



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 July 14, 2021, via Teleconference: +1 646 558 8656 Webinar ID: 946 3048 1479 or watch online @ <https://youtu.be/F5hu8ypiHdU>

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 also announced that the next regular Board Meeting would be held on August 18, 2021 at 10:00 a.m. via teleconference with details to follow.

CONSENT AGENDA

I. AUDITS

A. Energy Agent and Energy Consultant Initial Registrations

EE21050815L	A2A Energy International, LLC	I – EA
EE21040731L	Excelsior Gas and Electric, LLC	I – EA
EE21050762L	NEM Group, Inc.	I – EA

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

EE20040317L	Choice! Energy Services Retail, LP d/b/a Choice! Energy Management	R – EA
EE20060444L	Energy Management Partners II, Inc. d/b/a Energy Management Partners	R – EA
EE21030632L	Hospital Energy, LLC	R – EA
EE20060450L	Hovey Energy, LLC	R – EA
EE20100641L	KOBIONA, LLC	R – EA
EE21020132L	MJI Management Group Corp. d/b/a GreenLine Energy	R – EA
EE20110697L	Our Energy Manager, LLC	R – EA
EE21050774L	Premier Energy Management, LLC	R – EA
EE21010063L	Prudential Energy Services Corporation	R – EA
EE21050861L	PRX Energy, LLC	R – EA
EE21020625L	River Oaks Energy, Inc.	R – EA
EE21050832L GE21050833L	Early Bird Power, LLC	R – EA/PA
EE20030215L GE20030216L	Electric Advisors, Inc.	R – EA/PA
EE20090571L GE20090572L	Energy Professionals, LLC	R – EA/PA
EE20050349L GE20050350L	Maryland Energy Advisors, LLC d/b/a pointswitchclick.com	R – EA/PA

GE21020115L	New Jersey Business and Industry Association	R – PA
EE21050838L GE21050839L	Alternative Utility Services, Inc.	R – EA/PA/EC
EE21030637L GE21030638L	EnerConnex, LLC	R – EA/PA/EC
EE21040692L GE21040693L	GREENCROWN Energy, LLC	R – EA/PA/EC
EE20060437L GE20060438L	Provident Energy Consulting, LLC	R – EA/PA/EC
EE21050778L GE21050779L	Sprague Energy Solutions, Inc.	R – EA/PA/EC
EE21050828L GE21050829L	Ultimate Energy Advisors, LLC d/b/a Ultimate Energy Advisors	R – EA/PA/EC
EE21020606L GE21020607L	National Energy Network, Inc.	R – EA/EC
EE21010040L GE21020483L	Utility Advantage, LLC	R – EA/EC

Electric Power and Natural Gas Supplier Renewal Licenses

EE19010054L	Texas Retail Energy, LLC	R – ESL
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BACKGROUND: The Board must register all energy agents, private aggregators, and consultants, and the Board must license all third party electric power suppliers and natural gas suppliers. On May 10, 2019, P.L. 2019, c. 100-101 was signed into law providing that third party electric power and natural gas supplier licenses issued by the Board may be renewed without expiring if certain conditions are met. An electric power supplier and/or natural gas supplier license shall not expire so long as the licensee pays to the Board a license renewal fee accompanied by an annual information update on a form prescribed by the Board.

The renewal fee and annual information update form must be submitted within 30 days prior to the anniversary date of the last approved licensing application. P.L. 2019, c. 100-101 became operative 60 days following the date of enactment. As such, any third party suppliers with a license expiring prior to July 9, 2019 were still required to submit the previous renewal application form. Any third party supplier renewal application that was filed prior to July 9, 2019 had been, and will continue to, be processed by Board Staff for approval or denial in accordance with N.J.A.C. 14:4-5.7.

The anniversary date for companies with a pending application will be the date that the renewal application receives Board approval. 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 and natural gas suppliers, as well as energy agents, private aggregators, and energy consultants, are required to renew timely their licenses and registrations in order to continue to do business in New Jersey.

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

- A2A Energy International, LLC
- Excelsior Gas and Electric, LLC
- NEM Group Inc.

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

- Choice! Energy Services Retail LP d/b/a Choice! Energy Management
- Energy Management Partners II, Inc. d/b/a Energy Management Partners
- Hospital Energy, LLC
- Hovey Energy, LLC
- KOBIONA, LLC
- MJI Management Group Corp. d/b/a GreenLine Energy
- Our Energy Manager, LLC
- Premier Energy Management, LLC
- Prudential Energy Services Corporation
- PRX Energy, LLC
- River Oaks Energy, Inc.
- Early Bird Power, LLC
- Electric Advisors, Inc.
- Energy Professionals, LLC
- Maryland Energy Advisors, LLC d/b/a pointswitchclick.com
- New Jersey Business & Industry Association
- Alternative Utility Services, Inc.
- EnerConnex, LLC
- GREENCROWN Energy, LLC
- Provident Energy Consulting, LLC
- Sprague Energy Solutions, Inc.
- Ultimate Energy Advisors, LLC d/b/a Ultimate Energy Advisors
- National Energy Network, Inc.
- Utility Advantage, LLC

Staff recommended that the following applicant be issued renewal licenses as an electric power and natural gas supplier:

- Texas Retail Energy, LLC

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

II. ENERGY

There were no items in this category.

III. CABLE TELEVISION

A. Docket No. CE19050671 – In the Matter of the Petition of Comcast of Monmouth County, LLC for a Renewal Certificate of Approval to Continue to Construct, Operate and Maintain a Cable Television System in and for the Borough of Red Bank, County of Monmouth, State of New Jersey.

BACKGROUND: On June 7, 2018, Comcast of Monmouth County, LLC (Comcast) filed an application with the Borough of Red Bank (Borough) in Monmouth County for renewal of municipal consent. On February 27, 2019, the Borough adopted an ordinance granting renewal municipal consent to Comcast. On March 19, 2019, Comcast formally accepted the terms and conditions of the ordinance. On May 29, 2019, Comcast filed with the Board for a renewal of its Certificate of Approval for the Borough. This Certificate shall expire on March 7, 2029.

Staff recommended approval of the proposed Renewal Certificate of Approval.

