



STATE OF NEW JERSEY
Board of Public Utilities
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**MINUTES OF THE REGULAR MEETING OF THE
BOARD OF PUBLIC UTILITIES**

A Regular Board meeting of the Board of Public Utilities was held on April 25, 2018, at the State House Annex, Committee Room 4, 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:

Joseph L. Fiordaliso, President
Mary-Anna Holden, Commissioner
Dianne Solomon, Commissioner
Upendra J. Chivukula, Commissioner
Robert M. Gordon, Commissioner

President Fiordaliso presided at the meeting and Aida Camacho-Welch, Secretary of the Board, carried out the duties of the Secretary.

It was announced that the next regular Board Meeting would be held on May 22, 2018 at the State House Annex, Committee Room 11, 125 West State Street, Trenton, New Jersey 08625.

CONSENT AGENDA

I. AUDITS

A. Non-docketed Matter – In the Matter of Trenton Water Works Request for Extension of Time to File its 2017 Annual Report with the Board.

BACKGROUND: The matter involved a request by Trenton Water Works for a three-month extension to file its 2017 annual report.

Pursuant to N.J.A.C. 14:3-6.3, every utility shall file with the Board, on or before March 31 of each year, an annual report summarizing its finances and operations for the preceding calendar year. A utility may file a request with the Board Secretary for an extension of up to 30 days for filing the annual report. Each additional 30-day extension, after the initial extension granted, requires the submission of a separate request for extension. Current policy requires Board approval for an extension of time to file an annual report which extends the filing date by more than 30 days.

On March 28, 2018, the City of Trenton, on behalf of Trenton Water Works, requested a three-month extension to file its annual report. It alleged that it has an extreme shortage of personnel. With this extension, the annual report will be due on or before June 30, 2018.

After review, Staff recommended that the Board extend the deadline three months until June 30, 2018.

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

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

EE17060709L	Evolution Energy Partners, LLC	I – EA
EE18040381L	PGP Energy Corporation	I – EA
EE17111210L	Daniel J Reith, LLC	I – EA
EE17111199L	Insight Sourcing Group, LLC	I – EA
EE16101024L	Kathleen Laura Packer d/b/a Kathy Packer Enterprises, LLC	I – EA
EE17090945L	Solo Energy Solutions, Corp.	I – EA
EE17080828L	Atlas Commodities II Retail Energy, LLC	I – EA
EE18020194L	High Speed Energy Group, LLC	I – EA/PA
GE18020195L		

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

EE17020152L	Cooperative Industries, LLC	R – EA
EE16101034L	Tobelmann Energy Brokers, Inc.	R – EA
EE17111195L	Consumer Sales Solutions, LLC	R – EA
EE17111192L	Berkshire Energy Partners, LLC	R – EA
EE16060576L	Blue & Silver Energy Consulting, LLC d/b/a Pro-Star Energy Services	R – EA
EE17060664L	Technology Resource Solutions, Inc. d/b/a VARO	R – EA
EE17010066L	Burton Energy Group, Inc.	R – EA
EE16101027L	United Power Consultants, Inc.	R – EA
EE18030273L	PRX Energy LLC	R – EA

EE16060594L	Energy Source LLC	R – EA/PA
GE16060595L	d/b/a Energy Source NJ, LLC	
EE16111101L	Bradley R. Lewis	R – EA
EE18010020L	Energy Management Resources of Missouri, Inc.	R – EA
	d/b/a Energy Management Resources	
EE18010060L	Energy Professionals, LLC	R – EA/PA
GE18010061L		
EE16080745L	Integrity Energy, LLC	R – EA/PA
GE16080746L		
EE17060603L	Patriot Energy Group, Inc.	R – EA/PA
GE17060604L		
EE17030319L	Electric Advisors, Inc.	R – EA/PA
GE17030320L		
EE16101028L	Usource, LLC	R – EA/PA
GE16101029L		
EE17090977L	Avalon Energy Services, LLC	R – EA/PA
GE17090978L		
EE18040382L	RJT Energy Consultants, LLC	R – EA/PA
GE18040383L		
EE17040336L	Innovative Energy Advisors, LLC	R – EA/PA
GE17040337L		
EE18030280L	Affiliated Power Purchasers International, LLC	R – EA/PA
GE18030281L	d/b/a APPI or APPI Energy	
EE16070705L	Your NJ Energy Choice, LLC	R – EA/PA
GE16070706L	d/b/a Best Energy Deals	
EE16121169L	Energy Consultants, LLC	R – EA/PA
GE16121170L		
EE17030285L	Long Distance Consultants, LLC	R – EA/EC
GE17030286L	d/b/a LD Energy	
EE17010067L	Gabel Associates, Inc.	R – EA/PA/EC
GE17010068L		
EE16060561L	Provident Energy Consulting, LLC	R – EA/PA/EC
GE16060562L		
EE17040399L	Solution Energy, LLC	R – EA/EC
GE17040400L		
EE17121245L	Reliable Power Alternatives Corp.	R – EA/EC
GE16100935L		

Electric Power and/or Natural Gas Supplier Initial Licenses

EE17090994L	Vista Energy Marketing, LP	I – ESL
EE18020170L	Power Up Energy, LLC	I – ESL
EE16090844L	RPA Energy, Inc.	I – EGSL
GE16090845L		
EE18040371L	Alpha Gas & Electric, LLC	I – EGSL
GE18040370L		

Electric Power and/or Natural Gas Supplier Renewal Licenses

EE17080866L	Tenaska Power Management, LLC	R – ESL
EE18010059L	Brick Standard, LLC	R – ESL
EE17101072L	LifeEnergy, LLC	R – ESL
EE18030275L	ConocoPhillips Company	R – EGSL

GE18030276L EE17111201L GE17111200L EE18020112L GE18020113L GE18040384L GE16111098L	PSEG Energy Solutions, LLC UGI Energy Services, LLC “UGIES” d/b/a UGI EnergyLink Vista Energy Marketing, L.P. Keil & Sons Inc. d/b/a Systrum Energy	R – EGSL R – EGSL R – GSL R – GSL
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BACKGROUND: Commissioner Gordon recused himself from this matter. 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, private aggregator and/or energy consultant for one year:

- Evolution Energy Partners LLC
- PGP Energy Corporation
- Insight Sourcing Group, LLC
- Daniel J Reith LLC
- Kathleen Laura Packer d/b/a Kathy Packer Enterprises, LLC
- Solo Energy Solutions, Corp.
- Atlas Commodities II Retail Energy, LLC
- High Speed Energy Group LLC

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

- Cooperative Industries, LLC
- Tobelmann Energy Brokers, Inc.
- Consumer Sales Solutions, LLC
- Berkshire Energy Partners LLC
- Blue & Silver Energy Consulting, LLC d/b/a Pro-Star Energy Services
- Technology Resource Solutions, Inc. d/b/a VARO
- Burton Energy Group, Inc.
- United Power Consultants, Inc.
- PRX Energy LLC
- Energy Source LLC d/b/a Energy Source NJ, LLC
- Bradley R. Lewis
- Energy Management Resources of Missouri, Inc. d/b/a Energy Management Resources
- Energy Professionals, LLC
- Integrity Energy, LLC

- Patriot Energy Group Inc.
- Electric Advisors, Inc.
- Usource, LLC
- Avalon Energy Services LLC
- RJT Energy Consultants, LLC
- Innovative Energy Advisors, LLC
- Affiliated Power Purchasers International LLC d/b/a APPI or APPI Energy
- Your NJ Energy Choice, LLC d/b/a Best Energy Deals
- Energy Consultants LLC
- Long Distance Consultants, LLC d/b/a LD Energy
- Gabel Associates, Inc.
- Provident Energy Consulting LLC
- Solution Energy, LLC
- Reliable Power Alternatives Corp.

