

# STATE OF NEW JERSEY Board of Public Utilities 44 South Clinton Avenue, 1st Floor Post Office Box 350 Trenton, New Jersey 08625-0350 www.nj.gov/bpu/

## MINUTES OF THE REGULAR MEETING OF THE BOARD OF PUBLIC UTILITIES

A regular Board meeting of the New Jersey Board of Public Utilities was held on December 21, 2022, via online @ <a href="https://www.youtube.com/watch?v=PWkhHxwOphU">https://www.youtube.com/watch?v=PWkhHxwOphU</a>

Adequate notice of the meeting was provided pursuant to the Open Public Meetings Act, N.J.S.A. 10:4-9.3. Notice was also provided in accordance with the requirements of N.J.S.A 48:2-32.8, and notice was posted to the Board's website and posted on the Board's bulletin board located at 44 South Clinton Ave., Trenton, New Jersey.

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

Joseph L. Fiordaliso, President Mary-Anna Holden, Commissioner Dianne Solomon, Commissioner Robert M. Gordon, Commissioner Dr. Zenon Christodoulou, Commissioner

President Fiordaliso presided at the meeting and Carmen Diaz, Acting Secretary, carried out the duties of the Secretary.

It was also announced that the next regular Board Meeting will be held on January 11, 2023 at 10:00 a.m. and would be a hybrid meeting at the Board's Hearing Room at 44 South Clinton Avenue, Trenton and livestreamed via YouTube.

# **EXECUTIVE SESSION**

## 6. RELIABILITY AND SECURITY

A. Docket No. QO20020109 – In the Matter of the United States Department of Energy – State Energy Program – July 1, 2020-June 30, 2021 – New Jersey State Energy Security Plan Development;

Docket No. QO21020626 – In the Matter of the United States Department of Energy – State Energy Program – July 1, 2021-June 30, 2022 – New Jersey State Energy Security Plan Development; and

Docket No. QO22030140 – In the Matter of the United States Department of Energy – State Energy Program – July 1, 2022-June 30, 2023 – New Jersey State Energy Security Plan Development.

**BACKGROUND:** This matter related to a solicitation of a Request for Response ("RFR") from New Jersey's State universities and colleges. The RFR would seek to find the most qualified institution to write the New Jersey State Energy Security Plan ("NJSESP") with a goal of rewriting and updating the 2012 State of New Jersey Energy Assurance Plan (amended update in 2017). The NJSESP draft would describe the State's energy landscape, people, processes, and strategies to build energy resilience. Following the draft submission of the NJSESP, two (2) tabletop exercises would follow to test the plan's effectiveness and accuracy.

The contents of the NJSESP shall include and address the following objectives as per the U.S. Department of Energy Guidelines: 1) address all energy sources, including regulated and unregulated energy providers; 2) provide a State energy profile, including an assessment of energy production, transmission, distribution, and end-use; 3) address potential hazards to each energy sector or system, including: a) physical threats and vulnerabilities; and b) cybersecurity threats and vulnerabilities; 4) provide a risk assessment of energy infrastructure and cross-sector interdependencies; 5) provide a risk mitigation approach to enhance reliability and end-use resilience; and 6) address: a) multistate and regional coordination, planning, and response; b) to the extent practicable, encourage mutual assistance in cyber and physical response plans.

After appropriate motion, the Board reconvened to open session.

I – EA

# **CONSENT AGENDA**

#### I. AUDITS

A. <u>Energy Agent, Private Aggregator and/or Energy Consultant Initial Registrations</u>

EE22110701L Dash Energy, Inc.

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

EE19111482L Regional Resources Energy Group, LLC R – EA/PA/EC GE19111483L

BACKGROUND: The New Jersey Board of Public Utilities ("Board") must register all energy agents, private aggregators, and energy consultants, and the Board must license all third party electric power suppliers and natural gas suppliers. N.J.S.A. 48:3-78 to -79. 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 ("TPSs") with a license expiring prior to July 9, 2019 were still required to submit the previous renewal application form. Any TPS renewal application that was filed prior to July 9, 2019 has been, and will continue to be, processed by Board Staff ("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.

