter dated July 21, 2017, the Petitioners responded to Rate Counsel comments. While objecting to a thirty day advance written notice requirement as unprecedented and unduly intrusive into the management of companies that provide solely competitive services, the Petitioners also objected to a four year reporting period. The Petitioners are willing to accept a three year reporting period.

Staff found that the proposed transaction is consistent with applicable law and is not contrary to the public interest. Therefore, Staff recommended the Board authorized the Petitioners to complete the proposed transaction.

The Order is issued subject to the following provisions:

1. For three years from the issuance of this Order, if there is any net loss of jobs in New Jersey, greater than (15%), the Petitioners shall notify the Board of such change and provide an appropriate explanation.
2. The Order is subject to the Petitioners notifying the Board Secretary and the Office of Cable Television and Telecommunications, in writing, within five days of the date of the closing of the proposed transaction.

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

B. Docket No. TM17060688 – In the Matter of the Verified Joint Petition of GTT Americas, LLC, Pivotal Global Capacity, LLC and GC Pivotal, LLC d/b/a Global Capacity for Approval to Transfer Control of GC Pivotal, LLC to GTT Americas, LLC.

BACKGROUND: On June 27, 2017, GTT Americas, LLC (Transferee), Pivotal Global Capacity, LLC, and GC Pivotal, LLC d/b/a Global Capacity (Global Capacity) (collectively, Petitioners), submitted a Joint Verified Petition to the Board requesting Board approval to transfer control of Global Capacity to Transferee and its direct parent company GTT Communications, Inc. (GTT Parent). Following the proposed Transaction, Global Capacity will continue to offer the same services in New Jersey at the same rates, terms, and conditions.

By letter dated July 27, 2017, the New Jersey Division of Rate Counsel (Rate Counsel) submitted comments stating it does not object to approval of the Petitioners' requests in this matter and recommended the Board impose conditions to ensure continued service quality in connection with potential future employment attrition in New Jersey. Specifically, Rate Counsel urged that the Board require the Petitioners to notify the Board and Rate Counsel providing an appropriate explanation in writing within a minimum of thirty days prior to effectuating a reduction in New Jersey jobs that is greater than fifteen percent (15%) throughout a period of four years as a condition of approval of this merger transaction.

After review of 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.

Staff concurred with Rate Counsel that there is a need for the Board to be notified when there is a reduction in staff, and consistent with the Board's findings in similar merger reviews, Staff recommended that those provisions adopted in previous cases are appropriate and should be maintained. Accordingly, no additional pre-reduction reporting requirements will be imposed at this this time. Consistent with past Board orders the Board should require Petitioners to notify the Board, providing an explanation if there is a net loss of New Jersey employees of Petitioners that is greater than fifteen percent for three years post-issuance of this order.

Staff recommended the Petitioners be allowed to proceed with the transaction. Staff also recommended that Petitioners be ordered to notify the Secretary of the Board and the Office of Cable Television and Telecommunications within five days of the closing of the transaction.

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

C. Docket No. TF17050556 – In the Matter of the Verified Petition of DSCI, LLC for Approval to Participate in Certain Financing Arrangements.

BACKGROUND: On May 25, 2017, DSCI, LLC (DSCI or Petitioner) submitted a Petition requesting the Board approve its participation in certain financing arrangements involving the parent company of DSCI and its affiliates. DSCI is a limited liability company with principal offices at 515 S. Flower Street, 47th Floor, Los Angeles, CA.

DSCI is a wholly-owned direct subsidiary of U.S. TelePacific Corporation, doing business as TPx Communications (TPx), which, in turn, is wholly-owned by U.S. TelePacific Holdings Corp. (Holdings).

DSCI requested Board approval to participate in financing arrangements by joining the guarantee and security provisions of a credit agreement entered into by TPx and Holdings (each a Company and together, the Companies) in early May 2017 (the 2017 credit agreement). By the credit agreement, Holdings and its subsidiaries – except DSCI – provide a guarantee and security interest in their assets to secure the underlying corporate obligations. The 2017 credit agreement replaces an amended and restated credit agreement entered into by TPx and Holdings in November 2014 in the aggregate amount of \$530 million and an additional debt arrangement of \$130 million in the form of senior secured first lien notes as DSCI, LLC provided security for the \$130 million credit facility, previously approved by the Board (the 2014 credit agreement).

The 2017 credit agreement provides for a six-year senior secured term loan facility in the amount of \$655,000,000.00 and a five-year revolving credit facility up to \$25,000,000.00, of which up to \$10,000,000.00 was made available through a sub-facility for letters of credit. The interest rate for the senior secured term loan is set at the London Inter-Bank Offered Rate (LIBOR) at the option of TPx plus a margin up to 5 percent or Alternative Base Rate (ABR) plus a margin up to 4 percent. The interest on the revolving facility is at the option of TPx, the adjusted LIBOR plus a margin of up to 4 percent or ABR, plus a margin up to 4 percent, in each case, with a step down of 25 basis points based on achieving specified total leverage ratios. Petitioner states that this change in the interest rates will save the Companies up to \$3 million annually in interest expenses.

The New Jersey Division of Rate Counsel (Rate Counsel) reviewed this matter and, by letter dated July 27, 2017, stated that it did not oppose approval of the request. Specifically, Rate Counsel noted that the Petitioner has provided all the information required under the applicable statutes and the Board's regulations, and the Petitioner has asserted the financing arrangements contemplated are not contrary to the public interest and will serve a beneficial purpose for New Jersey customers.

After review, the Office of the Economist found that the action requested is in accordance with the law and in the public interest and therefore recommended approval of this petition.

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

V. WATER

A. Docket No. WE17020139 – In the Matter of the Petition of New Jersey-American Water Company, Inc. for Approval of a Municipal Consent Granted by the Township of Eastampton, County of Burlington.

BACKGROUND: On February 17, 2017, New Jersey-American Water Company, Inc. (NJAWC) filed a petition requesting the Board's approval of the consent granted by Eastampton Township (Township) to extend its existing partial franchise in the Township to include Block 700, Lot 9 and Block 800, Lot 9.03 (Proposed Franchise Area). The Proposed Franchise Area encompasses the proposed residential development identified as "Lennar at Rancocas Creek"; bounded by Smithville Road, US-206, Woodlane Road,

and Monmouth Road. Currently, the proposed development includes 452 age-restricted homes, 15,500 square feet of commercial space, a 10,500 square foot clubhouse, a 1,500 square foot pool and a variety of additional recreation areas on 148 acres of property to be constructed on the Block 700, Lot 9 portion of the development. The Mount Holly Municipal Utilities Authority will provide wastewater service to the Proposed Franchise Area. It currently provides wastewater service to the remainder of the Township and owns and maintains the conveyance lines and the sewage treatment plant.

On December 19, 2016, the Township's governing body adopted Ordinance No. 2016-14, granting NJAWC a franchise and authorizing NJAWC to add to, extend, maintain and operate water service facilities within the Proposed Franchise Area for the purpose of providing water to that area. The ordinance grants NJAWC, its successors and assigns, in perpetuity, the municipal consent required, including the use of the streets.

By letter dated July 25, 2017, the New Jersey Division of Rate Counsel (Rate Counsel) indicated that it does not object to NJAWC's request for approval of the Eastampton municipal consent subject to the recommendation that the Board modify the term of the consent and limit NJAWC's right to the use of the streets to 50 years from the date of the grant, and require NJAWC to request a renewal of that right subject to Township and Board approval. Rate Counsel argued that the Board should limit the use of the streets, pursuant to N.J.S.A. 48:3-15, to 50 years. Rate Counsel further argued that the franchise should also be limited, preferably to 50 years and that the Board should not allow a municipal consent in perpetuity.