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

B. Docket No. CE20020135 – In the Matter of the Petition of CSC TKR, LLC d/b/a Cablevision of Morris for a Renewal Certificate of Approval to Continue to Construct, Operate and Maintain a Cable Television System in and for the Township of Mount Olive, County of Morris, State of New Jersey.

BACKGROUND: On September 3, 2019 the Township of Mount Olive (Township) adopted an ordinance granting renewal municipal consent to Cablevision. On December 6, 2019, CSC TKR, LLC d/b/a Cablevision of Morris (Cablevision) formally accepted the terms and conditions of the ordinance. On February 10, 2020, Cablevision filed with the Board for a renewal of its Certificate of Approval for the Township. This Certificate shall expire on July 21, 2031.

Staff recommended approval of the proposed Renewal Certificate of Approval.

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

IV. TELECOMMUNICATIONS

A. Docket No. TT20100690 – In the Matter of Verizon New Jersey’s Letter Filing for Tariff Revisions that would Discontinue Certain Intrastate Switched and Special Access Private Line DSO Services as well as Certain IntraLATA DSO Services in the Mendham and Paterson Wire Centers.

BACKGROUND: On October 30, 2020, Verizon New Jersey, Inc. (Verizon) filed a letter with the Board to discontinue certain Intrastate Switched and Special Access private line

DSO services as well as certain IntraLATA DSO services in the Mendham and Paterson wire centers. The letter stated that the discontinuance of these services supports Verizon's initiative to update selective centers to the next-generation platforms and all-fiber facilities.

The New Jersey Division of Rate Counsel (Rate Counsel) submitted comments by letter dated February 11, 2021 and stated that it did not oppose the discontinuance of Intrastate Switched and Special Access private line DSO services in the Mendham or Paterson wire centers to effectuate the fiber upgrade of the wire centers and changes to Verizon's Tariff.

Staff reviewed the proposed tariff changes and recommended that Verizon be allowed to proceed with the tariff changes finding that there will be no adverse effect to customers in New Jersey.

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

B. Docket Nos. TE20120760 and TE20120761 – In the Matter of the Petition of United Telephone Company of New Jersey Inc. d/b/a CenturyLink for Approval of the Renewal of Two Municipal Consents Pursuant to N.J.S.A. 48:2-14.

BACKGROUND: On December 20, 2020, United Telephone Company of New Jersey Inc. D/B/A CenturyLink (CenturyLink or Petitioner) filed a petition with the Board requesting approval of consent ordinances adopted by: (1) the Franklin Township in Somerset County (Docket No. TE20120760) and (2) the Washington Township in Morris County (Docket No. TE20120761). These consents grant CenturyLink the continued right to install, maintain and operate its facilities in public streets and rights-of-way in order to provide customers within the affected municipalities with telecommunications services.

After appropriate notice, a virtual hearing in these matters was held on May 20, 2021, before Lanhi H. Saldana, Esq., a legal specialist at the Board and the Board's duly designated Hearing Examiner.

CenturyLink stated that it had entered into a Stipulation with the New Jersey Division of Rate Counsel (Rate Counsel). The Stipulation stipulates that all Consent Ordinances referred to in the Petition were properly and lawfully adopted by the Municipalities. These terms vary from ten to twenty years; there is no Ordinance for an indefinite or perpetual term of years.

According to CenturyLink, the Ordinances are essentially similar in substance to the Ordinances adopted by other Municipalities and Counties throughout the State which have been accepted by the Petitioner and approved by the Board in prior proceedings similar to this in which Rate Counsel had participated.

Staff reviewed CenturyLink's petitions and recommended that the Board approve the Petitions.

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

C. Docket No. TF21030666 – In the Matter of the Verified Petition of PEG Bandwidth NJ, LLC and Uniti National, LLC for Approval to Participate in Certain Financing Arrangements.

BACKGROUND: On March 18, 2021, PEG Bandwidth NJ, LLC (PEG NJ) and Uniti National LLC (Uniti National) (together, the Petitioners) submitted a Petition to the Board requesting approval for PEG NJ and Uniti National to participate in certain financing arrangements of its corporate parents and affiliates.

The Petitioners sought Board approval to be guarantors of certain new financing arrangements of its corporate parent and affiliates. Specifically, Uniti Group's subsidiaries Uniti Group LP, Uniti Group Finance 2019 Inc., and CSL Capital, LLC (together, the Issuers) have completed an offering of \$1.11 billion aggregate principal amount 6.50% senior notes due 2029 (the Financing Arrangements). The Issuers are using the net proceeds of the Financing Arrangements in their entirety to repurchase Issuers' 8.25% senior notes due 2023 and to pay related fees and expenses. The Financing Arrangements are to be guaranteed on a senior unsecured basis by Uniti Group, and each of Uniti Group's subsidiaries, including the Petitioners, which guarantees indebtedness under the Uniti Group's senior secured credit facilities and existing notes.

The Petitioner stated that the Financing Arrangements will serve the public interest. Among other things, the Financing Arrangements will be used to repay existing debt, and to pay related fees and expenses. The Financing Arrangements have a later maturity date and reduced the interest rate than the debt that will be repurchased, which will benefit the financial condition of Uniti Group Inc. and its current and future subsidiaries, including PEG NJ and Uniti National, and will allow them to become more effective competitors in the communications industry. The Petitioners' participation in the Financing Arrangements are necessary and appropriate, will not impair the Petitioners' ability to provide their services, and will promote its corporate purposes. The Petitioners' participation in the Financing Arrangements will be transparent to their customers and will not disrupt service or cause customer confusion or inconvenience.

The New Jersey Division of Rate Counsel (Rate Counsel), by letter dated June 10, 2021, stated that it did not object to approval of the Petition. The Rate Counsel anticipated the more beneficial terms of the Financing Arrangements will promote increased competition in the New Jersey telecommunications market for the benefit of customers in this state

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

V. WATER

A. Docket No. WF21030650 – In the Matter of the Petition of New Jersey-American Water Company, Inc. for Approval of Expansion of its Financing Program Involving the Refinancing of Existing Long-Term Debt and the Issuance of New Long-Term Debt Through December 31, 2021.