At its regular agenda meeting of August 18, 2021, the Board approved the final adoption of proposed amendments to N.J.A.C. 14:4 et seq., concerning energy competition and specifically to subchapter 5, N.J.A.C. 14:4-5 et seq., Energy Licensing and Registration. In accordance with the rule amendments, an energy agent, private aggregator, or energy consultant registration shall not expire so long as a registration renewal fee accompanied by an annual information update form is submitted to the Board within 30 days prior to the registrant's annual anniversary date. N.J.A.C. 14:4-5.8(g); N.J.A.C. 14:4-5.11(e). Any registration renewal application that was filed prior to the effective date of the licensing and registration rule amendments, September 20, 2021, has been, and will continue to, be processed by Staff for approval or denial in accordance with N.J.A.C. 14:4-5.9. The anniversary date for companies with a pending application will be the date that the renewal application receives Board approval. 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. N.J.S.A. 48:3-78 to -79; N.J.A.C. 14:4-5.6 to -5.7; N.J.A.C. 14:4-5.8 to -5.9, and N.J.A.C. 14:4-5.11.

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

Dash Energy, Inc.

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

Regional Resources Energy Group, LLC

## II. ENERGY

A. Docket No. EF02030185 – In the Matter of the Verified Petition of Jersey Central Power & Light Company for Authorization Pursuant to N.J.S.A. 48:3-7.2 for Approval to Participate in the FirstEnergy Corp. Intra System Money Pool Amendment No. 10 to the Petition.

**BACKGROUND:** On August 22, 2022, Jersey Central Power & Light Company ("JCP&L"), a public utility corporation of the State of New Jersey, having offices in Morristown, New Jersey and Holmdel, New Jersey, filed a petition with the New Jersey Board of Public Utilities ("Board") seeking: i) a 10th extension of the time during which JCP&L may participate in the FirstEnergy Corporation Intersystem Utility Money Pool ("Money Pool"), through December 31, 2025; and ii) authorization of its limitation on its Money Pool borrowings to an aggregate principal amount not to exceed \$500 million outstanding at any one time.

After review of the information submitted in this proceeding, the Office of the Economist found that the action requested is in accordance with the law and in the public interest, and therefore recommends approval of the petition, subject to certain conditions set forth in the Order.

B. Docket Nos. BPU EC22040301 and OAL PUC 03381-22 –JAS Group Enterprises, Inc., Petitioner v. Public Service Electric and Gas Company Inc., Respondent.

**BACKGROUND:** The Initial Decision in the above-captioned matter was received by the New Jersey Board of Public Utilities ("Board") on September 29, 2022. Therefore, the 45-day statutory period for the Board to review and issue a Final Decision was to expire on November 14, 2022. On November 9, 2022, the Board issued an Order extending the deadline to issue a Final Decision an additional 45 days to December 29, 2022.

Because additional time is required for Board Staff ("Staff") and the Attorney General's Office to review the Initial Decision and perform a review of the record, Staff recommended that the Board approve the request for a 45-day extension of the time for the Board to render a final decision, until February 13, 2023.

# III. CABLE TELEVISION

A. Docket No. CE22040242 – In the Matter of the Petition of Comcast of Burlington County, LLC, for a Renewal Certificate of Approval to Continue to Construct, Operate and Maintain a Cable Television System in and for the Township of Delran, County of Burlington, State of New Jersey.

**BACKGROUND:** On March 11, 2022, the Township of Delran ("Delran") was notified by Comcast of Burlington County, LLC ("Comcast") of its intention to utilize the automatic renewal provision of its municipal consent. Delran's ordinance granting municipal consent, which was adopted December 29, 2008, granted a term of 15 years with an automatic renewal term of 10 terms. The initial term expired on April 11, 2022. On April 7, 2022, Comcast filed a petition with the New Jersey Board of Public Utilities ("Board") for an Automatic Renewal Certificate of Approval.

After review, Board Staff recommended approval of the Automatic Renewal Certificate of Approval. The certificate shall expire on April 11, 2032.