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

- Vista Energy Marketing, LP
- Power Up Energy, LLC
- RPA Energy Inc.
- Alpha Gas & Electric, LLC

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

- Tenaska Power Management, LLC
- Brick Standard, LLC
- LifeEnergy, LLC
- ConocoPhillips Company
- PSEG Energy Solutions LLC
- UGI Energy Services, LLC "UGIES" d/b/a UGI EnergyLink
- Vista Energy Marketing, LP
- Keil & Sons Inc. d/b/a Systrium Energy

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

II. ENERGY

A. Docket No. ER17040335 – In the Matter of the Provision of Basic Generation Service for the Period Beginning June 1, 2018 – Compliance Filings of the Electric Distribution Companies Tariffs.

BACKGROUND: Commissioner Gordon recused himself from this matter. Beginning on February 2, 2018 and ending on February 6, 2018, two descending clock auctions were initiated to secure the Basic Generation Service (BGS) electricity requirements of Atlantic City Electric Company, Jersey Central Power & Light Company, Public Service Electric and Gas Company, and Rockland Electric Company (RECO) (collectively, EDCs).

At its public agenda meeting held on February 8, 2018, the Board certified the results of the Auctions for BGS-Residential and Small Commercial Pricing (BGS-RSCP) and Commercial

Industrial Energy Price supply and ancillary services, as well as the RECO Request for Proposal (RFP). The Board also directed the EDCs to 1) execute the necessary documents with the winning bidders, including the BGS Supplier Master Agreements, 2) implement the BGS rates resulting from the Auctions beginning June 1, 2018, and 3) file revised tariff sheets reflecting the BGS rates resulting from the Auction by March 1, 2018. With respect to the RECO RFP, the Board noted that Rockland was previously directed to execute the necessary documents with the winning bidder and further directed Rockland to 1) implement the BGS rates resulting from the RFP as blended with the prices approved in the BGS Auctions beginning June 1, 2018, and 2) file revised tariff sheets reflecting the BGS rates resulting from the Auction by March 1, 2018.

Consistent with the Board's directive, the EDCs filed revised tariffs to become effective on June 1, 2018 that incorporated the changes resulting from the recently completed auction process and the Rockland RFP.

After review, Staff recommended that the Board approve the tariff filings of the four EDCs and notify interested parties through the Secretary's letter. Staff further recommended that the Board direct that the EDCs post the approved tariffs on their respective websites.

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

B. Docket No. ER18010004 – In the Matter of Federal Energy Items for 2018 – DOE Docket No. ____, Request for Emergency Order Pursuant to Federal Power Act Section 202(c) by FirstEnergy Solutions Corp.

BACKGROUND: This matter involved Staff, on behalf of the Board, filing comments in the above captioned proceeding. First Energy Solutions Corp. (FES) sought an Emergency Order from the Department of Energy (the Request). The Request is substantially similar to the Notice of Proposed Rulemaking that was terminated earlier this year. Intervention establishes the Board as a party to this proceeding. Intervention before the Department of Energy (DOE) required the Board to state a position, which is consistent with substantive comments placed on the Regular Agenda and addressed in a separate memorandum. When intervening in this proceeding, Staff supported parties' requesting a 60-day comment period. However, given the emergency nature of the Request, the DOE can act at any time. Staff intervened in order to preserve the Board's rights in this matter.

On March 29, 2018, FES filed a Request for Emergency Order Pursuant to Federal Power Act with the DOE.

FES requested that the Secretary of the Department of Energy use the Emergency Order to require consumers in the PJM Region to bail out certain types of generation assets that FES claims have become uneconomic. The Request is framed in urgent language, but many of the premises underlying the Request are overstated or false. FES has chosen to use the Request as a means of achieving the objectives of the Notice of Proposed Rulemaking that was rejected by the Federal Energy Regulatory Commission in January 2018.

Staff recommended that the Board ratify intervention in this proceeding.

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

III. CABLE TELEVISION

A. Docket No. CE18020175 – 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 Barrington, County of Camden, State of New Jersey.

BACKGROUND: Commissioner Gordon recused himself from this matter. On October 10, 2017, the Borough of Barrington (Borough) adopted an ordinance granting renewal municipal consent to Comcast of Garden State, LP (Comcast). On December 6, 2017, Comcast formally accepted the terms and conditions of the ordinance, and on February 20, 2018, Comcast filed with the Board for a renewal of its Certificate of Approval for the Borough. This Certificate shall expire May 31, 2027.

After review, Staff recommended that the Board approve the proposed Renewal Certificate of Approval.

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

B. Docket No. CE18030259 – 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 Township of Chesterfield, County of Burlington, State of New Jersey.

BACKGROUND: Commissioner Gordon recused himself from this matter. On December 14, 2017, the Township of Chesterfield (Township) adopted an ordinance granting renewal municipal consent to Comcast of Garden State, LP (Comcast). On February 9, 2018, Comcast formally accepted the terms and conditions of the ordinance, and on March 14, 2018, Comcast filed with the Board for a renewal of its Certificate of Approval for the Township. This Certificate shall expire April 23, 2028.

After review, Staff recommended that the Board approve the proposed Renewal Certificate of Approval.

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

IV. TELECOMMUNICATIONS

There were no items in this category.

V. WATER

A. Docket No. WE17111148 – In the Matter of the Petition of New Jersey-American Water Company, Inc. for Approval of a Municipal Consent Granted by the Township of Howell, County of Monmouth.

BACKGROUND: On November 13, 2017, the New Jersey-American Water Company, Inc. (NJAWC) filed a Petition with the Board for approval of Municipal Consent Ordinance No. O-17-29 adopted September 5, 2017, by the Township of Howell. This Ordinance allows NJAWC to construct, install and maintain sanitary sewer infrastructure facilities and to expand NJAWC's existing franchise to provide sanitary sewer service to Block 135 Lot 26, which shall be subdivided and known as Lot 26.01.

Currently, the proposed development includes approximately 72 residential units with a total sewer demand of 16,275 gallons per day. The proposed development consists of 14 one-bedroom apartments, 43 two-bedroom apartments and 15 three-bedroom apartments.

NJAWC proposed to charge rates for wastewater services according to its tariffs already on file with, and approved by, the Board. Residents will be charged under Rate Schedule 3A for sewer usage of \$5.5060 per 1000 gallons for Non-Exempt and \$4.7480 per 1000 gallons for Exempt customers.

NJAWC has agreed to Howell Township's franchise term, which shall be perpetual and the use of surrounding streets, which is limited by statute to 50 years.

On March 20, 2018, a duly noticed public hearing on NJAWC's Petition was held at the Board's Trenton office. Legal Specialist, James P. Kane, Esq., presided over the hearing at which representatives of NJAWC, New Jersey Division of Rate Counsel (Rate Counsel) and Board Staff appeared. One representative from NJAWC testified during the hearing. No members of the public appeared.

By letter dated April 3, 2018, the Rate Counsel was not opposed to Board approval of to the NJAWC request with certain conditions.

Staff recommended Board approval of the Municipal Consent, subject to the provisions contained in the Board Order.

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

B. Docket No. WR18030268 – In the Matter of the Petition of Gordon's Corner Water Company for an Increase in Rates and Charges for Water Service.

BACKGROUND: Gordon's Corner Water Company (Petitioner) is engaged in the business of collecting, treating and distributing water for retail services to approximately 15,000 customers in portions of Marlboro and Manalapan Townships, Monmouth County, New Jersey.

On March 16, 2018, the Petitioner filed a petition seeking to increase its base tariff rates and charges for water service amounting to approximately \$1,827,537.00 or 16.1%.