Staff recommended that the Board approve the municipal consent as granted by the Township of Eastampton for water service in perpetuity and that the rates charged under the Petitioner's existing tariff be extended to the Proposed Franchise Area. Staff further recommended that the use of the streets be limited to a term of 50 years.

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 EC16101045U and OAL PUC 18764-16 – In the Matter of Jazmen Camarota, Petitioner v. Atlantic City Electric Company, Respondent – Request for Extension.

BACKGROUND: The Initial Decision of the Administrative Law Judge was received by the Board on July 27, 2017; therefore, the 45-day statutory period for review and the issuing of a Final Decision will expire on September 10, 2017. Prior to that date, the Board requested an additional 45-day extension of time for issuing the Final Decision.

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 limit for the Board to render a Final Decision be extended until October 25, 2017.

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

B. Docket Nos. BPU EC15040478U and OAL PUC 03310-16 – In the Matter of JDM Group, LLC, Petitioner v. Public Service Electric and Gas Company, Respondent – Billing Dispute.

BACKGROUND: This matter involved a billing dispute between JDM Group, LLC (Petitioner) and Public Service Electric and Gas Company (PSE&G or Company). The petition was transmitted to the Office of Administrative Law on March 1, 2016, for hearing as a contested case. Administrative Law Judge (ALJ) Michael Antoniewicz filed an Initial Decision in this matter with the Board on July 12, 2017, approving a Stipulation of the parties.

Pursuant to the terms of the Stipulation, and in order to fully resolve this matter, PSE&G agreed to credit \$109,055.66 to the Petitioner's accounts. The Petitioner will be left with outstanding overdue balances on several accounts totaling \$139,000.00, and will make a \$75,000.00 payment within 45 days of the settlement. In addition to timely paying monthly PSE&G utility bills, the Petitioner agreed to enter into a 24-month deferred payment arrangement (DPA) with the Company to pay off the balance. The Petitioner will make 23 consecutive monthly payments of \$2,700.00. For the 24th consecutive monthly payment, the Petitioner shall pay \$1,900.00 to fulfill the DPA. If the DPA is broken, PSE&G can proceed with regular collection activity.

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

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

C. Docket Nos. BPU EC16080759U and OAL PUC 14260-16 – In the Matter of Jennifer Woolf, Petitioner v. Jersey Central Power & Light Company, Respondent – Request for Extension.

BACKGROUND: The Initial Decision of the Administrative Law Judge was received by the Board on August 7, 2017; therefore, the 45-day statutory period for review and the issuing of a Final Decision will expire on September 21, 2017. Prior to that date, the Board requested an additional 45-day extension of time for issuing the Final Decision in order to adequately review the record in this matter.

Good cause having been shown, pursuant to N.J.S.A. 52:14B-10(c) and N.J.A.C. 1:1-18.8, Staff recommended that the time limit for the Board to render a Final Decision be extended until November 5, 2017.

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 February 10, 2017 Special Meeting and the June 30, 2017 and July 26, 2017 Agenda Meeting.

BACKGROUND: Staff presented the minutes of the Regular Board Agenda meetings of June 30, 2017 and July 26, 2017, and the special meeting minutes of February 10, 2017, and recommended 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 Mroz	Aye
	Commissioner Fiordaliso	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye
	Commissioner Chivukula	Aye

AGENDA

1. AUDITS

A. Non-docketed Matter – In the Matter of the Request for Extension of Treasury Term Contract #T-2482 Relating to Request for Proposal 13-X-22139, Management Consulting: Contracted Management Auditing Firms, BPU – Request for Approval of a Second One-Year Contract Extension of Pre-Qualified Bidders List. Original Contract Duration: October 1, 2012 – September 30, 2016.

Alice A. Bator, Director, Division of Audits, presented this matter.

BACKGROUND AND DISCUSSION: The Board is required to perform Management Audits by either Board Staff or an independent management consulting firm at least once every three years, but in no event less than once every six years. This consists of an audit of the operating procedures and any other internal workings of every gas or electric utility subject to the Board's jurisdiction. All expenses of the audits are borne by the affected utilities.

This matter involved Staff's request for a second one-year extension of the Department of Treasury, Division of Purchase and Property, Purchase Bureau's Contract Term # T-2482 relating to a list of pre-qualified consulting firms contracted to perform management audits of utilities under the jurisdiction of the Board, which is anticipated to result in audit costs in excess of \$250,000.00 during the extension year period from October 1, 2017 through September 30, 2018.

The contracts between the State and the list of pre-qualified consulting firms provides that the contract may be extended for all or part of two one-year periods, by mutual written consent of the consultants.

Staff recommended that the Board seek the Office of Management and Budget's (OMB) approval of the extension of contract number T-2482, Management Consulting: Contracted Management Auditing Firms, the Board had with the seven pre-qualified consultants, which expires September 30, 2017. In addition, OMB may finalize the negotiations process for the contract extension as soon as possible and contactors are available to commence the management audits as planned for the period October 1, 2017 through September 30, 2018.

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

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

B. Docket No. EO17060687 – In the Matter of the Department of Community Affairs’ State Fiscal Year 2018 Universal Service Fund Administrative Cost Budget.

Maureen Clerc, USF Team, presented this matter.

BACKGROUND AND DISCUSSION: This matter involved the Universal Service Fund (USF) administrative cost budget submitted by the Department of Community Affairs (DCA) for State Fiscal Year (FY) 2018 in the amount of \$6,513,613.00. The DCA is the USF Program Administrator. The proposed FY 2018 USF administrative cost budget has decreased by \$369,841.00 compared to the FY 2017 USF budget of \$6,883,454.00, which was approved by the Board on August 24, 2016.

Staff reviewed the budget submitted by DCA, as well as the budgets for each Community Based Organization (CBO), included as part of the DCA submission. The CBOs process USF applications for DCA, with each county represented by one or more agencies. The USF application is also the application for the federal Low Income Home Energy Assistance Program (LIHEAP) therefore DCA and CBOs submit joint USF/LIHEAP budgets. The budget of each individual agency is based on the number of applications the agency processed in the previous fiscal year and the percentage of households served for each program in a particular county. The DCA portion of the budget is split according to the number of households served for each program state-wide. After all Staff’s questions regarding the FY 2018 budget were answered and necessary modifications made, DCA submitted its final USF administrative cost budget for FY 2018 in the amount of \$6,513,613.00 for the period of July 1, 2017 through June 30, 2018 as follow:

DCA	\$1,377,499.00
Subgrantees-	
County Welfare Organizations	\$221,520.00
Community Based Organizations	<u>\$4,914,594.00</u>
Total	<u>\$6,513,613.00</u>

Staff reviewed DCA’s proposed FY 2018 budget and found that the costs listed therein appear to be appropriate, and necessary for the administration of the USF program by DCA. Therefore, Staff recommended that the Board approve this budget. It is noted that the budget is an estimate. DCA will provide the Board with an accounting of all expenditures; after reviewing these expenditures Board Staff will come before the Board for final approval of all expenditures.

Commissioner Fiordaliso stated that one of the reasons that the budget has gone down is that there were fewer applications, which is a good sign as far as the economy is concerned, because fewer people needed assistance.

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

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

2. ENERGY

Thomas Walker, Director, Division of Energy, presented these matters.