B. Docket No. CE18111221 – In the Matter of the Petition of Service Electric Cable TV of New Jersey, Inc. for Renewal of its Certificate of Approval to Own, Operate, Extend and Maintain a Cable Television System in the Township of Hampton, County of Sussex State of New Jersey.

**BACKGROUND:** On August 14, 2017, Service Electric Cable TV of New Jersey, Inc. ("SECTV") filed an application with the Township of Hampton, New Jersey ("Hampton") for renewal of a municipal consent. On September 25, 2018, Hampton adopted an ordinance granting renewal municipal consent to SECTV. On October 4, 2018, SECTV formally accepted the terms and conditions of the ordinance. On November 1, 2018, SECTV filed a petition with the New Jersey Board of Public Utilities ("Board") for a renewal of its Certificate of Approval for Hampton.

After review, Board Staff recommended approval of the Renewal Certificate of Approval. The certificate shall expire on June 1, 2028.

C. Docket No. CE18111222 – In the Matter of the Petition of Service Electric Cable TV of New Jersey, Inc. for Renewal of its Certificate of Approval to Own, Operate, Extend, and Maintain a Cable Television System in the Township of Stillwater, County of Sussex, State of New Jersey.

**BACKGROUND:** On August 7, 2017, Service Electric Cable TV of New Jersey, Inc. ("SECTV") filed an application with the Township of Stillwater, New Jersey ("Stillwater") for renewal of a municipal consent. On October 2, 2018, Stillwater adopted an ordinance granting renewal municipal consent to SECTV. On October 3, 2018, SECTV formally accepted the terms and conditions of the ordinance. On November 2, 2018, SECTV filed a petition with the New Jersey Board of Public Utilities ("Board") for a renewal of its Certificate of Approval for Stillwater.

After review, Board Staff recommended approval of the Renewal Certificate of Approval. The certificate shall expire on May 14, 2028.

D. Docket No. CE19070827 – In the Matter of the Petition of Time Warner Cable New York City, LLC, I/k/a Charter Communications, for a Renewal Certificate of Approval to Continue to Construct, Operate and Maintain a Cable Television System in and for the Borough of Palisades Park, County of Bergen, State of New Jersey.

**BACKGROUND:** On July 26, 2017, Time Warner Cable New York City, LLC, I/k/a Charter Communications ("Charter") filed an application with the Borough of Palisades Park, New Jersey ("Palisades Park") for renewal of a municipal consent. On December 19, 2018, Palisades Park adopted an ordinance granting renewal municipal consent to Charter. On March 4, 2019, Charter formally accepted the terms and conditions of the ordinance. On July 17, 2019, Charter filed a petition with the New Jersey Board of Public Utilities ("Board") for a renewal of its Certificate of Approval for Palisades Park.

After review, Board Staff recommended approval of the Renewal Certificate of Approval. The certificate shall expire on September 1, 2032.

# IV. TELECOMMUNICATIONS

A. Docket No. TM22100627 – In the Matter of the Verified Petition of Intrado Corporation, (Transferor) and Guardian US Holdco, LLC (Transferee) for Approval of the Indirect Transfer of Control of Intrado Safety Communications, Inc. (Licensee)

**BACKGROUND:** On September 30, 2022, the Intrado Corporation ("Intrado" or "Transferor"), together with Intrado Safety Communications, Inc. ("Intrado Safety" or "Licensee"), and Guardian US Holdco LLC ("Guardian" or "Transferee," collectively with the Transferor and Licensee, "Petitioners"), submitted a verified petition requesting the approval from the New Jersey Board of Public Utilities ("Board") to consummate a stock purchase transaction whereby Guardian will acquire ultimate control of the Licensee ("Transaction") pursuant to N.J.S.A. 48:2-51.1, 48:3-7, and 48:3-10 ("Petition").

The change of control of Intrado Safety would occur at the parent level and does not involve any assignment of operating authority, assets, or customers. The Transaction would not result in a change of the management or day-to-day operations and will not adversely affect competition in New Jersey because there will not be a reduction in competitors. The Petitioners asserted that Intrado Safety would continue competitive services to its customers at the same rates, terms, and conditions and in the same geographic area as currently provided. The Petitioners further stated that the Transaction would not result in the discontinuance, reduction, loss, or impairment of service to its customers.