BACKGROUND: On March 15, 2021, New Jersey-American Water Company, Inc., filed a petition with the Board requesting authority to:

- (1) Issue and sell up to \$55,000,000.00 in long term debt in one or more offerings from time to time, not later than December 31, 2021, in addition to the \$776,472,550.00 in long term debt authorized by the 2019 Financing Order, consisting of one or more series of first mortgage bonds, notes, other bonds or other evidences of indebtedness, whether secured or unsecured, fixed rate or variable, tax-exempt or taxable (collectively, Long-Term Debt);
- (2) Execute and deliver one or more series of 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.

New Jersey-American Water intends to use the net proceeds from its issuance of Long-Term Debt to (a) provide funds for the Company's ongoing utility plant construction program, (b) refinance outstanding Long-Term Debt of New Jersey-American Water as such debt matures or is retired or can be replaced by lower-cost issues, (c) repay short-term debt incurred in connection with New Jersey-American Water's ongoing capital construction program, (d) provide capital for potential acquisitions, and (e) pay certain issuance costs related to the proposed financings.

The New Jersey Division of Rate Counsel, by letter dated June 16, 2021, indicated that it did not oppose the approval of this matter.

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

VI. RELIABILITY AND SECURITY

There were no items in this category.

VII. CUSTOMER ASSISTANCE

A. Docket Nos. BPU EC19040459U and OAL PUC 12072-19; and Docket Nos. BPU EC19040458U and OAL PUC 12070-19 – In the Matter of Thomas Watkins, Petitioner v. Public Service Electric and Gas Company, Respondent – Billing Dispute.

BACKGROUND: This matter involved a billing dispute between Thomas Watkins (Petitioner) and Public Service Electric & Gas Company (PSE&G or Company). The petition was transmitted to the Office of Administrative Law (OAL) for hearing as a contested case. Administrative Law Judge (ALJ) Nanci G. Stokes filed an Initial Decision in this matter with the Board on May 5, 2021. At the June 24, 2021 Board meeting, staff recommended and was granted a 45-day extension of time for issuing a final decision.

As part of the Stipulation of Settlement the parties agreed to keep the agreement confidential, and not to disclose its existence or term to anyone with the following exceptions: (1) legal counsel, for the sole purpose of obtaining legal advice related to this agreement; (2) an immediate family member (defined as Petitioner's parent, spouse or child; (3) a tenant at or subsequent owner; (4) to personnel of the Board or OAL; and (5) if the Petitioner is required to disclose this agreement by law. ALJ Stokes reviewed the record and terms of the Stipulation of Settlement and found: 1) The parties have voluntarily agreed to the settlement as evidenced by the signatures of the parties or their representatives; and 2) The settlement fully disposes of all issues in controversy and is consistent with law.

Pursuant to the terms of the Stipulation, and in order to fully resolve this matter, PSE&G agreed to apply a credit of \$4,275.74. The credit was applied to the April 23, 2021 bill, which totaled \$10,725.74. The Petitioner agreed to pay \$6,000.00 before May 20, 2021. PSE&G will credit the Petitioner's account once the \$6,000.00 payment is made. On June 17, 2021, PSE&G notified Staff that the Petitioner had made the required payment and the Company applied the credit.

The Board, at its discretion, has the option of accepting, modifying or rejecting the Initial Decision of ALJ Stokes. Staff completed its review of the record and recommended the Board adopt the Initial Decision.

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 following Minutes:

- **January 22, 2020 Executive Session Minutes; and**
- **June 9, 2021 Board Agenda Minutes.**

BACKGROUND: Staff presented the meeting minutes of January 22, 2020 and June 9, 2021 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

There were no items in this category.

2. ENERGY

Stacy Peterson, Deputy Executive Director, Division of Energy, presented these matters.

A. Docket No. EO20080541 – In the Matter of the Petition of Atlantic City Electric Company for Approval of the Smart Energy Network Program and Cost Recovery Mechanism and Other Related Relief.

BACKGROUND AND DISCUSSION: On August 26, 2020, Atlantic City Electric Company (ACE or Company) filed a petition with the Board seeking approval of an Advanced Metering Infrastructure program, the Smart Energy Network (SEN), including an associated cost recovery mechanism. The SEN is an integrated system of smart meters, communications facilities, and data management systems that enables two-way communication between ACE and its customer.

By Order dated September 23, 2020, the Board retained this matter and designated Commissioner Upendra J. Chivukula as the presiding officer authorized to rule on all motions and modify any schedules that may be set as necessary to secure a just and expeditious determination of the issues. On January 13, 2021, Commissioner Chivukula issued a Prehearing Order setting forth a procedural schedule and ruling on motions to intervene and participate. Intervener status was granted to Utilidata, Inc. (Utilidata) and a group of entities consisting of NRG Energy, Inc., Direct Energy Business, LLC, Direct Energy Business Marketing, LLC, Direct Energy Services, LLC, Gateway Energy Services Corporation, Centrica Business Solutions and Just Energy Group, Inc. (Market Participants). Participant Status was granted to Energy Efficiency Alliance of New Jersey, South Jersey Gas Company, and Public Service Electric and Gas Company.

Following discovery settlement conferences, the Company, Staff, the New Jersey Division of Rate Counsel, and the Market Participants (collectively, Signatory Parties) executed a stipulation of settlement (Stipulation) resolving this matter. Utilidata filed a letter of opposition with the Board. The Market Participants subsequently filed a letter of support with the Board.

Staff recommended that the Board issue an Order approving the Stipulation of the Signatory Parties.

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 Nos. BPU ER20120746 and OAL PUC 00284-2021 S – In the Matter of the Petition of Atlantic City Electric Company for Approval of Amendments to its Tariff to Provide for an Increase in Rates and Charges for Electric Service Pursuant to N.J.S.A. 48:2-21 and N.J.S.A. 48:2-21.1, and for Other Appropriate Relief (12/2020).