The increase in rates was proposed to become effective on April 20, 2018. By letter dated April 3, 2018, the Petitioner notified the Board that will not implement the proposed rate increase on an interim basis prior to the effective date of the Suspension Order emanating from the Board's April 25, 2018 public agenda meeting.

The Petitioner did not seek interim rate relief pending final determination on the petition.

Since the proposed revisions will increase existing rates and change or alter existing classifications in the Petitioner's tariff, Staff recommended that the Board issue an Order that include the following:

1. The proposed revisions be, and are suspended until August 20, 2018, unless the Board prior to that date makes a determination disposing of the petition;
2. The Petitioner shall, at least 10 days prior to the date set for hearing on the petition by the Office of Administrative Law, file with this Board and with the Office of

Administrative Law proof of compliance with the Notice provisions of N.J.S.A. 48:2-32.2 and N.J.A.C. 14: 1-5.12 (b) and (c), which Notice shall include a statement that any relief found by the Board to be just and reasonable may be allocated by the Board to any class or classes of customers on any rate or schedule as the Board may determine; and

3. The Petitioner shall serve copies of this Order upon the Office of Administrative Law, the New Jersey Division of Rate Counsel, the clerks of the affected municipalities, the clerk of the Board of Chosen Freeholders of the affected county, and if appropriate, the executive officer of the affected county within its service area. Service of the petition, notice of hearings and this Order may be made simultaneously. Proof of service of this Order shall be filed with the Board within 15 days of the date of this Order.

Staff recommended approval of the Petitioner's request.

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

VI. RELIABILITY & SECURITY

A. Docket Nos. ES18030244K, et al. – In the Matter of Alleged Violations of the Underground Facility Protection Act, N.J.S.A. 48:2-73 et seq.

BACKGROUND: Commissioner Gordon recused himself from this matter. This matter involved settlements of alleged violations of the Underground Facility Protection Act (Act) by both excavators and operators of underground facilities. This matter does not contain settlements involving catastrophic situations, death or major property damage. The categories of infraction include failure to provide proper notice, failure to use reasonable care and mismarking of facilities. The cases have been settled in accordance with a penalty strategy which escalates the penalty ranges in relationship to the aggravating factors such as injury, property damage, fire, evacuation, road closure, and other public safety concerns. Moreover, the strategy seeks to establish appropriate disincentives for actions which violate the Act.

Pursuant to the Act, the Board through the Bureau of One-Call supervises and enforces the One-Call Underground Damage Prevention System. The Act subjects violators of its provisions to civil penalties of not less than \$1,000.00 and not more than \$2,500.00 per violation per day, with a \$25,000.00 maximum for a related series of violations. Violations involving a natural gas or hazardous liquid underground pipeline or distribution facility are subject to civil penalties not to exceed \$100,000.00 for each violation for each day with a \$1,000,000.00 maximum for any related series of violations.

The number of settlements are 51 with a total penalty of \$153,000.00.

Staff employed a single order to close multiple cases in order to create a more streamlined and effective enforcement process. Staff recommended that the Board approve all those cases in which offers of settlement and payment have been received

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

VII. CUSTOMER ASSISTANCE

There were no items in this category.

VIII. CLEAN ENERGY

There were no items in this category.

IX. MISCELLANEOUS

A. Approval of the Minutes for the December 19, 2017 Agenda Meeting;

Approval of the Executive Session Minutes of September 30, 2014, Agenda Items 7A, 7B, 7C and 7D; and

Approval of the Executive Session Minutes of July 22, 2015, Agenda Item 7A.

BACKGROUND: Commissioner Gordon abstained from these matters. Staff presented the minutes of the Regular Board Agenda meeting of December 19, 2017, and the executive session minutes of September 30, 2014 items 7A, 7B, 7C and 7D, and the July 22, 2015 item 7A, 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 Fiordaliso	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye
	Commissioner Chivukula	Aye
	Commissioner Gordon	Aye

AGENDA

1. AUDITS

A. Docket No. EO16070661 – In the Matter of the Department of Community Affairs' State Fiscal Year 2017 Universal Service Fund Administrative Cost Budget.

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

BACKGROUND AND DISCUSSION: This matter involved the administrative costs submitted by Department of Community Affairs (DCA) for State Fiscal Year 2017 (FY17) for the Universal Service Fund (USF) program.

On March 28, 2018, DCA submitted a detailed USF administrative report for FY17, which listed expenditures of \$6,498,713.00, with a remaining balance of \$384,741.00 from a budget authorization of \$6,883,454.00.

The 2017 actual expenses were \$384,741.00 or 5% below budget. The primary reason for the favorable variance to budget was as follows:

• Salaries/Fringes	\$ 43,869.00
• Lower OIT costs	55,429.00
• Annual Conference	40,000.00
• Postage	133,126.00
• Telephone	38,334.00
• <u>Other</u>	<u>73,983.00</u>
Total	\$384,741.00

These under expenditures were primarily the result of over budgeting postage based on prior year events that were not repeated in 2017.

The FY 2017 expenses are broken down as follows:

DCA	\$ 1,244,354.00
Subgrantees-	
County Welfare Organizations	\$ 227,200.00
Community Based Organizations	<u>\$ 5,027,159.00</u>
Total	\$ 6,498,713.00

Staff reviewed the DCA's FY17 expenses and found that the costs listed therein appear appropriate and necessary for the administration of the USF program. Therefore, Staff recommended that the Board find that DCA has adequately justified its FY 2017 USF administrative expenditures.

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

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

2. ENERGY

Thomas Walker, Director, State Energy Services Division, presented these matters.

A. Docket No. ER18040356 – In the Matter of the Provision of Basic Generation Service for the Period Beginning June 1, 2019 – BGS Proceeding.

BACKGROUND AND DISCUSSION: Commissioner Gordon recused himself from this matter. Two-thirds of the State's Basic Generation Service (BGS) requirements for Residential and Small Commercial Pricing (RSCP) customers are under contract for the period of June 1, 2019 through May 31, 2020. The Board needed to determine how the remaining one-third of the State's BGS requirements for RSCP customers, as well as the State's annual BGS requirements for Commercial and Industrial Energy Pricing (CIEP) customers should be procured beginning June 1, 2019. In addition, the Board needed to determine how Rockland Electric Company (Rockland) will procure the annual BGS capacity requirements for its non-PJM, Interconnection, LLC (PJM) service area within New Jersey for the period beginning June 1, 2019.

By prior Board Orders in Docket No. ER16040337 dated October 31, 2016, and Docket No. ER17040335 dated November 21, 2017, the Board approved, with modifications, the joint BGS proposals of the State's Electric Distribution Companies (EDCs) that used a descending clock auction format to procure two-thirds of the State's BGS requirements for BGS-RSCP customers for the period of June 1, 2019 through May 31, 2020. In those prior Orders, the Board did not address how the remaining BGS requirements for RSCP customers, as well as the State's annual BGS requirements for CIEP customers, would be procured for the period beginning June 1, 2019.

Prior Board Orders have approved a process for Rockland to procure the capacity and energy needs of its Central and Western Divisions, where it would purchase capacity from the New York Independent System Operator. Going forward, the procurement of capacity needs for those regions will need to be addressed by Rockland in its company specific proposal.

The process adopted by the Board to determine how to procure BGS for the past seventeen years has provided an opportunity for participation by all interested parties through both written comments and at public hearings which resulted in a wide range of BGS suggestions, a timely Board decision and, ultimately, a successful procurement process. Accordingly, Staff recommended that the Board initiate a proceeding to determine what type of process should be used to procure BGS-RSCP and BGS-CIEP requirements, and the capacity needs of Rockland's non-PJM service area within New Jersey for the period beginning June 1, 2019, similar to the process that has been employed for the past seventeen years, including an invitation for all parties to propose how to procure BGS supply, the ability for all parties to issue discovery, provide written comments to the Board, and provide oral testimony at both legislative type and public hearings where the Board encourages the use of expert testimony. To implement this proceeding, Staff recommended that the Board approve the proposed procedural schedule that anticipates a Board decision on the process in November 2018, and a BGS procurement process in February 2019.