A. Docket No. ER17060671 – In the Matter of the Provision of Basic Generation Service and the Compliance Tariff Filing Reflecting Changes to Schedule 12 Charges in PJM Open Access Transmission Tariff – JCP&L, PSE&G and Rockland – June 22, 2017 Filing.

BACKGROUND AND DISCUSSION: On June 22, 2017, Jersey Central Power & Light Company, Public Service Electric and Gas Company, and Rockland Electric Company (collectively, the EDCs) filed a joint petition (June 2017 Petition) with the Board requesting recovery of Federal Energy Regulatory Commission (FERC) approved changes in transmission service related charges.

The EDCs' proposed tariff changes reflect changes to the Basic Generation Service (BGS) Residential and Small Commercial Pricing (BGS-RSCP) 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 Baltimore Gas and Electric Company in FERC Docket No. ER09-1100, and by Tran-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.

On April 25, 2017, FERC issued an Order that modified the PJM OATT as a result of the termination of a long-term firm point-to-point transmission service agreement between PJM and Consolidated Edison Company of New York, Inc. (the ConEd Wheel). The PJM tariff revisions remove ConEd as a party responsible for cost allocation under Schedule 12 of the PJM OATT. This, in turn, required that PJM reallocate the ConEd portion to the remaining entities as these costs relate to the ConEd Wheel. The cost reallocation being implemented pursuant to the ConEd Wheel Order is subject to ongoing legal challenges and protests before FERC by various interested entities. Under the Supplier Master Agreement (SMA), specifically Section 15.9, the EDCs are permitted to recover increases in Firm Transmission Service charges from BGS customers subject to Board approval. Thereafter, EDCs are required to remit payment of the increased charges to suppliers upon, among other things, the issuance of a "FERC Final Order" approving the Firm Transmission Service increase.

By Order dated July 26, 2017, the Board authorized the EDCs to begin collecting the charges based on the reallocation related to the ConEd Wheel Order and track such collections until receipt of a Final FERC Order in the matter.

The proposed rates in the June 2017 Petition included in the amended tariff sheets for each EDC reflect costs effective as of June 1, 2017 for the Transmission Enhancement Charges (TECs) resulting from the above listed FERC-approved Filings, as well as the rate adjustments resulting from the ConEd Wheel Order.

The EDCs also requested that the BGS suppliers be compensated for the changes to the OATT resulting from the implementation of the updates to formula rates which became effective June 1, 2017. The EDCs represent that suppliers will be compensated subject to the terms and conditions of the applicable SMAs. Any differences between payments to BGS-RSCP and BGS-CIEP suppliers and charges to customers will flow

through BGS Reconciliation Charges.

Staff recommended that the Board issue an order approving the changes to the BGS-RSCP and BGS-CIEP rates requested by each EDC for its transmission charges resulting from the FERC-approved changes to the TECs effective as of September 1, 2017. Staff also recommended that the EDCs only be authorized to collect from BGS customers the costs associated with the reallocation per the ConEd Wheel Order, and track such collections until receipt of a Final FERC Order in the ConEd Wheel matter. Staff further recommended that the Board direct the EDCs to file tariffs and rates consistent with the Board's findings by September 1, 2017.

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

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

B. Docket No. ER17070752 – In the Matter of the Petition of Atlantic City Electric Company (ACE) for Approval to Implement FERC-Approved Changes to ACE's Retail Transmission (Formula) Rate Pursuant to Paragraph 15.9 of the BGS-RSCP and BGS-CIEP Supplier Master Agreements and Tariff Filing Reflecting Changes to Schedule 12 Charges in PJM Open Access Transmission Tariff (2017).

BACKGROUND AND DISCUSSION: On July 14, 2017, 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 September 1, 2017. (July 2017 Petition)

The Company's proposed tariffs reflect changes to the Basic Generation Service (BGS) Residential and Small Commercial Pricing (BGS-RSCP) and Commercial and Industrial Pricing (BGS-CIEP) rates to customers resulting from FERC approved changes in the PJM Open Access Transmission Tariff (OATT) made in response to (i) the annual formula rate update filing by PPL Electric Utilities Corporation in FERC Docket No. ER09-1148 and by Trans-Allegheny Interstate Line Company (TrAILCo) in FERC Docket No. ER07-562, and (ii) the formula rate update filings made by the public utility affiliates of Pepco Holdings, Inc.

On April 25, 2017, FERC issued an Order that modified the PJM OATT as a result of the termination of a long-term firm point-to-point transmission service agreement between PJM and Consolidated Edison Company of New York, Inc. (the ConEd Wheel). The PJM tariff revisions remove ConEd as a party responsible for cost allocation under Schedule 12 of the PJM OATT. This, in turn, required that PJM reallocate the ConEd portion to the remaining entities as these costs relate to the ConEd Wheel. The cost reallocation being implemented pursuant to the ConEd Wheel Order is subject to ongoing legal challenges and protests before FERC by various interested entities. Under the Supplier Master Agreement (SMA), specifically Section 15.9, the electric distribution companies (EDCs) are permitted to recover increases in Firm Transmission Service charges from BGS customers subject to Board approval. Thereafter, EDCs are required to remit payment of the increased charges to suppliers upon, among other

things, the issuance of a “Final FERC Order” approving the Firm Transmission Service increase.

By Order dated July 26, 2017, the Board authorized the EDCs to begin collecting the Transmission Enhancement Charges (TECs) charges based on the reallocation related to the ConEd Wheel Order and track such collections until receipt of a Final FERC Order in the matter.

The proposed rates included in the amended tariff sheets reflect TECs costs effective as of June 1, 2017 resulting from all of the FERC-approved Filings, as well as the rate adjustments resulting from the ConEd Wheel Order.

ACE also requested authorization to compensate the BGS suppliers for the changes resulting from the implementation of these updates to formula rates, subject to the terms and conditions of the applicable SMAs. Any differences between payments to BGS suppliers and charges to customers would flow through the BGS Reconciliation Charges.

ACE stated that an adjustment to BGS supplier accounts for the period June 1, 2017 through May 31, 2018 will be made upon the Board’s approval of this request. For the period beginning June 1, 2017, ACE represented that it will track amounts associated with the rate change to BGS suppliers.

Staff recommended that the Board issue an order approving the changes to the BGS-RSCP and BGS-CIEP rates requested by ACE for its transmission charges resulting from the FERC-approved changes effective as of September 1, 2017. Staff also recommended that ACE only be authorized to collect from BGS customers the costs associated with the reallocation per the ConEd Wheel Order, and track such collections until receipt of a Final FERC Order in the ConEd Wheel matter. Staff further recommended that the Board direct ACE to file tariffs and rates consistent with the Board’s findings by September 1, 2017.

Commissioner Fiordaliso stated that the disparity between ACE and the others is noticeable.

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

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

C. Docket No. ER17070719 – In the Matter of the Provision of Basic Generation Service (BGS) and Tariff Sheets Reflecting Proposed Revisions to Reliability Must Run Charge.

BACKGROUND AND DISCUSSION: On March 3, 2017, RC Cape May Holdings, LLC (RCCM) made a filing with the Federal Energy Regulatory Commission (FERC) for the recovery of costs associated with the continued operation of two generating units for reliability must run (RMR) purposes. The specific additional PJM Interconnection (PJM) charges are based on Section 120 of the PJM Tariff, whereby costs incurred to

compensate a deactivating generating unit for its continued operation to alleviate a reliability impact are recovered by PJM through an additional transmission charge in the transmission zones assigned financial responsibility for the reliability upgrades (RMR Charges). By Order dated April 26, 2017, FERC accepted RCCM's proposed tariff revisions and authorized the revisions to become effective on May 1, 2017, subject to refund. (April 2017 RMR Order)

By petition (June 2017 RMR Petition) dated June 28, 2017, Atlantic City Electric Company and Jersey Central Power & Light Company (collectively, EDCs) filed a joint petition with the Board requesting recovery of FERC approved changes in transmission service related charges. The EDCs request that the changes in rates, if approved, be effective for service rendered on or after September 1, 2017.