Board Staff recommended approval.

B. Docket No. TO22090610 – Application of Verizon New Jersey Inc. and the Dynalink Communications, Inc. for Approval of Amendment to an Interconnection Agreement under Section 252 (e) of the Telecommunications Act 1996.

**BACKGROUND:** This matter related to the proposed amendment to an Interconnection Agreement between Verizon New Jersey Inc. and The Dynalink Communications Inc. The New Jersey Board of Public Utilities ("Board") is authorized pursuant to Sections 251 and 252 of the Telecommunications Act of 1996 to approve negotiated Interconnection Agreements and any amendments to such agreements.

Board Staff recommended approval of the amendment.

## V. WATER

There were no items in this category.

# VI. RELIABILITY AND SECURITY

A. Docket Nos. GS22110671K, GS22110672K, GS22110673K, GS22110674K, GS22110675K, GS22110676K, GS22110677K, GS22110678K, WS22110679K, GS22110680K, GS22110681K, ES22110682K, GS22110683K, GS22110684K, GS22110685K, and GS22110686K – In the Matter of Alleged Violations of the Underground Facility Protection Act, N.J.S.A. 48:2-73 to -91.

**BACKGROUND:** This matter involved settlements of alleged violations of the Underground Facility Protection Act by both excavators and operators of underground facilities. This matter did not contain settlements involving catastrophic situations, death, or major property damage. The categories of infraction were failure to provide proper notice, failure to use reasonable care, and mismarking of facilities. The cases were settled in accordance with a penalty strategy, which escalates in relationship to aggravating factors, such as injury, property damage, fire, evacuation, road closure, and other public safety concerns, and provides disincentives for violations. There were 16 settlements which total \$48,000.00.

Staff of the New Jersey Board of Public Utilities ("Board") recommended that the Board approve the settlements provided in the Appendix.

## VII. CUSTOMER ASSISTANCE

There were no items in this category.

# VIII. CLEAN ENERGY

There were no items in this category.

# IX. MISCELLANEOUS

There were no items in this category.

After appropriate motion, the consent agenda was approved.

Roll Call Vote: President Fiordaliso Aye

Commissioner Holden Aye
Commissioner Solomon Aye
Commissioner Gordon Aye
Commissioner Christodoulou Aye

## **AGENDA**

## 1. AUDITS

There were no items in this category.

#### 2. ENERGY

A. Docket No. ER22010003 – In the Matter of the Board of Public Utilities – Federal Energy Regulatory Commission (FERC) Items for 2022 – FERC Docket No. RM21-17-000 – Building for the Future Through Electric Regional Transmission Planning and Cost Allocation and Generator Interconnection.

lan Oxenham, Legal Specialist, presented this matter.

BACKGROUND: On July 15, 2021, the Federal Energy Regulatory Commission ("FERC") opened a rulemaking docket titled "Building for the Future Through Electric Regional Transmission Planning and Cost Allocation and Generator Interconnection." On April 21, 2022, FERC issued a Notice of Proposed Rulemaking in the same docket that proposed an extensive set of reforms to transmission planning and cost allocation. Staff of the New Jersey Board of Public Utilities ("Board") ("Staff"), on behalf of the Board, previously submitted comments, reply comments, and reply to reply comments in the docket in order to support the elements of FERC's proposals that would benefit New Jersey ratepayers and facilitate the State's clean energy goals, while pushing back on elements that would needlessly inhibit competition and thereby increase costs to ratepayers. In order to bolster the record support for transmission reforms favorable to New Jersey, on November 28, 2022, Staff filed a motion to lodge the Board's October 26, 2022, Order selecting State Agreement Approach ("SAA") transmission proposals to support New Jersey's offshore wind goals. Staff also moved to lodge the associated SAA Evaluation Report prepared by the Brattle Group and other Board consultants, as well as an SAA economic analysis report prepared by PJM Interconnection, LLC. Collectively, these materials provided important evidence that proactive transmission planning to facilitate one State's clean energy goals can reduce total electric system costs and produce significant, quantifiable benefits for ratepayers in other states. The materials also showed that competition in transmission development can provide substantial cost savings and other benefits to ratepayers. The materials, thus, provided compelling empirical evidence that supports the positive reforms that FERC proposed, while undercutting FERC proposals that would stifle competition and harm New Jersey ratepayers.