BACKGROUND AND DISCUSSION: On December 9, 2020, Atlantic City Electric Company (ACE or Company) filed a petition with the Board for approval of an increase in its current base rates for electric service of approximately \$71.8 million, including Sales and Use Tax (SUT). Among other items, the Company sought approval of: 1) a return on equity (ROE) of 10.30%; 2) modification of certain charges, including the monthly customer charges; 3) modifications to its tariff, including the addition of a new tariff for Light Emitting Diode street lighting; 4) creation of a regulatory asset to record costs related to its solar hosting initiative; and 5) implementation of an Economic Rate Relief Rider to be in effect for approximately four months to provide offsetting credits to mitigate the increase resulting from this base rate case.

On January 8, 2021, this matter was transmitted to the Office of Administrative Law as a contested case and assigned to Administrative Law Judge (ALJ) Jacob S. Gertsman for consideration and hearing.

On February 26, 2021, ACE updated its petition to include 12 months of actual data. As a result, the Company's requested revenue requirement increase was modified to approximately \$71.3 million, including SUT.

Following comprehensive discovery and settlement discussions, the Company, Board Staff, and the New Jersey Division of Rate Counsel (collectively, Signatory Parties) executed a stipulation of settlement (Stipulation) resolving this matter, which was subsequently approved in an Initial Decision issued by ALJ Gertsman. The Stipulation includes a revenue requirement increase of \$43.7 million (including SUT) and an ROE of 9.60%. Additionally, the agreed-upon revenue requirement will not become effective until January 1, 2022.

Staff recommended that the Board adopt the Initial Decision and approve the Stipulation of the Signatory Parties. Staff also recommended that the Board direct ACE to file tariff sheets by July 15, 2021 that reflect the tariff language changes that will become effective July 15, 2021 and to file by December 1, 2021 tariff sheets that reflect the rate changes that will become effective on January 1, 2022.

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. GR20120763 – In the Matter of the Petition of Public Service Electric and Gas Company to Modify its Manufactured Gas Plant (MGP) Remediation Component within its Electric Societal Benefits Charge (SBC) and it’s Gas SBC; During the Remediation Adjustment Charge (RAC) 28 Period, August 1, 2019, to July 31, 2020.

BACKGROUND AND DISCUSSION: On December 23, 2020, Public Service Electric and Gas Company (PSE&G or Company) filed a Petition with the Board seeking review and approval of the Company’s Manufactured Gas Plant (MGP) Remediation Adjustment Clause (RAC) activities and net MGP costs incurred between August 1, 2019 and July 31, 2020 (RAC 28 Period) (RAC 28 Petition).

In the RAC 28 Petition, PSE&G requested approval of net RAC 28 Period expenditures of \$34,504,421.00, net of a deferred Natural Resource Damage expense of \$11,107.00. As a result of the allocation of MGP costs between electric and gas customers, the expenditures totaled \$20,709,317 million for gas customers and \$13,806,211.00 for electric customers for the RAC 28 Period expenditures. Through discovery, PSE&G revised certain schedules to correct the Miscellaneous Recoveries and Gross Expenditures, which did not impact the proposed revenue requirement.

Based on the information in the RAC 28 Petition, the annual revenues collected from electric customers would decrease by approximately \$3.66 million, and the annual revenues collected from gas customers would decrease by approximately \$10.23 million.

The Company, New Jersey Division of Rate Counsel and Board Staff (Parties) executed a stipulation of settlement (Stipulation) that would allow PSE&G to implement its proposed RAC rates.

Staff recommended that the Board issue an Order approving the Stipulation of the Parties. Staff further recommended that the Board direct PSE&G to file revised tariff sheets consistent with the Board’s Order by August 1, 2021.

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. EM21030674 – In the Matter of the Petition of Public Service Electric and Gas Company for Approval of the Sale and Conveyance of Real Property Located at 65 Duffield Avenue, with a Municipal Tax Map Designation of Block 7402, Lot 15, Qualifier HM, in the City of Jersey City, County of Hudson and State of New Jersey to BPG Acquisitions LLC, a Limited Liability Company for the Sum of \$7,100,000.00.

BACKGROUND AND DISCUSSION: On March 25, 2021, Public Service Electric and Gas Company (PSE&G or Company) filed a petition with the Board seeking approval of a Contract for the Sale and Conveyance of Real Estate. PSE&G sought approval to sell a 4.20-acre parcel of vacant land (Property) in Jersey City, New Jersey to BPG Acquisitions LLC for the sum of \$7.1 million. PSE&G also requested a waiver of the requirement to advertise the Property for sale.

The Property has been owned by PSE&G since the early 1900's and, as noted in the Petition, is part of the Company's Manufactured Gas Plant properties known as "West End Gas Works". The Company discontinued all operations on the Property following the cessation of gas manufacturing in approximately 1985. According to PSE&G, the Property has been environmentally remediated and is deed noticed as a permanent remedial measure for the soil and groundwater contamination.

By appraisal dated January 2, 2020, the fair market value of the Property was determined to be \$5,670,000.00. PSE&G proposed to credit the net proceeds from the sale of the Property to offset its deferred Remediation Adjustment Charge balance. After closing of the sale, PSE&G will also be granted a permanent easement which will allow the Company to access the Property to continue any additional remedial activities.

On May 19, 2021, the New Jersey Division of Rate Counsel (Rate Counsel) submitted comments indicating that it did not object to the sale of the Property. However, Rate Counsel requested that approval of the sale of the Property be conditioned upon certain provisions, which are incorporated into the Board Order.

Staff recommended that the Board approve the sale of the Property, subject to the terms and conditions set forth in 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 No. ER20100691 – In the Matter of the Verified Petition of Rockland Electric Company Concerning the Setting of the Administrative Fee and the Regional Greenhouse Gas Initiative (RGGI) Recovery Charge for 2021 Associated with its Solar Renewable Energy Certificate (SREC II) Program.

BACKGROUND AND DISCUSSION: On October 30, 2020, Rockland Electric Company (RECO or Company) filed a petition with the Board seeking authority to maintain the Administrative Fee and Regional Greenhouse Gas Initiative Surcharge (RGGI Surcharge) associated with the Company's Solar Renewable Energy Certificate (SREC) Program (SREC II Program) for calendar year 2021 (October 2020 Petition).