The EDCs' proposed tariff changes reflect changes to the Basic Generation Service (BGS) Residential and Small Commercial Pricing (BGS-RSCP) and Commercial and Industrial Energy Pricing (BGS-CIEP) rates to customers resulting from changes in the PJM Open Access Transmission Tariff relating to costs the suppliers will be assessed by PJM pursuant to the RMR Charges approved by FERC in the April 2017 RMR Order. Additionally, the April 2017 RMR Order does not impact Public Service Electric and Gas Company or Rockland Electric Company at this time.

The EDCs also requested that the BGS suppliers be compensated for this increase effective September 1, 2017, with any differences between payments to BGS-RSCP and BGS-CIEP suppliers and charges to customers will flow through BGS Reconciliation Charges.

Staff recommended that the Board issue an order approving the changes to the BGS-RSCP and BGS-CIEP rates requested by each EDC for the RMR Charges resulting from the FERC-approved changes resulting from the April 2017 RMR Order effective as of September 1, 2017. As noted in the June 2017 RMR Filing, the April 2017 RMR Order is not a Final FERC Order. Staff also recommended that the Board authorize the EDCs to collect from BGS customers, the costs associated with the April 2017 RMR Order and track such collections until receipt of Final FERC Orders in the matter. Staff further recommended that the Board direct the EDCs to file tariffs and rates consistent with the Board's findings by September 1, 2017.

President Mroz asked staff for clarification regarding the reliability must run order that directed the owner/operator of B.L. England to continue to operate.

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

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

D. Docket Nos. ER17030324 and GR17030325 – In the Matter of the Petition of Public Service Electric and Gas Company for Approval of Electric and Gas Base Rate Adjustments Pursuant to the Energy Strong Program.

Stacy Peterson, Deputy Director, Division of Energy, presented this matter.

BACKGROUND AND DISCUSSION: On March 31, 2017, Public Service Electric and Gas Company (PSE&G or Company) filed a petition with the Board seeking authority to establish rates to recover annualized increases in the electric and gas revenue requirements associated with electric and gas Energy Strong (ES) Program investment costs. (March 2017 Petition) The March 2017 Petition sought approval to recover an additional \$22.309 million in electric revenues and an additional \$2.580 million in gas revenues based on actual costs from December 1, 2016 through February 28, 2017 and projected program expenditures from March 1, 2017 through May 31, 2017.

On June 15, 2017, PSE&G updated the March 2017 Petition to include actual electric and gas ES Program expenditures through May 31, 2017. The update reflected a reduction in the March 2017 Petition revenue requirements to \$16.121 million for electric and \$2.219 million for gas.

On August 8, 2017, the Company, Board Staff and the New Jersey Division of Rate Counsel executed a Stipulation of Settlement (Settlement) that allows the Company to recover revenues of \$16.121 million related to the electric ES expenditures and \$2.219 million related to the gas ES expenditures as of May 31, 2017.

Staff recommended that the Board issue an Order approving the Settlement. Staff also recommended that the Board direct PSE&G to file tariffs consistent with the Board's Order prior to September 1, 2017.

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

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

E. Docket No. ER17010003 – In the Matter of the Federal Energy Items for 2017: FERC Docket No. ER17-856 – Rockland Electric Company Submitted Tariff Revisions Re: Update to Stated Transmission Rate – Executive Session.

Discussion: This matter was initially discussed in Executive Session pursuant to the pending litigation and attorney/client privilege to the Open Public Meetings Act. President Mroz recused himself from the matter and was not present during the discussions in executive session. DAG Alex Moreau stated that the Division of Law requested that the Board ratify its consent to the advice given in executive session.

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

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

F. Docket No. ER16060524 – In the Matter of the Rockland Electric Company for Approval of an Advanced Metering Program and for Other Relief.

BACKGROUND AND DISCUSSION: On May 13, 2016, this matter involved Rockland Electric Company (RECO or Company) filing a petition with the Board seeking approval of its Advanced Metering Infrastructure Program (AMI Program). The Company requested Board approval to install approximately 74,000 AMI meters, communications systems, and data management and coordination systems to implement the AMI Program over RECO's entire territory.

The Company sought a change in base rates and other relief (Base Rate Case Petition). On June 29, 2016, the Board issued its Order Amending the Suspension Order, Bifurcating Petition, Designating Presiding Commissioner, Setting Manner of Service and Intervention Bar Date (Bifurcation Order). The Bifurcation Order directed that the portion of the Company's Base Rate Case Petition seeking to deploy AMI and smart meters throughout its service territory be retained by the Board for hearing in the above-captioned docket (RECO AMI Petition).

The Board designated Commissioner Upendra Chivukula as presiding officer with authority to rule on all motions that arise during the proceeding and to establish and modify schedules, and set August 5, 2016 as the deadline for filing motions to intervene or participate in this matter. On July 6, 2016, the Company filed a letter with the Board identifying and filing the materials constituting the RECO AMI Petition, including the specified portions of the Base Rate Case Petition, Panel Direct Testimony (specified pages), and two schedules (AMI Business Plan and White Paper). The RECO AMI Petition included a request that the Board issue an Order approving the Company's proposed Advanced Metering Program, including the deployment of AMI and smart meters.

On July 29, 2016, Commissioner Chivukula issued a prehearing order which established a procedural schedule and directed the parties to serve all documents in the RECO AMI Petition electronically, while providing hard copies to the Board for those documents which must be filed with the Board.

On September 14, 2016, Commissioner Chivukula issued an order granting intervenor status to the Environmental Defense Fund (EDF), and participation status to Public Service Electric and Gas Company (PSE&G) and Atlantic City Electric Company (ACE). On October 28, 2016 Commissioner Chivukula issued an Amended Prehearing Order and Amended Procedural Schedule.

Commissioner Chivukula presided over two public hearings in Mahwah, NJ on September 19, 2016 at 4:30 P.M. and 6:30 P.M. No members of the public attended.

By letter, dated March 13, 2017, RECO filed an executed stipulation between RECO and EDF (RECO/EDF Stipulation). The stipulation sets forth RECO and EDF's support for Board approval of the AMI Program, a Green Button Connect data sharing policy, and proposed metrics and reports.

On March 20, 2017, Commissioner Chivukula held evidentiary hearings.

RECO, Rate Counsel and EDF filed briefs, and ACE filed a letter of support of RECO's petition with the Board on April 7, 2017. On April 26, 2017 RECO, Rate Counsel, and EDF filed reply briefs.

Interested parties, Rate Counsel and the EDF, have differing opinions of the AMI Program's implementation and the requested Board approval. Staff reviewed the full record and recommended that the Board approve RECO to proceed with implementation of the AMI Program, subject to certain conditions, and agreement with certain petition requests, and denial of other petition requests.

Staff found that RECO's AMI Program has the potential to help satisfy the goals of the EMP and that the EMP supports RECO's intended use of AMI and smart grid technology. Staff recommended that the Board order that RECO may implement its AMI Program as described in its petition and testimony, subject to the conditions of this Order.