Staff recommended that the Board ratify the motion to lodge that Staff filed with FERC on November 28, 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 Gordon Aye

## Commissioner Christodoulou Ave

B. Docket No. GR22060367 – In the Matter of the Petition of Public Service Electric and Gas Company's 2022 Annual Margin Adjustment Charge ("MAC").

Ryan Moran, Division of Water and Energy, presented this matter.

**BACKGROUND:** On June 1, 2022, Public Service Electric and Gas Company ("PSE&G") filed a petition requesting approval to decrease its Margin Adjustment Charge ("MAC") rate. During the course of the proceeding, PSE&G updated the information to correct certain errors and updates for actuals through April 2022. Following a review of the petition and update, the parties executed a stipulation requesting the New Jersey Board of Public Utilities ("Board") approve the maintenance of the current MAC rate. As a result, a typical residential heating would see no bill impact.

Board Staff ("Staff") recommended that the Board issue an order adopting the stipulation and directing PSE&G to file revised tariffs by January 1, 2023.

**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 Gordon Aye
Commissioner Christodoulou Aye

C. Docket No. GR22070468 – In the Matter of the Petition of South Jersey Gas Company for Approval to Revise the Cost Recovery Charge Associated with Energy Efficiency Programs ("EET Charge").

Ryan Moran, Division of Water and Energy, presented this matter.

**BACKGROUND:** On July 29, 2022, South Jersey Gas Company ("SJG") filed a petition requesting authority to decrease its Energy Efficiency Tracker ("EET") Charge, which recovers costs related to its Energy Efficiency Programs. Through discovery, SJG updated its proposed EET Charge, which resulted in a slightly smaller decrease to the rate. The parties executed a stipulation requesting approval of an EET Charge consistent with the update. As a result, a typical residential heating customer using 100 therms per month would see a decrease in their monthly bill of \$0.89.

Staff of the New Jersey Board of Public Utilities ("Board") ("Staff") recommended that the Board issue an order adopting the stipulation and directing SJG to file revised tariffs by December 31, 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 Gordon Aye Commissioner Christodoulou Aye

D. Docket No. GR22070464 – In the Matter of the Petition of Elizabethtown Gas Company to Revise its Energy Efficiency Program Rider Rate.

Ryan Moran, Division of Water and Energy, presented this matter.

**BACKGROUND:** On July 29, 2022, Elizabethtown Gas Company ("ETG") filed a petition seeking approval to decrease its Energy Efficiency Program ("EEP") Rider rate for costs associated with recovery of its energy efficiency programs. The parties executed a stipulation requesting that the New Jersey Board of Public Utilities ("Board") approve the proposed EEP Rider rate. As a result, a typical residential heating customer using 100 therms per month would see a decrease in their monthly bill of \$0.04.

Board Staff ("Staff") recommended that the Board issue an order adopting the stipulation and directing ETG to file revised tariffs by December 30, 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 Gordon Aye
Commissioner Christodoulou Aye

E. Docket Nos. BPU GR22040253; OAL PUC 04318-22S – In the Matter of the Petition of South Jersey Gas Company for Approval of Increased Base Tariff Rates and Charges for Gas Service, Changes to Depreciation Rates and Other Tariff Revisions.

Ryan Moran, Division of Water and Energy, presented this matter.