The Company's SREC II Program was approved by Board Order dated December 18, 2013 in BPU Docket No. EO13020118 (December 2013 Order). In the December 2013 Order, the Administrative Fee for SREC II Program participants was set at \$30.00 per SREC. According to the October 2020 Petition, if using the cost recovery provisions from the December 2013 Order, the Company would have to increase the Administrative Fee from \$30.00 to \$45.28 per SREC. Accordingly, in the October 2020 Petition, RECO proposed a modification to the cost recovery mechanism for the SREC II Program. RECO explained that an increase of this magnitude from the current Administrative Fee could cause the SREC II Program to fail because program participants will likely seek to terminate their participation in the SREC II Program. Accordingly, RECO requested: 1) authorization to carry forward unrecovered administrative fee balances for recovery in future annual periods; 2) to maintain the fee at \$30.00; and 3) to maintain the RGGI Surcharge rate for the recovery of SREC II Program Direct Costs at \$0.000000 per kWh.

By Order dated December 16, 2020, the Board approved the continuation of the Administrative Fee at the previously approved rate of \$30.00 per SREC for calendar year 2021, and noted that the Parties would continue to review all other issues related to the October 2020 Petition.

Throughout the course of the proceeding, RECO updated its exhibits to reflect actual data through January 31, 2021. Based upon these updates, and using the cost recovery provisions from the December 2013 Order, the resultant Administrative Fee calculated by the Company decreased from \$45.28 to \$43.14.

Following a review of the October 2020 Petition, discovery, and updates, RECO, Board Staff and the New Jersey Division of Rate Counsel (Parties) executed a stipulation of settlement (Stipulation) recommending that the Board's previously approved SREC II Administrative Fee of \$30.00 per SREC be maintained for the remainder of calendar year 2021, and that the RGGI Surcharge applicable to the SREC II Program's direct costs be maintained at its current rate of \$0.000000 per kWh.

Staff recommended that the Board issue an Order approving the Stipulation of the Parties. Staff also recommended that the Board direct RECO to file tariffs consistent with the Board's Order by August 1, 2021.

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

F. Docket No. ER21010001 – In the Matter of the Board of Public Utilities – Federal Energy Regulatory Commission (FERC) Items for 2021; and

Docket No. EO21070976 – In the Matter of the Approval of Settlement Agreement – Executive Session.

Benjamin Witherell, Chief Economist, Office of the Economist, presented this matter.

BACKGROUND AND DISCUSSION: This matter was initially discussed in executive session, and it involved the Federal Energy Regulatory Commission items for 2021; and in the matter of the Approval of a Settlement Agreement. Staff recommended that the Board approve the settlement agreement.

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

There were no items in this category.

5. WATER

Michael Kammer, Director, Division of Water, presented these matters.

A. Docket No. WX19050612 – In the Matter of the Proposed Amendment to N.J.A.C. 14:9 Adoption by Reference of the Uniform System of Accounts for Water Utilities.

BACKGROUND AND DISCUSSION: The Board's Uniform System of Accounts for Water Utilities became effective on January 1, 1960. Staff recommended that the Board adopt a final rule that adopts by reference the Uniform System of Accounts for Class A, Class B and Class C Water Utilities that have been promulgated by the National Association of Regulatory Utility Commissioners. The proposed regulation was published in the December 7, 2020 New Jersey Register at 52 N.J.R. 2094(a)

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. WX19050613 – In the Matter of the Proposed Amendment to N.J.A.C. 14:9 Adoption by Reference of the Uniform System of Accounts for Wastewater (Sewer) Utilities.

BACKGROUND AND DISCUSSION: The Board's Uniform System of Accounts for Wastewater Utilities became effective on April 1, 1957. Staff recommended that the Board adopt a final rule adopting by reference, the Uniform System of Accounts for Class A, Class B and Class C Wastewater Utilities that have been promulgated by the National Association of Regulatory Utility Commissioners. The proposed regulation was published in the December 7, 2020 New Jersey Register at 52 N.J.R. 2094(a).

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. WM21060909 – In the Matter of the Joint Petition of Veolia Environnement S.A., Veolia North America, Inc., SUEZ S.A., and SUEZ Water New Jersey, Inc. for Approval of a Change of Control of SUEZ Water New Jersey, Inc. and Other Related Approvals.

Benjamin Witherell, Chief Economist, Office of the Economist, presented this matter.

BACKGROUND AND DISCUSSION: This matter involved a joint petition by Veolia Environment S.A. (Veolia) and SUEZ S.A. (SUEZ) and affiliated companies requesting Board approval of a change of control, SUEZ Water New Jersey Inc. (SWNJ), as the two companies begin to merge their North American assets and operations.

On May 14, 2021, the two parent companies, both French-based companies, signed a merger agreement. On June 29, 2021, the merger was approved by their respective boards of directors. The Board's jurisdiction extends to the assets and operations of SUEZ's affiliate, SUEZ Water New Jersey, Inc.

Suez New Jersey has a significant presence in New Jersey. They provide water and wastewater services to 258,000 commercial and residential customers generally in the northern and western part of the State, and generate approximately \$299 million in operating revenues for 2020.

Staff recommended that this matter be retained by the Board for hearing and designate President Fiordaliso as the presiding officer with authority 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 any entities seeking to intervene or participate in this matter to file the appropriate application with the Board by July 28, 2021.

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 AND SECURITY

There were no items in this category.

7. CUSTOMER ASSISTANCE

Julie Ford-Williams, Director, Division of Customer Assistance, presented these matters.

A. Docket Nos. BPU WC19040532U and OAL PUC 08359-19; and Docket Nos. BPU WC19040533U and OAL PUC 08357-19 – In the Matter of Ifeoma Ezekwo, Petitioner v. SUEZ Water New Jersey, Respondent – Billing Dispute.

BACKGROUND AND DISCUSSION: This matter involved a billing dispute between Ifeoma Ezekwo (Petitioner) and Suez Water New Jersey (Suez or Company). The petition was transmitted to the Office of Administrative Law for a hearing as a contested case. Administrative Law Judge (ALJ) Irene Jones filed an Initial Decision in this matter with the Board on April 28, 2021. At the May 19, 2021, Board meeting, Staff requested and was granted a 45-day extension of time for issuing a final decision. No exceptions to the Initial Decision have been received by the Board.