Staff recommended that the Board direct the EDCs to file proposals by no later than July 2, 2018, addressing how to procure the remaining one third of the State's BGS RSCP requirements and the annual BGS CIEP requirements for the period beginning June 1, 2019. Staff also recommended that the Board direct Rockland to file a proposal as part of its July 2,

2018 BGS filing to procure the BGS capacity requirements for its non-PJM service area within New Jersey for the period beginning June 1, 2019. In addition, Staff recommended that the Board also invite all other interested stakeholders to file alternative BGS proposals with the Board by July 2, 2018. Staff further recommended that the Board approve the preliminary procedural schedule which would result in a Board decision on the actual parameters of the BGS process in November 2018, and would permit a BGS procurement process to take place in February 2019.

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

Roll Call Vote:	President Fiordaliso	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye
	Commissioner Chivukula	Aye
	Commissioner Gordon	recused

B. Docket No. GR17060589 – In the Matter of Public Service Electric and Gas Company’s 2017/2018 Annual BGSS Commodity Charge Filing for its Residential Gas Customers Under its Periodic Pricing Mechanism.

BACKGROUND AND DISCUSSION: Commissioner Gordon recused himself from this matter. On June 1, 2017, Public Service Electric and Gas Company (PSE&G or Company) filed a petition (2017/2018 BGSS Petition) with the Board seeking authority to increase its per therm Basic Gas Supply Service (BGSS) Residential Gas Service (RSG) Commodity Charge rate from \$0.339408 to \$0.369939. Approval of the Company’s request would result in an increase in annual BGSS revenues of approximately \$34.4 million, excluding losses and Sales and Use Tax (SUT).

Subsequent to the June 1, 2017 Filing, the Company made a compliance filing on August 30, 2017 in response to the Board’s Order in the Company’s Petition for Approval of Electric and Gas Base Rate Adjustments Pursuant to the Energy Strong Program in Docket Nos. ER17030324 and GR17030325. As a result of the August 2017 Energy Strong Rate Adjustment Order, the Company’s BGSS-RSG Commodity Charge was reduced from \$0.339408 per therm to \$0.339397 effective September 1, 2017.

On September 22, 2017, the Board issued an Order (September 2017 Provisional Order) approving a stipulation executed by PSE&G, Board Staff and the New Jersey Division of Rate Counsel (collectively, Parties). The September 2017 Provisional Order authorized the Company’s proposed BGSS rate to be increased from \$0.339397 per therm to \$0.369939 effective on and after October 1, 2017.

On October 17, 2017, the 2017/2018 BGSS Petition was transmitted to the Office of Administrative Law and subsequently assigned to Administrative Law Judge (ALJ) Jacob S. Gerstman. Subsequent to the September 2017 Provisional Order, the Company made a compliance filing on December 21, 2017 in response to the Board’s Order in the Company’s petition for approval of Gas Base Rate Adjustments Pursuant to its Gas System Modernization Program under Docket No. GR17070775. As a result of the December 2017 Gas System Modernization Program Rate Adjustment Order, the Company’s BGSS-RSG Commodity Charge was reduced from \$0.369939 per therm to \$0.368938 per therm effective January 1, 2018.

On March 26, 2018, the Parties executed a Stipulation for Final BGSS Rates (Stipulation) by which the Parties agreed that the provisional 2017-2018 BGSS rate of \$0.368938 per therm be made final. In addition, effective with the Company's 2018-2019 and subsequent BGSS filings, the Company will modify its Minimum Filing Requirements to: a) include a description of the principal terms of the requirements contract between PSE&G and PSEG Energy Resources and Trade; and b) to include in its gas supply plan, a listing of all existing pipeline and storage capacity contracts for which the Company has given notice to extend or terminate during the previous 12 months, and all contracts that were extended under evergreen provisions during the same period.

On March 29, 2018, ALJ Gertsman issued an Initial Decision approving the Stipulation finding that the Parties had voluntarily agreed to the terms of the Stipulation and that the Stipulation fully disposed of all matters and is consistent with law.

Staff recommended that the Board issue an Order approving the Initial Decision and Stipulation. In addition, Staff recommended that the Board direct PSE&G to file tariffs consistent with its Order within five days of service of the Order.

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

Roll Call Vote:	President Fiordaliso	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye
	Commissioner Chivukula	Aye
	Commissioner Gordon	recused

C. Docket No. GR17060720 – In the Matter of the Petition of Public Service Electric and Gas Company to Revise its Weather Normalization Charge for the 2017-2018 Annual Period.

BACKGROUND AND DISCUSSION: Commissioner Gordon recused himself from this matter. On June 29, 2017, Public Service Electric and Gas Company (PSE&G or Company) filed a petition (2017 WNC Petition) with the Board seeking approval to recover \$54.739 million related to its Weather Normalization Charge (WNC). Of the \$54.739 million, \$31.882 would be recovered in the 2017-2018 Winter Period, with the remaining deficiency of \$22.857 million to be recovered over the 2018-2019 Winter Period.

In recovering the \$31.882 million over the 2017-2018 WNC Winter Period, the Company proposed a WNC rate of \$0.023135(including Sales and Use Tax), per balancing therm applicable to Rate Schedules Residential Service Gas, General Service Gas, and Large Volume Gas Service customers. As filed, the 2017 WNC Petition would result in an annual impact on a typical residential heating customer using 165 therms per month during the winter months and 1,010 therms of approximately \$0.75 or 0.09%.

By Order dated September 22, 2017, the Board approved a stipulation for provisional rates executed by PSE&G, Board Staff, and the New Jersey Division of Rate Counsel, (collectively, Parties) that authorized the Company to implement its proposed WNC rate on a provisional basis, subject to refund.

On April 4, 2018, the Parties executed a Stipulation of Settlement (Settlement) whereby the Parties requested the Board approve PSE&G's provisional WNC rate for the 2017-2018 Winter Period as final.

Staff recommended that the Board issue an Order approving the Settlement. In addition, Staff recommended that the Board direct PSE&G to file tariff sheets consistent with its Order within five days of service of the Board's Order.

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

Roll Call Vote:	President Fiordaliso	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye
	Commissioner Chivukula	Aye
	Commissioner Gordon	recused

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

D. Docket No. ER18020090 – In the Matter of the Application of the Borough of Butler Electric Utility for an Order Approving a Levelized Energy Adjustment Clause from April 1, 2018 to June 30, 2018.

BACKGROUND AND DISCUSSION: On February 1, 2018, the Borough of Butler Electric Utility (Butler Electric) filed with the Board a verified petition (2018 LEAC Petition) for approval of a Levelized Energy Adjustment Clause (LEAC) for the period April 1, 2018 to June 30, 2018. Specifically, Butler Electric requested approval to: (1) adjust the LEAC rate from \$0.071616 per kilowatt hour (kWh) to \$0.074179 per kWh to be effective for services rendered on and after April 1, 2018; (2) continue the cap level of \$0.151718 per kWh on the quarterly LEAC adjustment that had been approved on September 17, 2010 by the State of New Jersey, Department of Community Affairs, Division of Local Government Services, Local Finance Board pursuant to N.J.S.A. 40A:5A-25; and (3) continue to implement the LEAC quarterly adjustment rate mechanism as authorized by Board Order dated April 23, 1987, in Docket No. ER86040390.