**BACKGROUND:** On April 14, 2022, South Jersey Gas Company ("SJG") filed a petition seeking approval of an increase in its base rates of approximately \$73.1 million, excluding sales and use tax. Throughout the course of the proceeding, SJG updated its request to include 12 months of actual data, which reflected an updated proposed revenue requirement of approximately \$82.3 million, excluding sales and use tax. Following extensive discovery and settlement meetings, the parties executed a stipulation, which was subsequently approved by Administrative Law Judge Gertsman. Some key features of the stipulation are a settlement revenue requirement of \$25 million, including sales and use tax, a return on equity of 9.6%, and several regulatory assets being amortized over a three-year period. Additionally, the residential monthly costumer charge will remain at \$10.50 including sales and use tax. Based on the stipulation, effective January 1, 2023, the monthly bill of a typical residential customer using 100 therms per month will increase by \$6.75.

Staff of the New Jersey Board of Public Utilities ("Board") ("Staff") recommended that the Board adopt the Initial Decision and approve the stipulation, which would provide for an increase in base rates for service rendered on or after January 1, 2023. Staff further

recommended that the Board direct SJG to file tariff sheets by December 30, 2022, for review by Staff.

**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 Gordon Aye
Commissioner Christodoulou Aye

F. Docket No. ER22100666 – In the Matter of the Petition of Atlantic City Electric Company for Approval of Powering the Future, an Infrastructure Investment Program and Related Cost Recovery Mechanism, Pursuant to N.J.A.C. 14:3-2A.1 et seq.

**Dean Taklif, Division of Water and Energy,** presented this matter.

**BACKGROUND:** Atlantic City Electric Company ("ACE") filed a petition with the New Jersey Board of Public Utilities ("Board") seeking approval of a four-year infrastructure investment program, with a total investment of \$379 million pursuant to N.J.A.C. 14:3-2A.1.

Board Staff recommended that the Board retain the matter for hearing at the Board and designate a presiding commissioner. Staff further recommended that the Board set a bar date of January 13, 2023, for the filing of motions to intervene and/or participate and for admission pro hac vice. Commissioner Solomon agreed to serve as presiding commissioner.

**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 Gordon Aye
Commissioner Christodoulou Aye

G. Docket No. ER22030198 – In the Matter of the Petition of Rockland Electric Company for Approval of an Infrastructure Investment Program, and Related Cost Recovery Mechanism.

**Dean Taklif, Division of Water and Energy,** presented this matter.

**BACKGROUND:** This matter related to a petition filed by Rockland Electric Company ("RECO") on March 30, 2022 seeking approval to implement an Infrastructure Investment Program ("IIP") and related cost recovery mechanism. RECO proposed a total investment of \$209 million over a five-year period in Enhanced Overhead Storm Hardening, Selective Undergrounding, Underground Rebuild and Rehabilitation, as well as the rebuild of Franklin Lakes Substation and its related high-voltage distribution lines. Following

extensive discovery and settlement meetings, the parties executed a stipulation resolving the matter. As part of the settlement, RECO would invest \$7.8 million in Enhanced Overhead Storm Hardening and \$40 million in Selective Undergrounding for a total investment of \$47.8 million over a five-year period. The parties agreed that RECO would recover the IIP investments through an accelerated mechanism which would recover IIP costs, including the return on net plant in-service and depreciation expense for plant inservice. RECO would file annually for recovery of in-service investments. While there was no immediate bill impact with the approval of the stipulation, following the completion of the five-year program, a typical residential customer will experience a cumulative bill increase of approximately \$5.28 per month.

Staff of the New Jersey Board of Public Utilities ("Board") ("Staff") recommended the Board issue an order approving the stipulation.

**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 Gordon Aye
Commissioner Christodoulou Aye

H. Docket Nos. BPU GO17010023 and OAL PUC 01160-17 – In the Matter of the Petition of New Jersey Natural Gas Company for a Determination Concerning the Holmdel Regulator Station Pursuant to N.J.S.A. 40:55D-19; and

Docket Nos. BPU GO18111257 and OAL PUC 17810-18 – In the Matter of the Petition of New Jersey Natural Gas Company for a Determination Concerning the Holmdel Regulator Station Pursuant to N.J.S.A. 40:55D-19.