Staff recommended that the Board should defer a determination regarding recovery of the stranded costs of the legacy meters and finding that it is not appropriate to allow recovery of the legacy meters until the prudence of the AMI Program itself has been determined. Staff also recommended the Board direct RECO to file testimony in its next base rate case related to the deferral amount of the legacy meters, as well as a proposal for the amortization of such costs.

Staff further recommended the Board approve the AMI opt-out fees proposed by RECO and subsequently direct RECO to provide testimony and actual cost information for these fees in its next base rate case. The ongoing assessment of these fees will be reviewed in future rate cases. These fees are necessary to recover the costs for meter reading that would otherwise be avoided with the AMI Program.

Staff recommended the Board deny RECO's request for a waiver of the provisions of N.J.A.C. 14:3-4.7(c)6 and require that RECO perform a test on each of the meters it is retiring.

Staff also recommended the Board waive General Information Section No. 22 of RECO's current tariff only as it pertains to work done related to the AMI Program roll out and done specifically for installation of an AMI meter at the customer's locations. Additionally, Staff recommended the Board deny RECO's request to capitalize such costs from its customers. Work on the customer side of the meter is appropriate to streamline the installation of the AMI meters and avoid costly delays that could lead to an imprudent AMI deployment. However, for the purposes of the AMI program, it would be improper to recover these costs from ratepayers.

In addition, Staff recommended the Board deny RECO and EDF's request to approve the RECO/EDF Stipulation, *in toto*. The Board can use the stipulation as a fact finding tool, which is essentially what the Order is doing, without approving it in its entirety.

Staff also recommended the Board order that RECO enhance the metrics as contained in the RECO/EDF Stipulation to include specific goals and submit them to the Board for review within thirty days of the effective date of this Order, and that the Company provide additional metrics, should the Company proceed with implementation of the AMI Program.

Staff further recommended the Board order RECO to develop and submit, within forty-five days of the effective date of this Order, an AMI Implementation Plan.

Staff recommended the Board order RECO to implement the “Green Button Connect Data Sharing Policy”, as contained in the RECO/EDF Stipulation and finding that customer access to data is a key element of realizing the anticipated benefits of the AMI Program and reserves the right to require that additional information be provided to customers free of charge and any fees or surcharges for additional information must be included in the Company’s Board-approved tariff.

Staff recommended the Board ratify the decisions made by Commissioner Chivukula during the pendency of this proceeding for the reasons stated in his decisions and Orders.

Finally, Staff recommended the Board order RECO to notify the Board of its intent to proceed with its AMI Program no later than September 15, 2017 And that one 30 day extension of this time frame may be granted by Board Staff.

President Mroz stated that this is an exciting matter because it is the first opportunity that we have to implement Advanced Metering Infrastructure (AMI) here in New Jersey. Also, the President said that the implementation of these technologies do raise a number of questions that we asked today concerning cost, the privacy of the data, who owns it, and how we protect it.

Further, President Mroz said that staff is recommending a measured, well-thought out and balanced approach to moving ahead with AMI. Moreover, the President said that it is being undertaken in way that ensures that the investments are prudent, and we also have metrics to prove the benefits of the deployment. Finally, the President said that this is a very positive recommendation, that will be very valuable to both the customers of this company, as well as New Jersey.

Commissioner Fiordaliso stated that he is an enthusiastic supporter of AMI because it is the future, and we have to embrace it for all the reasons that Staff provided. Further, the Commissioner stated that he has a concern with the cost to the customer if they decide to opt out, and he believes that the Board has an obligation to the consumer to explore ways to reduce that cost.

Commissioner Holden asked staff how long they expected the Moratorium would last because it doesn't state it in this Order. Further, Commissioner Holden said that some of the water companies that deployed AMI on some of the larger meters have saved a tremendous amount of energy.

Commissioner Solomon stated that she is a supporter of this program, and it is one of the instances where being first probably is not in our best interests, in that we gained a lot of relevant information in terms of how we want to proceed, even in this limited extent. Finally, the Commissioner said that waiting is probably in our best interests and will serve us well in the long term.

Commissioner Chivukula asked staff how they wanted to classify the data that is specified in the green button standard. Finally, the Commissioner said during their time,

California had a lot of problems with AMI. They had billions of dollars of investment that was wasted. So sometimes it's good to be a late starter, and learn from other's experience. It's a major step for the State of New Jersey to undertake AMI.

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

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

3. CABLE TELEVISION

There were no items in this category.

4. TELECOMMUNICATIONS

A. Docket No. TM16121159 – In the Matter of the Joint Petition of Level 3 Communications, Inc., Together with CenturyLink, Inc. for Approval of Indirect Transfer of Control of: Level 3 Communications, LLC, Level 3 Telecom of New Jersey, LP, Broadwing Communications, LLC, Global Crossing Local Services, Inc., Global Crossing Telecommunications, Inc., Telcove Operations, LLC, and WiTel Communications, LLC to CenturyLink, Inc. and Related Approvals.

Lawanda R. Gilbert, Esq., Director, Office of Cable Television & the Office of Telecommunications, presented this matter.

BACKGROUND AND DISCUSSION: On December 16, 2016, Level 3 Communications, Inc. (Level 3) and CenturyLink, Inc. (CenturyLink, or Company) (together Joint Petitioners) submitted a petition to the Board requesting approval of the indirect transfer of control of Level 3 Communications, LLC, Level 3 Telecom of New Jersey, LP, Broadwing Communications, LLC, Global Crossing Local Services, Inc., Global Crossing Telecommunications, Inc., TelCove Operations, LLC and WiTel Communications, LLC (collectively, Level 3 OpCos) to CenturyLink (hereinafter the Transaction).

On August 7, 2017, the joint Petitioners, New Jersey Division of Rate Counsel (Rate Counsel) and Staff entered into a Stipulation Settlement (Settlement) which resolved all outstanding issues. Some of the provisions of the Settlement include but not limited to; Joint Petitioners will continue to compete in Business Data Services markets in Verizon New Jersey's service territory for a minimum period of three years. In addition, the Company will notify the Board and Rate Counsel for three years if there is any net loss of customer-facing jobs in New Jersey greater than fifteen percent and provide an appropriate explanation in writing within ten days of such event. United/CenturyLink acknowledged that, until further Board Order, it shall continue to comply with its obligation to provide safe, adequate and proper service as required by applicable New Jersey statutes and regulations, and shall continue to comply with all applicable Board Orders, including its Plan for Alternative Regulation approved by Board Order at BPU Docket Nos. TX07110873 and TO08060451. In addition to the positive benefits articulated in the Settlement, the Company has committed to develop an engineering plan to extend its facilities deeper into the network to provide broadband services in the Hope, Blairstown and Columbia exchanges. These improvements will be completed no

later than year-end 2018.

As part of CenturyLink's infrastructure commitments compliance with the Federal Communications Commission Connect America Fund Phase 2 Program (CAF Phase 2 Program) governing build out of facilities to provide broadband internet access services in communities served by the Company, CenturyLink will endeavor to maximize the number of locations that will benefit including locations outside of CAF II eligible areas.

The Company has further designated a liaison for community outreach and education on its broadband service availability commitments under the Bona Fide Retail Request program, its discounted broadband funding commitments for schools and libraries under the federal E-rate program, and all other programs available to communities.

Staff recommended approval based upon the Settlement and the August 3, 2017 Broadband Commitment letter, the consummation of this transaction will result in positive benefit for the Company and New Jersey consumers may be expected from the strengthening of the Petitioner's competitive posture in the telecommunications market.