Following discovery, Butler Electric, the New Jersey Division of Rate Counsel, and Board Staff executed a Stipulation of Settlement (Settlement) on March 28, 2018. The Settlement allows for Butler Electric to implement a LEAC rate of \$0.074179 per kWh for usage effective after April 1, 2018 and continue the cap level at \$0.151718 per kWh.

Staff recommended that the Board approve the Settlement. Staff further recommended that the Board order Butler Electric to file revised tariffs consistent with the Settlement within five days of service of the Board Order.

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

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

E. Docket Nos. ER18010029 and GR18010030 - In the Matter of the Petition of Public Service Electric and Gas Company for Approval of an Increase in Electric and Gas Rates and for Changes in Tariffs for Electric and Gas Service, B.P.U.N.J. No. 16 Electric and B.P.U.N.J. No. 16 Gas, and for Changes in Depreciation Rates, Pursuant To N.J.S.A. 48:2-18, N.J.S.A. 48:2-21 and N.J.S.A. 48:2-21.1, and for Other Appropriate Relief – See executive session.

Thomas Walker, Director, State Energy Services Division, presented this matter.

BACKGROUND AND DISCUSSION: Commissioner Gordon recused himself from this matter. This matter involved Staff seeking proposals from the pre-qualified list of consultants with respect to Public Service Electric and Gas Company's (PSE&G, or Company) base rate case. Proposals were received from three firms. Once reviewed by Staff, Overland Consulting Firm was selected and engaged.

On January 12, 2018, PSE&G filed a petition for approval of an increase in its operating revenues of approximately \$95 million, or 1.2%, to be effective for electric and gas service provided on or after February 23, 2018. The Company has requested an electric revenue increase of \$27 Million or approximately 0.49% and a gas revenue increase of \$68 Million or approximately 2.97%. The Company also sought Board approval to implement new depreciation rates that include cost of removal rates that the Company submits are more appropriate and will allow it to more fully recover its expected costs as it replaces aging infrastructure, as well as certain other tariff changes.

According to the petition, the primary reasons for the requested increase were (1) the Company's current electric and gas rates do not reflect an adequate return on the Company's invested capital dedicated to the service of electric and gas customers; (2) the insufficiency of the Company's current depreciation rates; (3) flat sales since the filing of the Company's prior base rate case; (4) unrecovered incremental storm costs of approximately \$240 million; and (5) the Company's return to customers of approximately \$90 million of cost of removal in excess of the amount deemed to have been over-recovered in a prior rate case.

Given the large nature of the filing and the current staffing levels, it was determined that it would be appropriate to obtain a consultant to assist in the review and processing of the matter.

On February 2, 2018, an email was sent to the seven firms requesting proposals and provided a scope of work. On or before March 1, 2019, Staff received three proposals. Proposals were received from Bates White, LLC, OCI Resources, Inc. (trade Name: Overland Consulting) and Silverpoint Consulting, LLC. Following a review of the proposals, Overland's proposal was accepted.

Ultimately, Overland was the only firm to give us a thorough proposal that demonstrated a complete understanding of the task at hand. Overland's proposal demonstrated that it had read the entire public PSE&G base rate case petition, while the other proposals seemed to indicate a perusal of the petition. Silverpoint only provided a proposal on the engineering aspect of the base rate case, as they could not engage expert subcontractors in the other areas. Bates White's proposal included approximately half of the hours of Overland's and it was not clear that it would provide sufficient in-depth analysis. Staff found that Bates White's experience, while extensive, did not include a lot of work on base rate cases.

The agreement for this engagement with Overland consists of 1) the State's Waivered

Standard Terms and Conditions (and all other required forms forms) as submitted by Overland when Waiver AJ-050 was created, 2) the Request issued by the Division of Energy, and 3) Overland's response.

Staff recommended that the Board ratify Staff's scope of work and selection of Overland for a price of \$968,125.00.

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

Roll Call Vote:	President Fiordaliso	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye
	Commissioner Chivukula	Aye
	Commissioner Gordon	recused

F. Docket No. EW17030256 – In the Matter of the Petition of Gerdau Ameristeel Sayreville, Inc. for Waiver of Requirements Concerning the Societal Benefits Charge.

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

BACKGROUND AND DISCUSSION: Commissioner Gordon recused himself from this matter. On March 13, 2017, Gerdau Ameristeel Sayreville, Inc. (Gerdau), filed a petition (Petition) with the Board. Gerdau sought determinations that (i) it qualifies for a limited waiver of certain Societal Benefits Charge (SBC) credit program requirements; and that (ii) Gerdau's past SBC credit program-related energy efficiency and conservation investments qualify for a 50% reduction in its SBC obligations for electric and natural gas service going forward. Gerdau additionally requested expedited treatment of the petition.

On May 31, 2017, the Board issued an order, retaining this matter with the Board and designating the Commissioner Dianne Solomon as the presiding officer authorized to rule on all motions that arise during the pendency of the proceeding and to modify any schedules that may be set as necessary to secure a just and expeditious determination of the issues. The order also granted the motion for admission pro hac vice filed by Gerdau and the motions to intervene filed by Public Service Electric and Gas Company (PSE&G) and Jersey Central Power and Light Company (JCP&L) (collectively, the Intervenors). Additionally, the order established June 23, 2017 as the deadline for the filing of motions to intervene or participate in this matter. No other motions to intervene were filed.

On November 13, 2017, Gerdau filed a Motion for Leave to Amend and an Amended Petition (Amended Petition) in further support of a lower SBC rate. In its Amended Petition, Gerdau requested that the Board, pursuant to N.J.S.A. 48:3-60(a), make the following determinations and grant the following requested relief: (i) that Gerdau has demonstrated good cause for a modification of the amount of the SBC paid for electric and natural gas service to its Sayreville, New Jersey Mill; (ii) that good cause supports a modification of Gerdau's SBC charges starting in 2018, amounting to a 50% reduction at approximately \$0.0033315 per kilowatt hour for electric service provided by JCP&L and \$0.0209975 per therm for gas service provided by PSE&G; and (iii) that the Board act on the Amended Petition on an expedited basis.

Following a period of discovery and conferences between and among Gerdau, Board Staff (Staff), the New Jersey Division of Rate Counsel (Rate Counsel), and the Intervenors, Board Staff and Gerdau (collectively, (Signatory Parties) executed a Joint Position (Joint Position), which Gerdau filed with the Board on March 15, 2018. Among other things, the Joint Position provides that, for a period of ten years, Gerdau will pay a reduced electric SBC charge that consists only of the portion attributable to the New Jersey Clean Energy Program at the level set each year by the Board and collected through JCP&L's Rider Demand Side Factor.

By letter dated March 28, 2018, the Intervenors took no position with respect to the Joint Position. By letter dated March 29, 2018, the Rate Counsel opposed the reduced electric SBC rate agreed upon in the Joint Position. The Rate Counsel asserted that N.J.S.A. 48:3-60(a) does not permit a customer to categorically only fund certain SBC activities, and allowing Gerdau to do so here is contrary to the language of the statute that makes the SBC "non-bypassable." The Rate Counsel also argued that the Joint Position is not consistent with the mechanism that the Legislature has provided in the statute through which certain industrial customers can qualify for a reduction in their SBC because the types of investments made by Gerdau were not the type that would otherwise be eligible for SBC funded incentives.

By letter dated April 5, 2018, Gerdau filed its reply comments. Gerdau clarified that it requested a modified SBC rate not a going-forward credit to the SBC rate. Gerdau argued that the reduced SBC rate does not contravene N.J.S.A. 48:3-60(a) because the Board has discretion to determine some or all specific costs that are recoverable under the SBC for electric or gas service as appropriate pursuant to the Discount Contract Order. Gerdau contended that approval of the reduced SBC rate would not threaten adequate funding for SBC-related programs because, if such modified SBC rate were not approved, the mill may reach a point where it can make no contribution to the SBC, further reducing the benefit to the other ratepayers. Gerdau cited to Board orders previously permitting rate reductions. Gerdau thus contended the modified SBC charge would benefit other ratepayers by preventing further erosion of the load denominator over which SBC program costs are recovered. Gerdau therefore replied that the modified SBC rate is consistent with N.J.S.A. 48:3-60(a) and Board precedent allows for SBC rate reductions thus the JCP&L tariff should be approved.