**Dean Taklif, Division of Water and Energy,** presented this matter.

BACKGROUND: These dockets related to a request from New Jersey Natural Gas Company ("NJNG") for a determination of the applicability of the zoning and land use laws of the Township of Holmdel ("Holmdel" or "Township") zoning and land use laws relating to the construction of a regulator station in Holmdel. New Jersey law permits the New Jersey Board of Public Utilities ("Board") to determine that the Township's zoning and land use laws should not apply if the Board finds that a public utility project is reasonably necessary for the service, convenience, or welfare of the public, the project is necessary to maintain reliable electric or natural gas supply service for the general public, and no alternative site or sites are reasonably available to achieve an equivalent public benefit. Holmdel's Zoning Board of Adjustment twice denied NJNG's application to build the regulator station; first at 970 Holmdel Road, and subsequently at 960 Holmdel Road. After each denial, NJNG filed a petition with the Board requesting a determination of the applicability of Holmdel's zoning and land use laws. The Board transferred both petitions to the New Jersey Office of Administrative Law for a determination as contested cases. The petitions were consolidated by Administrative Law Judge ("ALJ") Pelios. Though the locations were similarly viable, the location of 960 Holmdel Road included additional measures specifically tailored to address Holmdel's concerns so the Initial Decision pertains solely to 960 Holmdel Road. After public and evidentiary hearings, ALJ Pelios

concluded that: 1) the project, as proposed, is necessary to provide safe, adequate, and reliable natural gas services in New Jersey and is reasonably necessary for the service, convenience, and welfare of the public; 2) NJNG considered alternative sites and methods for the project; 3) the site and facility design are reasonable considering the alternatives; 4) the project, as proposed to be designed and constructed, will minimize adverse impacts on the environment; and 5) based on the record, the project is not adverse to the public health and welfare. Additionally, in his legal analysis, ALJ Pelios stated that since the project was not an expansion or upgrade to NJNG's system and the project is necessary to continue to provide reliable service to its customers, the sub-goals of Goal 5.4 of the Energy Master Plan were not implicated in the matter.

While Board Staff ("Staff") agreed with ALJ Pelios that the Energy Master Plan is not implicated in this matter, Staff noted that all natural gas projects brought before the Board are reviewed with due consideration to the goals of the Energy Master Plan. Based on these conclusions, ALJ Pelios found that Holmdel's Land Use Law should not apply to the construction, installation, and operation of the project, and as such, NJNG should be permitted to construct the regulator station as proposed.

The Initial Decision was received by the Board on May 18, 2022. Holmdel Township filed exceptions to the Initial Decision on July 5, 2022, and both the New Jersey Division of Rate Counsel and NJNG filed replies to these exceptions on July 29, 2022.

After a thorough review of the record, the Initial Decision, exceptions, and replies to the exceptions, Staff recommended the Board approve the Initial Decision, without modification, and further recommended that the Board grant NJNG's request to construct the Regulator Station, as proposed, at 960 Holmdel Road in Holmdel.

**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 Gordon Aye
Commissioner Christodoulou Aye

I. Docket No. ER22070415 – In the Matter of the Combined and Consolidated Application of Atlantic City Electric Company to Adjust the Level of its "Rider RGGI" Rate Associated with its Legacy Solar Renewable Energy Certificate ("SREC I") Financing Program, its Successor Solar Renewable Energy Certificate ("SREC II") Financing Program, its Solar Transition Incentive Program ("TREC"), and its Successor Solar Incentive ("SuSI") Program (2022).

Bart Kilar, Division of Water and Energy, presented this matter.

**BACKGROUND:** On July 8, 2022, Atlantic City Electric Company filed a petition seeking authority to adjust the level of the Rider Regional Greenhouse Gas Initiative ("RGGI") Recovery Charge associated with ACE's legacy Solar Renewable Energy Certificate ("SREC") Program, its successor SREC II Program, its Transition Renewable Energy Certificate Program, and its Successor Solar Incentive Program, as well as continue its SREC II Administrative Fee of \$17.07 for calendar year 2023. Staff of the New Jersey Board of Public Utilities ("Board") ("Staff") stated that the parties were in the process of reviewing the filing, which would not be complete prior to January 1 2023, when the SREC II Administrative Fee must be reset.