The Petitioner stated that she was wrongly billed \$5,322.37. The Petitioner also claimed that she tried multiple times to have the billing error resolved.

Suez, in its answer dated May 14, 2019, stated that services were supplied and billed in accordance with terms and conditions and rate schedules set forth in its Board approved Tariff. The Company requested that the relief sought be denied on the basis that the Petitioner failed to set forth a claim upon which relief may be granted.

ALJ Jones in her Initial Decision, moved to have the matter dismissed for failure to prosecute. The ALJ also concluded that the Petitioner failed to respond to the motion and has otherwise failed to prosecute this matter.

Staff recommended that the Board adopt the initial decision dismissing 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 Nos. BPU WC20120743U and OAL PUC 01007-21 – In the Matter of ABX Group, LLC, Petitioner v. Middlesex Water Company, Respondent – Billing Dispute.

BACKGROUND AND DISCUSSION: This matter involved a billing dispute between ABX Group (ABX or Petitioner) and Middlesex Water Company (Middlesex or Company). The petition was transmitted to the Office of Administrative Law for a hearing as a contested case. On April 22, 2021, Administrative Law Judge (ALJ) Dean J. Buono filed an Initial Decision in this matter with the Board. At the May 19, 2021 Board meeting, Staff requested and was granted a 45-day extension of time for issuing a final decision. ABX submitted exceptions on May 5, 2021 and Middlesex responded to the exceptions on May 5, 2021.

In the petition, ABX stated that it was wrongly billed by Middlesex in the amount of \$6,355.17. ABX further stated that the home was vacant from May 29, 2019 to August 27, 2019.

Middlesex, in its answer dated December 11, 2020, contended that at ABX's request, the Company performed a site inspection and found no leaks and that the meter servicing the premise was found to be operating properly. Further, the meter was removed for testing and it was found to be accurate. Middlesex contended that ABX failed to meet its evidentiary burden. The Company requested that the relief sought be denied on the basis that ABX failed to set forth a claim upon which relief may be granted.

ALJ Buono in his Initial Decision, concluded that ABX failed to show by a preponderance of the competent, credible evidence, that ABX's water bills for the billing periods in dispute were not accurate. ALJ Buono concluded that Middlesex must prevail as a matter of law and is currently owed \$6,402.42. ALJ Buono ruled that Middlesex's motion for summary decision be granted.

On May 5, 2021, ABX filed exceptions. ABX stated that a vacant property could not use water, let alone spike from zero gallons of water usage to 1,026,256 gallons. If a meter shows such a dramatic spike in water usage on a vacant property that should not have any water usage, the strong inference is that something is wrong with the meter. ABX requested that the initial decision not be accepted and that the matter be allowed to proceed to a hearing on its merits.

On May 5, 2021, Middlesex submitted a reply to the exception, in which it stated that it is ABX's burden to prove by a preponderance of competent, credible evidence that the amounts billed are inaccurate. Middlesex further stated that absent any evidence challenging the accuracy of the meter, or disputing the meter test result, ABX fails to bear its burden to show that the bill was improper or inaccurate. As the customer of record of an active account, ABX was responsible for all water usage; regardless of whether the property was vacant or occupied. Middlesex requested that the Board should reject ABX Exceptions and affirm the Initial Decision.

Staff recommended that the Board adopt the initial decision dismissing 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

8. CLEAN ENERGY

A. Docket No. QX21040728 – In the Matter of a Rulemaking Proceeding to Amend the Renewable Portfolio Standard and Create New Rules Establishing a Solar Small Facility Incentive Program Pursuant to P.L. 2018, c. 17.

Ariane Benrey, Program Administrator, Office of Clean Energy, presented this matter.

BACKGROUND AND DISCUSSION: This proposed rule as well as any actions the Board may take on July 28, 2021, fall under the heading of the Solar Transition, a process that was initiated in May 2018 with the enactment of the Clean Energy Act of 2018. Over the past three years, the Board has closed the Solar Renewable Energy Certificate (SREC) Program upon the State's attainment of 5.1 percent of its retail electricity sales from solar electric generation facilities, conducted a study to evaluate how to modify or replace the SREC program, which included extensive modeling and stakeholder engagement, implemented an interim incentive program called the Transition Incentive Program, and is now proposing the implementation of the SuSI Program (SuSI) as the new long-term vehicle for solar incentives. The SuSI Program also implements the Solar Act of 2021, legislation recently signed by Governor Murphy which directs the Board to establish a comprehensive program to provide incentives for the development of at least 3,750 MW of new solar capacity by 2026.

Throughout the Solar Transition process, Staff has been guided by several key principles, chief among being a commitment to ensuring the continued efficient and orderly growth in New Jersey's solar installed capacity while maintaining ratepayer affordability. Staff also strived to conduct an open and transparent process, and given strong consideration to input provided by various stakeholders.

The proposed SuSI Program rule would create a framework for the implementation of the new solar incentive program. Staff expects to present recommendations on the specific implementation of the SuSI Program, including incentive values and megawatt targets, on July 28. Specific recommendations in the proposed rule include the following: the SuSI Program would be comprised of two sub-programs, the Administratively Determined Incentive (ADI) Program and the Competitive Solar Incentive Program, each designed to serve different segments of the NJ solar market. The rule proposal includes the proposed creation a new incentive delivery instrument known as NJ SREC-IIs, establishment of the processes for registering projects in the SuSI Program, and amendments to the Renewable Portfolio Standard (RPS) rules to account for the SREC-IIs in the RPS.

The rule proposal would also establish the overall program structure for the ADI Program, which is intended to provide an incentive for net metered residential solar projects, net metered non-residential solar projects 5MW and below, and community solar projects. The ADI Program would also be open on an interim basis to projects formerly eligible for conditional certification under subsection (t). The ADI incentive would be tailored to different types and sizes of projects, with incentive levels periodically re-visited by the Board to ensure that remain tailored to project needs while also providing financial certainty to market participants, including solar developers and financiers. This SuSI Program design is intended to contain program costs consistent with the legislative mandate of the Solar Acts of 2018 and 2021, and the associated statutory cost caps.