President Mroz said that he was pleased to hear that the Company was proactive about this issue, and reached out to those public officials, and also dealt with those customers who were impacted. It is a testament to their commitment to be here in New Jersey.

Commissioner Solomon stated that she was particularly impressed with the efforts by CenturyLink with their communications with Hope, Blairstown, and Columbia. And how they handled that matter is something for others within the industry to follow. Finally, the Commissioner said that she was particularly pleased with, not only the results, but the fact that they were responsive to the interests of those communities.

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

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

B. Docket Nos. BPU TC14070725 and OAL PUC 12838-15 – In the Matter of Beverly A. Williams, Petitioner v. Verizon New Jersey, Inc., Respondent – OAL Request for Extensions.

Cynthia Covie, Esq., Chief of Staff, Office of Chief of Staff, Presented this matter.

BACKGROUND AND DISCUSSION: On July 7, 2014, Beverly Williams (Petitioner) filed a petition pro se with the Board seeking a determination that Verizon New Jersey (Verizon) failed to provide the Petitioner with adequate service, stating that Verizon "failed to meet the standards and service levels it claims to deliver to its customers." The Petitioner sought improvement of her telephone service, bill reimbursement, improved training for Verizon employees and improvement of Verizon infrastructure and equipment.

The matter was transmitted to the Office of Administrative Law (OAL) on August 20, 2015. The matter was assigned to Administrative Law Judge (ALJ) Caridad F. Rigo. Evidentiary hearings were held on December 8, 2016, and a transcript was made of the hearing. At the conclusion of the hearing, a post-hearing briefing schedule was set. ALJ Rigo retired effective January 31, 2017. Post hearing brief(s) were filed. Verizon filed a brief dated February 2, 2017. It is not known at this time if the Petitioner filed a brief. The record was closed on February 6, 2017. Judge Rigo sought to return to her assignment at the OAL, however, the proceedings to secure her reappointment were not completed until April 2017, when she returned to the OAL as a Temporarily Assigned ALJ. Upon Judge Rigo's return, she had several opinions to issue. In early August, 2017, Board Staff inquired as the status of the decision with OAL staff. On August 18, 2017, the OAL filed four orders with the Board requesting extensions of the time to file the initial decision starting from March 23, 2017 to September 21, 2017, citing the judge's retirement and delay in her re-appointment, as well as OAL staff's inadvertent oversight, for the reason why the Administrative Law Judge had not previously requested the extensions to issue the initial decision.

Staff recommended that the Board authorize President Mroz to sign the OAL Extension Orders.

President Mroz said that he's asked Staff, as well as the DAGs to identify any mechanisms to catch these matters so they don't languish like this.

Commissioner Fiordaliso said the citizens of New Jersey are not being served by this kind of incompetence, and the agency that receives the brunt of those criticisms is right here.

Commissioner Holden said that perhaps this is an opportunity for Verizon to reach out to the customer and see if there's been any determination of or improvement of adequate service while we grant another extension. The Commissioner also said that another option is to offer a proposed form of order. In most Court proceedings, the judge gets a proposed form of Order from both sides. The judge then crosses out what he doesn't like and keeps what he does. This could help speed up the Order-drafting process.

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

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

5. WATER

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

A. Docket Nos. BPU WC16121143 and OAL PUC 02556-17 – In the Matter of Chany Halpern, Petitioner v. New Jersey American Water Company, Respondent.

BACKGROUND AND DISCUSSION: On November 25, 2016, Chany Halpern (Petitioner) filed a petition with the Board against the New Jersey American Water Company (NJAW), regarding a sewer main extension at the property located on Astor Drive in Lakewood, New Jersey (the Property). The Petitioner claimed that the Property is owned by her husband, Baruch Halpern and herself. Baruch Halpern has been the

signatory for BHC Construction & Developers, LLC, which is developing the Property and is the applicant for the Extension Deposit Agreement with NJAW. The Petitioner requested that the proposed sewer main extension project (the Project), be subject to the previous main extension deposit refund formula based on a ten times (10X) multiplier instead of the current multiplier of two and one-half times (2.5X) for water and sewer. The current Main Extension Rule changing the refund formula multiplier from 10X to 2.5X became effective on December 21, 2015. The Petitioner also requested to be allowed to bid out the construction of the extension to an outside contractor on the Petitioner's behalf apart from NJAW, or participate in NJAW's contractor bidding process for an outside contractor to install the main extension.

On February 21, 2017, the matter was transmitted to the Office of Administrative Law as a contested case, after the Petitioner and NJAW failed to reach a settlement. The matter was assigned to Administrative Law Judge Carl V. Buck, III.

On June 19, 2017, ALJ Buck rendered his Initial Decision on the matter denying the relief sought by the Petitioner and dismissing the case. The ALJ's findings and conclusions are consistent with Staff's findings and conclusions in their investigation of the Petitioner's previously filed informal complaint.

Staff recommended that the Board adopt ALJ Buck's Initial Decision in its entirety, and determine that the Petitioner has failed to provide evidence that their Petition should be granted; that the relief sought by the Petitioner is denied; and order that the action filed by the Petitioner be dismissed.

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

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

B. Docket Nos. BPU WR16060510 and OAL PUC 09261-16 – In the Matter of the Petition of SUEZ Water Arlington Hills, Inc. for Approval of an Increase in Rates for Wastewater Service and Other Tariff Changes – Request for Extension.

BACKGROUND AND DISCUSSION: The Initial Decision of the Administrative Law Judge was received by the Board on August 16, 2017; therefore, the 45-day statutory period for review and the issuing of a final decision will expire on September 30, 2017. Prior to that date, and because of the nature and scope of the record and disputed issues, the Board requested, pursuant to N.J.A.C. 1:1-18.8(e), a 45-day extension of time for filing a final decision.

Good cause having been shown, pursuant to N.J.S.A. 52:14B-10(c) and N.J.A.C. 1:1-18.8(e), that the time limit for the Board to render a Final Decision be extended until November 14, 2017.

President Mroz noted that we are not going to reach the merits of either the underlying case, let alone the motions at this moment because it has happened in such quick order. The only matter that is on the docket today for us to decide is whether to extend time.

Finally, the President said that given the pace at which these matters have all developed, it's incumbent upon us to give ourselves time to digest it all and determine the next steps.

Commissioner Holden said there was a motion and cross-motion regarding oral argument. She sought to ascertain that those remain open so that the Board can entertain whether it wants to have oral argument in total, or partially as to certain items.

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

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

6. RELIABILITY & SECURITY

There were no items in this category.

7. CUSTOMER ASSISTANCE

A. Docket No. EO17080888U – In the Matter of Christopher S. Porrino, Attorney General of the State of New Jersey, et al. v. IDT Energy, Inc. – 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.

8. CLEAN ENERGY

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

A. Docket No. QG17070753 – In the Matter of the Clean Energy Program Authorization of Commercial and Industrial Program Energy Efficiency Incentives Exceeding \$500,000.00 – 3 ECCH Owner, LLC.

BACKGROUND AND DISCUSSION: This matter involved the Clean Energy Program's (NJCEP) authorization of Commercial and Industrial program energy efficiency incentives exceeding \$500,000.00.

3 ECCH Owner, LLC submitted an application for an incentive of \$714,834.06 for a project located at 3 Executive Campus, Cherry Hill, NJ. 3 Executive Campus is a six-story commercial building, predominantly rented as office space. Other uses include a private lab and classrooms.