Staff recommended that the Board issue an Order approving the Joint Position of the Signatory Parties. Staff also recommended that the Board direct JCP&L to file modified tariffs consistent with its Order by May 1, 2018.

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

Roll Call Vote:	President Fiordaliso	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye
	Commissioner Chivukula	Aye
	Commissioner Gordon	recused

G. Docket No. ER18010004 – In the Matter of Federal Energy Items for 2018 – DOE Docket No. ____, Request for Emergency Order Pursuant to Federal Power Act Section 202(c) by FirstEnergy Solutions Corp.

Cynthia L. M. Holland, Esq., Legal Specialist, Office of the Chief Counsel, presented this matter.

BACKGROUND AND DISCUSSION: This matter involved Staff, on behalf of the Board, filing comments in the above captioned proceeding. First Energy Solutions Corp. (FES) sought an Emergency Order from the Department of Energy (the Request). The Request is substantially similar to the Notice of Proposed Rulemaking that was terminated earlier this year. When intervening in this proceeding, Staff supported parties' requesting a 60-day comment period. However, given the emergency nature of the Request, the Department of Energy can act at any time. Staff had significant procedural concerns and, in order to preserve the Board's rights in this matter, filed comments opposing the Request on those procedural grounds.

On March 29, 2018, FES filed a Request for Emergency Order Pursuant to Federal Power Act with the Department of Energy. FES requested that the Secretary of the Department of Energy use the Emergency Order to require consumers in the PJM Region to bail out certain types of generation assets that FES claims have become uneconomic. The Request is framed in urgent language, but many of the premises underlying the Request are overstated or false. FES has chosen to use the Request as a means of achieving the objectives of the Notice of Proposed Rulemaking that was rejected by the Federal Energy Regulatory Commission in January 2018.

Staff recommended that the Board ratify these comments.

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

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

3. CABLE TELEVISION

There were no items in this category.

4. TELECOMMUNICATIONS

A. Non-docketed Matter – In the Matter of the Request for Quotation for the Provision of Telecommunications Relay Service.

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

BACKGROUND AND DISCUSSION: Commissioner Gordon recused himself from this matter. This matter involved Staff requesting Board approval to issue a Request for Quotations (RFQ) to qualified vendors for the provision of Telecommunications Relay Services (TRS) in New Jersey. A TRS functions as a point of translation between hearing and/or speech impaired people who use a teletype device or a computer for communications with non-impaired telephone users.

The existing contract held by Sprint expired on March 31, 2018, and pursuant to the contract terms, since a new contract has not been awarded, Sprint is required to continue providing service for a 90 day transition period, which ends on June 29, 2018. In order to implement a new contract prior to the end of the transition period and prevent a gap in service, Staff sought a Waiver of Advertising from the Treasury Department, which will allow the Board to secure a new contract via the RFQ process, rather than seeking a vendor under the Request for Proposals (RFP) process which has previously been used.

At its January 31, 2018 Board meeting, Staff received approval from the Board to allow Treasury to publish the new RFP, following the conclusion of its review, barring any substantial changes from the draft.

Due to Treasury's extended review of the draft RFP, it still had not been issued upon the conclusion of the contract on March 31, 2018, requiring the need to invoke the provision of the contract extending Sprint's provision of service for a 90 day period, concluding on June 29, 2018.

In order to avoid a gap in service, Staff sought a Waiver of Advertising of the RFP requirements from Treasury, to allow the Board to issue an RFQ and secure a new contract prior to the end of the contract extension on June 29, 2018. Staff received pre-approval of the Waiver via email from Treasury on April 20, 2018.

Staff recommended the Board to issue an RFQ to secure a new contract for TRS services in New Jersey, prior to the conclusion of the current contract extension on June 29, 2018.

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

Roll Call Vote:	President Fiordaliso	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye
	Commissioner Chivukula	Aye
	Commissioner Gordon	recused

5. WATER

Christine Lin, Administrative Analyst, Office of Chief Economist, presented these matters.

A. Docket No. WF18030256 – In the Matter of the Application of Middlesex Water Company for Authority to Borrow up to \$55.0 Million and to Issue Evidences of Indebtedness Pursuant to the New Jersey Water Infrastructure Bank Financing Program.

BACKGROUND AND DISCUSSION: On March 13, 2018, Middlesex Water Company (Company or Petitioner) filed a petition with the Board requesting authority to undertake the following:

- a) Borrow up to \$55 million from the New Jersey Water Infrastructure Bank (formerly known as the New Jersey Environmental Infrastructure Trust), and the State of New Jersey, acting by and through the New Jersey Department of Environmental Protection and make, execute and deliver to the Bank and the State documents required in connection therewith;
- b) Make, execute and deliver, if necessary, one or more Supplemental Indentures of Mortgage to U.S. Bank National Association, as Trustee, for the purpose among other things, of describing the terms of Petitioner’s First Mortgage Bonds, or to make such guarantee or guarantees as are required by State and the Bank to secure the Loans; and
- c) Issue and deliver, if necessary, to the Bank and the State up to \$55 million principal amount of the Company’s Bonds, with a final maturity date concurrent with the maximum term permitted by the Bank at the time of the closing of the Loans. The Company’s Bonds will bear interest at approximately one-quarter of the interest rate of the Bank’s Bonds which are intended to be sold by competitive bidding.

The Petitioner requested that the relief set forth in Paragraphs a through c above be granted by the Board without the requirement for a further Board Order.

The proceeds of the Loans will be used by the Company to finance upgrades to the Company’s Carl J. Olsen water treatment plant located in the Township of Edison, New Jersey. The proceeds of the Loans will be used for project work anticipated to begin in the calendar year 2018 and continue until late in 2020.

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

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

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

B. Docket No. WF18020145 – In the Matter of the Petition of the Atlantic City Sewerage Company for Approval of a Financing Program Involving the Issuance of Long Term Debt and the Refinancing of Existing Long Term Debt through June 30, 2021.

BACKGROUND AND DISCUSSION: On February 8, 2018, the Atlantic City Sewerage Company (Atlantic City or Company) filed its Petition with the Board seeking authority to: (1) issue and sell up to \$10,000,000.00 aggregate principal amount of long-term debt consisting of one or more series of Long-Term Debt; (2) execute and deliver one or more supplemental mortgage indentures, loan agreements, notes, and such other documents; and (3) take such actions as the Petitioner determines may be necessary or desirable in connection with any of the foregoing.

According to the Company, the net proceeds of this transaction or series of transactions, will be used for the construction rehabilitation upgrade and expansion of various sections and components of the sanitary sewer system required to meet the needs and demands of Atlantic City, while maintaining the environmental integrity of the region.

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

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

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

C. Docket No. WF18020185 – In the Matter of the Application of Middlesex Water Company for Authority to Borrow up to \$57.0 Million and to Issue Evidences of Indebtedness Pursuant to the New Jersey Water Infrastructure Bank Financing Program.