If approved, the rule proposal will be sent to the Office of Administrative Law, be published in the New Jersey Register, and be open to stakeholder comments for 60 days. A pre-publication copy of the rule proposal would also be posted on the New Jersey Clean Energy Program website as a courtesy to stakeholders.

Staff recommended that the Board approve the publication of the SuSI Program rule proposal.

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. QO21010014 – In the Matter of the Acoustical Testing Pilot Program Awards, Pursuant to N.J.S.A. 48:3-60.3.

Matthew J. Rossi, Esq., Administrative Analyst, Office of Clean Energy, presented this matter.

BACKGROUND AND DISCUSSION: This matter involved Staff presenting recommendations for incentive awards for the Acoustical Testing Pilot Program for your consideration.

The 2019 Energy Master Plan recommended that New Jersey seek to explore energy efficiency opportunities in complimentary sectors, like the water sector, and identifies the energy associated with pumping water and leaking infrastructure as two potential areas that could result in improved energy efficiency. Two recent reports estimated real water losses from leaking infrastructure in New Jersey to be approximately 50 billion gallons annually. Staff developed the Acoustical Testing Pilot Program to help mitigate water, energy, and revenue losses due to leaking water infrastructure in New Jersey. This novel program allocated resources to facilitate water utilities purchasing or leasing acoustic monitoring systems that employ permanent leak detection technology to enable them to more efficiently and effectively locate water leaks. On March 3, 2021, the Board authorized the release of the Acoustical Testing Pilot Program Application and authorized the allocation of \$1.5 million in Fiscal Year 2021 (FY21) Clean Energy funding.

Nine applications were received by the application deadline. Staff conducted an application completeness check and notified the applicants of the status of their applications. Applicants whose applications were missing required information were given ten business days to cure the deficiencies by submitting a supplement containing the information required for the application to be deemed administratively complete. Five applicants successfully submitted administratively complete applications by the cure deadline. Administratively complete applications were scored and ranked by Staff in accordance with the program's evaluation criteria.

Staff identified the top four ranked projects (Trenton Waterworks, Township of North Brunswick, Manchester Utilities Authority, and Washington Township Municipal Utilities

Authority in Morris County) to receive the full incentive amount requested in their applications. These incentives total: \$1,127,518.35. The remaining \$372,481.65 budgeted for the first phase of the pilot has been carried forward into the FY22 budget for use in phase two of the Program.

In keeping with the objectives of the Program, these projects address water systems that have water losses ranging from 33% to 53% Unaccounted for Water or Non-Revenue Water. Three of these projects mitigate water and energy losses in urban and older suburban communities and address losses in overburdened communities.

Therefore, Staff recommended that the Board approve the incentive awards to the top four ranked applicants as identified above.

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

Kelly Mooij, Director, Office of Clean Energy, presented these matters.

C. Docket No. QO21070975 – In the Matter of a Memorandum of Understanding Between the Board and the New Jersey Economic Development Authority Regarding Funding for the Wind Innovation and New Development Institute for FY22 – Executive Session.

BACKGROUND AND DISCUSSION: This matter was initially discussed in executive session, and it involved a Memorandum of Understanding (MOU) between the Board and the New Jersey Economic Development Authority Regarding Funding for the Wind Innovation and New Development (WIND) Institute for Fiscal Year 2022 (FY22).

On August 16, 2019, Governor Phil Murphy signed Executive Order No. 79 and established a Council for the Wind Innovation and New Development Institute, charged with developing and implementing a plan to create a regional hub for New Jersey’s burgeoning offshore wind industry and building upon the Murphy Administration’s commitment to making New Jersey a national leader in offshore wind.

On April 22, 2020, the Wind Council released a report detailing plans for creating the WIND Institute, which will serve as a center for education, research, innovation, and workforce training related to the development of offshore wind in New Jersey and the Northeast and Mid-Atlantic region. A primary function of the WIND Institute will be to act as a centralized hub for offshore wind workforce development to support the development and delivery of programs and facilities that empower residents of New Jersey to participate in the offshore wind industry.

For FY22, the Board allocated \$7 million from the Division of Clean Energy budget to provide funding to the WIND Institute.

The MOU establishes that the funds will be dedicated to support continued development and execution of workforce and education programs in particularly in key skills gap areas such as welding and marine transport among others, as well as skills assessment to ascertain additional workforce priority areas.

Support will also go to continued offshore wind-focused education at New Jersey vocational schools, hosting offshore wind seminars and other engagement activities for businesses and other stakeholders interested in furthering offshore wind workforce development.

Staff recommended that Board approve the terms and conditions of the MOU and authorized the execution of the MOU by the President.

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. QO21070974 – In the Matter of a Memorandum of Understanding Between the Board and the New Jersey Economic Development Authority Regarding Funding for the Expansion of the Clean Energy Innovation Economy in New Jersey – Executive Session.

BACKGROUND AND DISCUSSION: This matter was initially discussed in Executive Session, and it involved a Memorandum of Understanding (MOU) between the Board and the New Jersey Economic Development Authority (NJEDA).

The State’s most recent Energy Master Plan (EMP) was released on January 27, 2020, and set a goal of 100 percent clean energy by 2050. The EMP also outlined a strategy to expand the Clean Energy Innovation Economy in New Jersey through workforce training, investments in developing clean energy knowledge, and the growth of world-class research and development.

The 2019 Energy Master Plan recognizes that supporting clean energy and clean tech innovation aligns with two top priorities:

- i. Ensuring that New Jersey achieves 100% carbon free electricity and an 80% carbon footprint reduction by 2050, while simultaneously addressing long-standing environmental justice issues; and
- ii. Restoring New Jersey’s leadership as the most diverse and inclusive innovation ecosystem in the United States.

In the Fiscal Year 2022 budget, the Board allocated \$2.5 million from the Division of Clean Energy budget to provide funding for New Jersey’s Clean Energy and Clean Tech Ecosystem, which will be administered by the NJEDA.