This project will have an estimated 25.6% total energy savings, and will have the following annual estimated electric and cost savings:

- annual estimated electric savings of 3,727,035 kWh,

- annual estimated peak electric demand reduction of 490 kW, and
- annual estimated energy cost savings of \$359,057.00;
- Due to the fuel conversion involved in this project scope, the applicant will increase its annual natural gas consumption by 59,473 therms;

The Pay for Performance (P4P) rebate is for a total of \$714,834.06, of which:

- An estimated \$43,569.10 is for the proposed ERP;
- An estimated \$335,632.48 is for the installation of occupancy sensors to control lighting, the installation of a new building management system (BMS) to control heating ventilation and air conditioning (HVAC) economizers, integration of the HVAC system into the BMS, implementation of demand control ventilation throughout the building, replacement of existing rooftop units with new direct expansion units, and conversion of systems using electric heat as a fuel to natural gas; and
- An estimated \$335,632.48 is for the submittal of a post-construction benchmarking report.

The project has an estimated project cost of \$4,437,712.00, and an estimated 10.4 year simple payback after factoring in the incentive.

Staff determined that this application meets the eligibility criteria for the P4P Existing Buildings Program and recommended that the Board approve this project.

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

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

B. Docket No. QG17070754 – In the Matter of the Clean Energy Program Authorization of Commercial and Industrial Program Energy Efficiency Incentives Exceeding \$500,000.00 – Goldman Sachs.

BACKGROUND AND DISCUSSION: Pursuant to N.J.S.A. 48:3-60, the Board administers the New Jersey Clean Energy Program (NJCEP). The Large Energy Users Program (LEUP) of the NJCEP fosters self-investment in energy efficiency and combined heat and power projects, while providing necessary financial support to large commercial and industrial utility customers in the State of New Jersey.

The Goldman Sachs Group, Inc. submitted an application for a financial incentive in the amount of \$581,525.00 for LEUP project located at 30 Hudson Street, Jersey City, NJ; and at 1300 Federal Boulevard, Carteret, NJ.

The scope of the project is as follows:

- At the Jersey City facility, the scope of the project includes chiller plant optimization, variable frequency drive (VFD) retrofits on supply air fans, and speed reduction of supply fans;
- At the Carteret facility, the scope of the project includes VFD retrofit of supply fans and chiller plant optimization;

- Installing these measures will enable the following energy and cost savings:
 - Estimated annual electric savings of 2,559,199 kWh
 - Estimated annual electric peak demand reduction of 293 kW
 - Estimated annual energy cost savings of \$236,777.00;
- The project is estimated to cost the applicant \$859,817.00;
- The project is anticipated to have a 1.05 year payback with incentive.

Based on Staff's review and the certification of Applied Energy Group and TRC Solutions, the Program Coordinator and Market Manager, Staff determined that the application meets the eligibility criteria for the LEUP and recommended that the Board approve the application.

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

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

C. Docket No. EO17030196 – In the Matter of the Petition of Public Service Electric and Gas Company for Approval of Its Energy Efficiency 2017 Program and Recovery of Associated Costs (EE 2017 Program).

BACKGROUND AND DISCUSSION: On March 3, 2017, Public Service Electric & Gas Company (PSE&G, Company) filed a petition with the Board for approval to continue the Multifamily Housing, the Government/Non-profit/Urban Enterprise Zone Direct Install, and Hospital sub-programs, as well as to implement a smart thermostat program and a pilot for data analytics. PSE&G proposed a total investment of approximately \$98.6 million (\$74 million for investment, \$2.7 million for IT System Enhancement, and \$21.9 million as a fixed administrative allowance, including \$7.67 million for lost revenues.) PSE&G proposed recovering costs associated with the program through a new 2017 Energy Efficiency Economic Extension Program (EE) component of the electric Green Programs Recovery Charge (GPRC) set forth in the Company's tariff.

On April 21, 2017, the Board retained the matter and designated Commissioner Joseph Fiordaliso to preside over it. On May 18, 2017, the commissioner issued a pre-hearing order approving a procedural schedule; granting New Jersey Large Energy Users Coalition (NJLEUC) and Direct Energy's motions to intervene; and granting NJLEUC's motion for admission pro hac vice of Paul F. Forshay, Esq. On May 23, 2017, Commissioner Fiordaliso granted Direct Energy's motion for admission pro hac vice of Karen O. Moury, Esq.

On August 2, the Company, the New Jersey Division of Rate Counsel and Staff executed a Stipulation of Settlement (Settlement). On August 4, 2017 Direct Energy filed a letter of no objection, although it stated that it did not believe that the two residential sub-programs were necessary since in the party's opinion a mature market in smart thermostats and data analytics already exists. On August 9, 2017, NJLEUC filed a letter of no objection, stating that it shared Direct Energy's concerns regarding the potential impact on market competition.

Staff recommended that the Board approve the Settlement, allowing the EE 2017 Program, as modified by the Stipulation, to go into effect and allowing PSE&G to recover the cost in a new component of its electric and gas GPRC.

President Mroz asked staff for clarification concerning the approach that the company will take about the management of the data that comes from smart thermostats. Further, the President said that the information is really the customer's information, but can be very valuable to the company to help the customer better manage their energy use and ultimately their cost. And to the extent that the Board could and might have a need for that aggregate data that could help us in the Board's mission, whether it be around the optimization of the energy efficiency programs that we oversee and run and/or whether it has an implication ultimately even like the data that AMI could provide on the overall investments necessary around the distribution system that can be very valuable, and we need to make sure that we could have that aggregate data, as long as it is collected appropriately and protects the privacy of the customers.

Commissioner Chivukula asked staff for clarification about what happens after the \$2.5 million Residential Data Analytics Pilot Subprogram is done.

Commissioner Solomon said that she is disappointed that we are not able to get everyone on the same page. This is something that we've been working at the Board for a while with respect to Clean Energy Programs and how we operate to get these programs in line. Further, the Commissioner said that she is hopeful that through the working group that this can be accomplished.

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

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

9. MISCELLANEOUS

A. Docket No. EG10100740 – In the Matter of the Energy Assistance Grants as Authorized Under L. 2009, C. 207 – Temporary Relief for Utility Expenses (TRUE) Program.

Maureen Clerc, USF Team, presented this matter.

BACKGROUND AND DISCUSSION: At its November 10, 2010 agenda meeting, the Board determined it would distribute a notice of grant availability (Notice) informing the public of its plans to award the funds from the Societal Benefits Charge to a nonprofit organization that would then administer a program to use the \$25 million to help pay the gas and electric bills of households seeking temporary assistance. The Notice was issued the same day and ten proposals were received to administer what became known as the Temporary Relief for Utility Expenses (TRUE) program.

After a competitive bidding process, an evaluation committee recommended to the Board the highest scoring bid from the Affordable Housing Alliance (AHA or Grantee) of

Eatontown, in Monmouth County. The Board accepted the recommendation and awarded the TRUE Grant to AHA at its February 22, 2011 agenda meeting. When the contract expired in March of 2015, there was approximately \$6.2M left unspent.

In May of 2015, the Board directed Staff to publish a new Notice for the remaining TRUE funds and five proposals were received. After a competitive bidding process, the AHA was again found to be the highest scoring bidder and the Board accepted the evaluation committee's recommendation to award the remaining funds to the AHA at its August 19, 2015 agenda meeting. The current TRUE contract (TRUE2) is set to expire on October 22, 2017.