BACKGROUND AND DISCUSSION: On February 21, 2018, Middlesex Water Company (Company or Petitioner) filed a petition with the Board requesting authority to undertake the following:

- a) Borrow up to \$57 million from the New Jersey Water Infrastructure Bank (formerly known as the New Jersey Environmental Infrastructure Trust), and the State of New Jersey, acting by and through the New Jersey Department of Environmental Protection and make, execute and deliver to the Bank and the State documents required in connection therewith;
- b) Make, execute and deliver, if necessary, one or more Supplemental Indentures of Mortgage to U.S. Bank National Association, as Trustee, for the purpose among other things, of describing the terms of Petitioner's First Mortgage Bonds, or to make such guarantee or guarantees as are required by State and the Bank to secure the Loans; and

- c) Issue and deliver, if necessary, to the Bank and the State up to \$57 million principal amount of the Company's Bonds, with a final maturity date concurrent with the maximum term permitted by the Bank at the time of the closing of the Loans. The Company's Bonds will bear interest at approximately one-quarter of the interest rate of the Bank's Bonds which are intended to be sold by competitive bidding.

The Petitioner requested that the relief set forth in paragraphs a through c above be granted by the Board without the requirement for a further Board Order.

The proceeds of the Loans will be used by the Company to finance the construction of a 48-inch diameter redundant pipeline (Western Transmission Main) that will run for approximately 4.6 miles from the Company's Carl J. Olsen water treatment plant in the Township of Edison to an interconnection with a 30 inch peripheral transmission main located in the Borough of Metuchen. The Western Transmission Main will serve as a redundant delivery system of water supply for the Company's retail service area in northwest Middlesex County when the single, 4.3-mile long transmission main currently serving this area needs to be taken out of service for any reason, whether routine maintenance or failure caused by a pipeline breach. The proceeds of the Loans will be used for project work anticipated to primarily occur in the calendar years 2018 and 2019.

The Office of the Economist, after review of the information submitted in this proceeding, found that the action requested is in accordance with the law and in the public interest and therefore recommends approval of the petition.

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

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

6. RELIABILITY & SECURITY

There were no items in this category.

7. CUSTOMER ASSISTANCE

There were no items in this category.

8. CLEAN ENERGY

Sherri Jones, Assistant Director, Division of Economic Development and Emerging Issues, presented these matters.

A. Docket No. EO12090799 – In the Matter of Atlantic City Electric Company Concerning a Proposal for an Extended SREC-Based Financing Program Under N.J.S.A. 48:3-98.1 (SREC II);

Docket No. EO12080750 – In the Matter of the Verified Petition of Jersey Central Power and Light Company Concerning a Proposal for an SREC-Based Financing Program Under N.J.S.A. 48:3-98.1 (SREC II); and

Docket No. EO13020118 – In the Matter of the Verified Petition of Rockland Electric Company Concerning a Proposal for an SREC-Based Financing Program under N.J.S.A. 48:3-98.1 (SREC II).

BACKGROUND AND DISCUSSION: This matter involved Staff requesting the Board to approve the final recommendations of the Solicitation Manager (SM) for the eighth solicitation conducted under the Electric Distribution Companies' (EDCs') Solar Renewable Energy Certificate II (SREC II) Programs. On December 18, 2013, the Board approved the settlement stipulations of Atlantic City Electric Company (ACE), Jersey Central Power and Light (JCP&L) and the Rockland Electric Company (RECO) for the extension of their SREC-based financing programs (jointly SREC II Programs). After a Request for Proposals (RFP) process, the EDCs retained Navigant Consulting, Inc. to act as the SM for these programs.

The timeline for the eighth solicitation in the SREC II Programs was announced via release of the RFP for the eighth round of nine solicitations (Round 8) on December 1, 2017, including a webinar for prospective bidders on December 8, 2017. Consolidated bid applications were due on February 14, 2018. The solicitation included three market segments: residential and commercial under 50 kW, residential and commercial from 51 kW to 2 MW, and Landfill/Brownfield/Area of Historic Fill.

The SM issued its final recommendations report on March 19, 2018. Thirteen qualifying bids were received and evaluated. The SM recommended awarding nine contracts in JCP&L territory and rejecting applications for four projects bid in ACE's territory due to uncompetitive SREC prices submitted by the developer. Of the thirteen projects bid, the four uncompetitive bids were submitted in Segment 1 and the nine competitive bids were submitted in Segment 2. The SM recommends awarding nine projects bid in JCP&L's territory for award capacity totaling 8,823.98 kW. No project bids were received in Segment 3 or from RECO territory.

Staff recommended that the Board adopt the recommendations of the SM regarding the results of the Eighth Solicitation in the EDC's SREC II Programs.

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

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

B. Docket No. GO18030355 – In the Matter of the Petition of New Jersey Natural Gas Company for Approval of the Extension of Energy Efficiency Programs and the Associated Cost Recovery Mechanism Pursuant to N.J.S.A. 48:3-98.1.

BACKGROUND AND DISCUSSION: On March 29, 2018, New Jersey Natural Gas Company (NJNG or Company) filed a petition with the Board seeking approval to continue its existing energy efficiency programs, with certain modifications, and also approval of three new programs. NJNG proposed to implement the new and existing programs over a six year period commencing upon issuance of a Board Order with a total budget of approximately \$353 million.

The Company proposed to recover the costs associated with the energy efficiency programs through the Rider F to the Company's tariff.

Staff recommended that the matter be retained by the Board for hearing and designated President Joseph L. Fiordaliso as the presiding officer who is authorized to rule on all motions that arise during the pendency of these proceedings, and modify any schedules that may be set as necessary to secure a just and expeditious determination of the issues. Staff also recommended that the Board direct that any entities seeking to intervene or participate in this matter file the appropriate application with the Board by May 27, 2018.

To further enable the Board to effectively and efficiently carry out its mandate under N.J.S.A. 48:3-98.1, and to allow development of a complete record, Staff recommended that the Board authorize President Fiordaliso to render decisions on stipulations pursuant to N.J.S.A. 48:2-21.3 extending the 180 day review period, if submitted, provided that the stipulation is executed by all parties to the proceeding. The authority so delegated is limited to extensions that do not collectively exceed 180 days, with any further requests for extensions to be directed to the Board.

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

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

C. Docket No. GO18030350 – In the Matter of the Petition of South Jersey Gas Company for Approval to Continue its Energy Efficiency Programs and Energy Efficiency Tracker Pursuant to N.J.S.A. 48:3-98.1.

BACKGROUND AND DISCUSSION: On March 29, 2018, South Jersey Gas Company (SJG or Company) filed a petition with the Board seeking approval to continue its existing energy efficiency programs with certain modifications and with new names. In addition, the Company requested approval of six new programs. SJG proposed to implement the new and existing programs over a five year period commencing upon issuance of a Board Order with a total budget of approximately \$195 million. The six new programs proposed:

- Residential Efficient Products Program
- Residential Home Assessment with Direct Install Program
- Residential Retrofit Weatherization Program
- C&I Engineered Solutions Program
- Education Program
- Emerging Technologies and Approaches Program

The Company proposed to recover the costs associated with the EEPs through the EET set forth in Rider N of the Company's tariff.

Staff recommended that the Board retain this matter and designate a commissioner to preside over it.

Staff recommended that this matter be retained by the Board for hearing and, pursuant to N.J.S.A. 48:2-32, and Commissioner Dianne Solomon as the presiding officer who is authorized to rule on all motions that arise during the pendency of these proceedings and modify any schedules that may be set as necessary to secure a just and expeditious determination of the issues. Staff also recommended that the Board direct that any entities seeking to intervene or participate in this matter file the appropriate application with the Board by May 27, 2018.

To further enable the Board to effectively and efficiently carry out its mandate under N.J.S.A. 48:3-98.1 and to allow development of a complete record, Staff recommended that the Board authorize Commissioner Dianne Solomon to render decisions on stipulations pursuant to N.J.S.A. 48:2-21.3 extending the 180 day review period, if submitted, provided that the stipulation is executed by all parties to the proceeding. The authority so delegated is limited to extensions that do not collectively exceed 180 days, with any further requests for extensions to be directed to the Board.