This MOU would establish that the funds to be provided by the Board will be used for the following programs, administered by the NJEDA, in conjunction with the New Jersey Commission on Science, Innovation and Technology that support the growth and development of New Jersey's Clean Energy and Clean Tech Ecosystem. Specifically, the funds will support the following Clean Tech Programs:

- i. Launch second phase of the Clean Tech Seed Grant Program to help New Jersey-based early-stage clean tech/clean energy companies accelerate development and innovation of clean technologies to transform new discoveries from research stage into commercially viable technologies, leading to industry and investor interest.
- ii. Expand scope of the Clean Tech research and development Voucher Program to help early-stage clean tech/clean energy companies in New Jersey to access core facilities, equipment and makerspaces at participating New Jersey University or federal laboratory/facility for clean energy/clean technological research and development.

Staff believed that the MOU and the funding provided by the Board will contribute to activities essential to restoring New Jersey's leadership as the most diverse and inclusive innovation ecosystem in the United States.

Staff recommended that Board approve the terms and conditions of the MOU and authorized the execution of the MOU by the President.

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

There were no items in this category.

LATE STARTER A

AUDITS

Docket No. EA20110733 – In the Matter of an Audit of the Affiliated Transactions Between Jersey Central Power and Light Company, First Energy Corp. and its Affiliates Pursuant to N.J.S.A. 48:3-49, 48:3-55, 48:3-56, 48:3-58 and N.J.A.C. 14:4-3.7(e) and (f) – 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.

LATE STARTER B

ENERGY

Docket No. EO20030203 – In the Matter of BPU Investigation of Resource Adequacy Alternatives.

Joseph DeLosa, Office of Federal and Regional Policy Division, presented this matter. **BACKGROUND AND DISCUSSION:** A major challenge to decarbonizing New Jersey's electric grid is maintaining system reliability while shifting towards clean energy resources.

On March 25, 2020, consistent with the 2019 Energy Master Plan (EMP), the Board initiated this investigation and directed Staff to determine whether New Jersey can achieve its long-term clean energy and environmental objectives under the current resource adequacy paradigm and, if not, recommend how best to meet these needs in an economically efficient and sustainable manner.

Over the past year, the investigation sought and received robust public comment, held a series of work-sessions, and conducted a technical conference to gather evidence and input from interested stakeholders. Proposals submitted by the public were incorporated into the Staff-led economic analysis, Alternative Resource Adequacy Structures for New Jersey (Report) before the Board today.

The Report provides the Board a detailed roadmap for encouraging our regional electricity markets to better incorporate clean energy considerations, and engaging with state, regional, and federal policymakers to make it happen. By approving the report today, the Board will be accepting the following conclusions and recommendations:

- Incorporating New Jersey's clean energy goals in the regional market is the most efficient way to provide customers with reliable, affordable, *and* carbon-free electricity.
- Existing regional wholesale market structures have fulfilled their design objectives to maintain reliability at competitive prices, saving New Jersey consumers hundreds of millions annually. However, those same markets have lagged behind in addressing state clean energy policies.

- Regulatory developments at the regional and national level, including PJM's commitment to radically scale back its mitigation of clean energy resources as part of the Minimum Offer Price Rule, make it premature to consider leaving the regional market structure.
- Allowing states to mandate achievement of specific clean energy targets directly in the regional energy markets provides the proper price signals to private capital to invest in clean energy resources, yielding significantly better environmental outcomes, which are also consistent with state policies.
- A newly-developed Integrated Clean Capacity Market design (ICCM) would allow states to directly leverage the competitive efficiencies of the broad regional marketplace for efficient achievement of their clean energy goals.

The Report found that a competitive clean energy market design, such as the ICCM, would be a highly effective way of accelerating the grid transition envisioned in the EMP. Compared to the status quo, a PJM-wide implementation of the newly-developed ICCM could save New Jersey customers approximately \$220 million per year, while at the same time increasing renewable energy from 50% to 59% of customer demand, and clean energy (which includes nuclear) from 84% to 92% by 2030.

The Report also recommended a pause on adoption of a "go-it-alone" approach in which New Jersey would seek to achieve its clean energy objectives outside of PJM's capacity market, for example, through PJM's Fixed Resource Requirement (FRR) or in coalition with other states committed to clean energy. However, Staff is cognizant that the realities of climate change do not allow for never-ending stakeholder discussions at PJM and FERC and that appropriate regional reforms must be instituted in a timely manner. Therefore, the Report recommended reconsidering the merits of a multistate or go-it-alone approach in mid-2022, based on developments at PJM during that time.

In making its recommendations, Staff emphasized that the Board anticipates a series of filings from PJM, starting in July and going through the fall, with final resolution on key capacity market reforms. The specifics of these reforms, and their progress at the Federal Energy Regulatory Commission, will be critical to determining whether future consideration of FRR-based resource adequacy solutions should be pursued. In addition, the recent change in administrations in both in the White House and at PJM, provides a unique opportunity to work at the regional level to bring about market reforms that will efficiently achieve the State's goals of achieving 100% clean energy.

Staff recommended that the Board accept the Report and authorized Staff to proceed consistent with the conditions contained therein.

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 matter, which involved pending litigation attorney-client privilege, and/or contract exceptions to the Open Public Meetings Act was discussed in Executive Session.

2. ENERGY

F. Docket No. ER21010001 – In the Matter of the Board of Public Utilities – Federal Energy Regulatory Commission (FERC) Items for 2021; and

Docket No. EO21070976 – In the Matter of the Approval of Settlement Agreement.

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

C. Docket No. QO21070975 – In the Matter of a Memorandum of Understanding Between the Board and the New Jersey Economic Development Authority Regarding Funding for the Wind Innovation and New Development Institute for FY22.

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

D. Docket No. QO21070974 – In the Matter of a Memorandum of Understanding Between the Board and the New Jersey Economic Development Authority Regarding Funding for the Expansion of the Clean Energy Innovation Economy in New Jersey.

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

LATE STARTER A

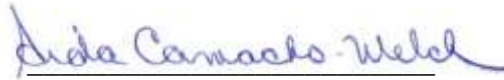
AUDITS

Docket No. EA20110733 – In the Matter of an Audit of the Affiliated Transactions Between Jersey Central Power and Light Company, First Energy Corp. and its Affiliates Pursuant to N.J.S.A. 48:3-49, 48:3-55, 48:3-56, 48:3-58 and N.J.A.C. 14:4-3.7(e) and (f).

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: September 1, 2021