Eligibility requirements for the TRUE program include: 1) a past due balance, a disconnection notice, or service disconnection; 2) two payments of at least \$25.00 must have been made to the utility company within the past six months; 3) the applicant must not be receiving benefits from the Board's Universal Service Fund (USF) program or the federal Low Income Home Energy Assistance Program (LIHEAP); 4) utility service must be connected when the grant is applied; 5) the applicant cannot have more than \$15,000.00 in liquid assets; and 6) the household must be income eligible (currently \$48,612.00 - \$109,113.00 for a family of four). TRUE grants are available once per year and are capped at \$750.00 for each utility company.

In terms of accessibility, AHA also administers the USF and LIHEAP program for Monmouth County as well as the Board's Payment Assistance for Gas and Electric program. Therefore, clients in need can be screened for multiple programs at the same time. AHA accepts applications at three locations in Monmouth County and has formed partnerships throughout the State with existing application intake agencies associated with the USF and LIHEAP programs, as well as numerous non-profit organizations. Additionally, in 2016 the state-wide human services hotline 211 became an intake agency for the TRUE program. AHA staff provides regular training to all affiliate offices.

On July 10, 2017, AHA sent a letter to Board Staff indicating the TRUE program will be completed by January 31, 2018, which would require a three month extension to the contract work period.

Approximately 94% of the total \$25M grant money has been disbursed by the Grantee. Due to the small amount of grant funding remaining and the funding's enabling legislation requiring the full \$25M to be disbursed, Staff recommended that the Board accept AHA's request and authorize a three month contract extension.

AHA's proposed modified TRUE2 budget is as follows:

	Original Approved Budget 10/22/15 - 10/22/2017	Revised Proposed Budget 10/22/15 - 1/31/2018	Variance from Original Budget
Direct Costs	\$851,126.00	\$931,151.00	\$80,025.00
Grants to Clients	\$5,346,582.26	\$5,271,491.07	(\$75,091.19)
Admin Costs	\$93,623.00	\$97,572.00	\$3,949.00
TOTAL	\$6,291,331.26	\$6,300,214.07	\$8,882.81

Staff recommended that the TRUE2 contract between the Board and Affordable Housing Alliance be extended through January 31, 2018, or until the remaining grant money is expended, whichever comes first. Additionally, Staff recommended that the revised TRUE2 budget be subject to an audit. Staff further recommended that the TRUE2 grant budget be amended to include \$8,882.81 in refunds received pursuant to the TRUE1 grant program.

AHA must demonstrate actual program administrative costs. AHA is only entitled to those administrative costs set forth in the budget that are actually spent. Any budgeted administrative expenses which are not spent, either because the program terminates prior to January 31, 2018 or otherwise, shall be used and accounted for by AHA in its grant assistance disbursements.

Staff also recommended approval of these changes and asked that the Board authorize the President to sign, on its behalf, the relevant documents to execute these changes.

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

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

B. Docket No. EO17070748 – In the Matter of the Regulatory Assistance Project Electric Vehicle Infrastructure Report – “Getting From Here to There: Regulatory Considerations for Transportation Electrification”.

Michael Winka, Director, Senior Policy Advisor, presented this matter.

BACKGROUND AND DISCUSSION: The Regulatory Assistance Project (RAP) Report entitled, “Getting From Here to There: Regulatory Considerations for Transportation Electrification” dated May, 2017 (RAP Report) describes the current status of plug-in electric vehicles (EVs) and the associated opportunities/challenges facing regulators and utility companies. The RAP Report points out that regulatory electric vehicle infrastructure policy, like utility policy on this issue more broadly, is evolving. The RAP Report identifies actions other states have taken to address these issues, including creating incentives and mandates, fostering interagency coordination, and supporting stakeholder outreach. There is no solution for all states and electric utilities in this new regulatory area. Setting EV infrastructure policies in New Jersey is best addressed through a broad stakeholder proceeding.

Setting EV-related goals is the first step in the process and could be based on a number of factors including: increasing energy security, reducing energy costs, making more efficient use of the electricity grid, integrating renewable energy, providing other grid services, and identifying other potential impacts.

The report:

- Highlights the ways in which EVs could provide “cross-fuel efficiency,” (avoided energy use) of about 78% as compared to conventional internal combustion engine vehicles;
- Describes the different levels of currently available EV charging (Level 1, Level 2, and DC fast charging);
- Identifies which segments of the population are currently buying EVs in order to properly plan infrastructure needs;
- Identifies the impacts of charging on the distribution system: longer and higher demand peaks that could create the need for upgrades to distribution infrastructure, increased electricity supply and delivery costs, and unnecessary air emissions;
- Describes “smart charging,” which are mechanisms, other than rate design, that manage EV charging to ensure efficient use of grid resources, and that include demand response, one-way controlled charging, or, at some point in the future, vehicle-to-grid (V2G);
- Emphasizes the employment of rate design and price signals to encourage optimal asset utilization and lower utility and consumer costs. Such designs encourage off-peak charging to avoid circuit overloads and unnecessary investment in order to protect customers who are following the price signals from subsidizing the costs that less-careful EV customers impose on the system during peak periods;
- Identifies utility commissions as being in a position to direct the pace and scale of electric vehicles and infrastructure needed; and
- Examines possible roles for utilities in consumer education, providing rebates to customers for charging station installation, data collection, providing charging services or supporting the competitive market in multi-unit dwellings and other underserved/disadvantaged markets.

Staff recommended that the Board use the RAP Report to: 1) establish an informal stakeholder proceeding on EVs and the associated energy infrastructure, and 2) direct Staff to prepare and present a report to the Board on the issues within 180 days.

The initiation of this stakeholder proceeding is to examine issues including rate design, emerging technology, regulatory issues, resale of electricity, and anything else that may need to be examined by Staff regarding electric vehicle infrastructure needs.

President Mroz noted that the Board has focused on trying to help support advanced electric vehicles, and he’s talked to staff about ways in which the Board, our partners in other state agencies, many local agencies -- local government can help advance the infrastructure around AFVs, and particularly electric vehicles. Further, the President stated that we have a commitment to continue to explore, not just alternative fuel vehicle efforts, depending on the economics, it might be that electric vehicles have reasons to be more compelling for us to move to the forefront. Moreover, the President said that

he's had conversations with the gas industry about CNG. And if those efforts are of interest to the industry and stakeholders, we will continue to focus on that as well. Finally, he said that he looks forward to staff proceeding with the stakeholder group to explore these issues and come back with recommendations.

Commissioner Chivukula said that the report talks about cross fuel efficiency and we have to figure out a way to tie this to energy efficiency. Further, the Commissioner said the stakeholder's group should look at the societal benefit charge money and how it should be used for energy efficiency and other things.

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

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

C. Docket No. AX14070647 – In the Matter of the Readoption of the New Jersey Administrative Code 14:2 – Protection of Underground Facilities – One Call Damage Prevention System – 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.

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

E. Docket No. ER17010003 – In the Matter of the Federal Energy Items for 2017: FERC Docket No. ER17-856 – Rockland Electric Company Submitted Tariff Revisions Re: Update to Stated Transmission Rate.

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

7. CUSTOMER ASSISTANCE

A. Docket No. EO17080888U – In the Matter of Christopher S. Porrino, Attorney General of the State of New Jersey, et al. v. IDT Energy, Inc.

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

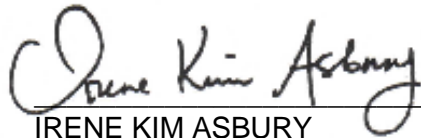
9. MISCELLANEOUS

C. Docket No. AX14070647 – In the Matter of the Readoption of the New Jersey Administrative Code 14:2 – Protection of Underground Facilities – One Call Damage Prevention System.

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.


IRENE KIM ASBURY
BOARD SECRETARY

DATE: October 20, 2017