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

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

D. Docket No. QW18030284 – In Furtherance of the Matter of the Implementation of Executive Order 8 Offshore Wind – See Executive Session.

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

BACKGROUND AND DISCUSSION: On January 31, 2018, Governor Phil Murphy signed Executive Order No. 8 (EO8) directing the Board to fully implement Offshore Wind Economic Development Act and begin the process of moving the State toward a goal of 3,500 megawatts of offshore wind energy generation by the year 2030 and a solicitation of 1100 megawatts as a first step in meeting that goal. The Board addressed the issues and direction of EO8 in its Order dated February 23, 2018.

The term of the contract shall be for a period of two years starting on or after April 25, 2018 – April 24, 2020 (SFY18, 19, 20). The Contract includes a 180-day maximum transition period at the end of the term if needed. It is expected that the Strategic Plan will be developed in several Phases to address the 1,100 MW and the subsequent 3,500 MW.

The term of the contract is budgeted for up to \$1,000,000.00 for the term of the contract with funding from the Offshore Wind line item to be approved by the Board under the FY18 and FY19 Clean Energy Program Budgets. Staff is expecting the final accepted quotation to be in the \$500K range.

Staff sought to procure the professional services and technical expertise necessary to develop and publish an Offshore Wind Strategic Plan. The consultant should have a demonstrated expertise in the area of offshore wind and be fully familiar with the planning, construction and operation of a wind farm so to guide the strategic planning process and ensure key components are properly addressed. Expertise in offshore wind engineering and planning is strongly preferred but experience in offshore wind economic analysis, renewable energy management consulting, offshore wind modeling and forecasting or some other discipline central to the development of offshore wind projects will be considered. The consultant should be able to facilitate the strategic planning process, manage stakeholder engagement, draft the Offshore Wind Strategic Plan and contract the professional services and technical studies necessary to inform the offshore wind strategic plan. The Strategic Planning Process itself should be informed by stakeholder engagement on key issues including but not limited to the Solicitation Process, Supply Chain Development, Workforce Development and New Jersey Fisheries.

The Scope of Work includes four parts to be completed by the consultant: Part 1: Supply Chain and Workforce Analysis; Part 2: OSW Integration and Pricing Analysis; Part 3: Environmental Protection & Advanced Research Analysis; and Part 4: Drafting of the Proposed Offshore Wind Strategic Plan.

Treasury has approved Board's Pre-Approval Request for a Waiver which will allow Board to issue the solicitation as a Request for Quotations (RFQ) to the List of Vendors. After receiving the quotations, an evaluation committee will consider each proposal. The committee's recommendation will be presented to the Board which will make the final decision regarding the award. Treasury will review Board's final recommendation for a contract award before issuing a contract for services.

Staff recommended that the Board direct staff to issue an RFQ to potential vendors for professional and technical services to develop an Offshore Wind Strategic Plan consistent with its February Order and direction.

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

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

E. Docket No. EO12090832V - In the Matter of the Implementation of L. 2012, C. 24, The Solar Act of 2012;

Docket No. EO12090862V - In the Matter of the Implementation of L. 2012, C. 24, N.J.S.A. 48:3-87(T) – A Proceeding to Establish a Program to Provide SRECS to Certified Brownfield, Historic Fill and Landfill Facilities; and

**Docket No. QO15111299 – Radiant Energy, LLC
Price’s Landfill – See executive Session.**

Kenneth J. Sheehan, Director of the Division of Economic Development & Emerging Issues, presented this matter.

BACKGROUND AND DISCUSSION: The Solar Act, specifically Subsection t, provides that the Board shall certify as “connected to the distribution system” solar electric power generation facility projects found by the Board, in consultation with the Department of Environmental Protection, to be located on a brownfield, on an area of historic fill, or on a properly closed sanitary landfill facility. These terms are defined by the Solar Act.

On February 14, 2018, Radiant Energy, LLC (Radiant or Petitioner) filed a petition with the Board seeking an extension of the two year construction period approved by the Board. On February 21, 2018, Radiant amended its petition (Amended Petition) to also request a waiver of the 14-day requirement to submit the Solar Renewable Energy Credit Registration Program registration package. On March 29, 2018, Radiant filed a second amended petition and the certification of Ian Jerome.

On April 4, 2018, Radiant filed a letter requesting that the Board authorize a 15 year qualification life for the solar facility as that was the qualification life allowed by the Board’s rules at the time the Board conditionally certified its proposed facility.

Staff recommended that the Board grant the extension of time with the recognition that the Petitioner has taken steps to develop the site. Staff also recommended that the Board, under N.J.S.A. 48:2-42, impose a penalty of \$10 per day for 753 days of the Petitioner’s failure to register. Staff further recommended that the request for extension to file Solar Renewable Energy Credit registration be granted. Staff recommended that all request for relief be denied.

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

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

9. MISCELLANEOUS

A. Docket No. EG13030195 – In the Matter of the Energy Assistance Grant As Authorized Under N.J.S.A. 48:2-29.39 and N.J.S.A. 46:30B-74(b) – Payment Assistance for Gas and Electric Program.

James Boyd, Jr., Legal Specialist, Office of Chief Counsel and Maureen Clerc, USF Team, presented this matter.

BACKGROUND AND DISCUSSION: This matter involved the Board’s Payment Assistance for Gas and Electric (PAGE) program, which provides electric and natural gas credits to low-to-middle income households in need of assistance on their utility bills.

PAGE is funded by unclaimed property held by the State’s electric and gas utilities, which directs the Division of Unclaimed Property to disburse the funding to a nonprofit energy assistance organization designated by the Board. The Board awarded the current PAGE contract to the Affordable Housing Alliance (AHA) in 2013 for five years ending at the conclusion of the current State Fiscal Year.

A Notice of Grant Availability (Notice) was published in the New Jersey register on April 2, 2018 soliciting bids from nonprofit organizations and proposals are due to the Board on May 2, 2018. An evaluation committee has been assembled and will review all bids received and provide a recommendation and committee report to the Board for the June 22, 2018 Board agenda meeting. The Notice required bidders to begin administering the PAGE program no later than the start of heating season, or October 1, 2018. This will give a new Grantee a maximum of 90 days to prepare program operations.

Staff recommended that the Board authorize President Fiodalisto to sign a contract extension for thirty days, until July 31, 2018.

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

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

EXECUTIVE SESSION

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

2. ENERGY

- E. Docket Nos. ER18010029 and GR18010030 – In the Matter of the Petition of Public Service Electric and Gas Company for Approval of an Increase in Electric and Gas Rates and for Changes in Tariffs for Electric and Gas Service, B.P.U.N.J. No. 16 Electric and B.P.U.N.J. No. 16 Gas, and for Changes in Depreciation Rates, Pursuant To N.J.S.A. 48:2-18, N.J.S.A. 48:2-21 and N.J.S.A. 48:2-21.1, and for Other Appropriate Relief.**

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

8. CLEAN ENERGY

- D. Docket No. QW18030284 – In Furtherance of the Matter of the Implementation of Executive Order 8 Offshore Wind.**

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

- E. Docket No. EO12090832V - In the Matter of the Implementation of L. 2012, C. 24, The Solar Act of 2012;**

Docket No. EO12090862V - In the Matter of the Implementation of L. 2012, C. 24, N.J.S.A. 48:3-87(T) – A Proceeding to Establish a Program to Provide SRECS to Certified Brownfield, Historic Fill and Landfill Facilities; and

**Docket No. QO15111299 – Radiant Energy, LLC
Price’s Landfill.**

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.



AIDA CAMACHO-WELCH
SECRETARY OF THE BOARD

Date: July 25, 2018