Therefore, Staff recommended that the Board issue an order allowing ACE to continue its SREC II Administrative Fee of \$17.07 for calendar year 2023, as the parties continue to work through and review this filing.

**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 Gordon	Aye
	Commissioner Christodoulou	Δve

J. Docket No. ER22090548 – 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 Surcharge for 2023 Associated with Its Solar Renewable Energy Certificate ("SREC II") Program.

Bart Kilar, Division of Water and Energy, presented this matter.

**BACKGROUND:** On September 1, 2022, Rockland Electric Company ("RECO") filed a petition seeking authority to maintain its Solar Renewable Energy Certificate II ("SREC II") Administrative Fee of \$30.00 per SREC for calendar year 2023 and maintain its Regional Greenhouse Gas Initiative ("RGGI") Surcharge for recovery of the SREC II Program Direct Costs at zero per kilowatt-hour. The parties executed a stipulation, which would allow the continuation of the SREC II Administrative Fee of \$30.00 per SREC for calendar year 2023 and maintain RECO's RGGI Surcharge for the recovery of SREC II Program Direct Costs at zero per kilowatt-hour. As a result of the stipulation, a typical residential customer would experience no change in their monthly bills.

Staff of the New Jersey Board of Public Utilities ("Board") ("Staff") recommended that the

Board approve the stipulation with rates effective for services rendered on January 1, 2023, and direct RECO to file revised tariffs by December 30, 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 Gordon Aye
Commissioner Christodoulou Aye

K. Docket No. ER22020039 – In the Matter of the Verified Petition of Jersey Central Power & Light Company Seeking Adjustment of Rider RRC–RGGI Recovery Charge ("Rider RRC"), Including: (1) Approval of its Deferred Balances Relating to, and an Adjustment of, the Solar Renewable Energy Certificates Financing Program Component ("SREC Component") of Rider RRC; (2) Approval of Deferred Balances Relating to, and an Adjustment of, the Transition Renewable Incentive Program Component ("TREC Component") of Rider RRC; (3) Establishment and Implementation of a New Rate Component ("SuSI Component") of Rider RRC for Costs Incurred Pursuant to the Solar Successor Incentive Program; (4) Approval of its Deferred Balances Relating to, and an Adjustment of, the Energy Efficiency and Conservation Program Component ("EE&C Component") of Rider RRC; (5) Approval of its Administrative Fee for the SREC II Program Effective as of January 1, 2023; and (6) Approving the SREC II Program Administration Fee Deferred Balance from January 1, 2020 through December 31, 2021 ("2020-2021 Rider RRC Filing").

Bart Kilar, Division of Water and Energy, presented this matter.

BACKGROUND: On February 1, 2022, Jersey Central Power & Light Company ("JCP&L") filed a petition seeking an adjustment to its Rider Regional Greenhouse Gas Initiative Recover Charge ("Rider RRC") rate to reconcile revenues and costs for JCP&L's existing Solar Renewable Energy Certificate ("SREC") Programs, Transition Renewable Energy Certificate ("TREC") Program, and the Energy Efficiency and Conservation ("EE&C") Program component rates of its Rider RRC, as well as the establishment of the JCP&L's SREC II Program Administrative Fee for calendar year 2023 and the determination of prudence of prior period SREC II Program administrative costs. Additionally, JCP&L sought to establish the Successor Solar Incentive ("SuSI") Program rate. Through the course of the proceeding, JCP&L updated the original petition with eight (8) months of actual data and four (4) months of forecasted data, resulting in a lower revenue requirement. The parties executed a stipulation, which would allow for the adjustments to JCP&L's existing SREC Program, TREC Program, and EE&C Program components rates, the implementation and inclusion of the SuSI Program within JCP&L's Rider RRC tariff, and the continuation of the SREC II Admin Fee of 17.00 for calendar year 2023. As a result of the stipulation, a typical residential customer would experience a monthly increase of \$0.23.

Staff of the New Jersey Board of Public Utilities ("Board") ("Staff") recommended that the Board approve the stipulation with rates effective for service rendered on January 1, 2023, and direct JCP&L to file revised tariffs by December 30, 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 Gordon Aye
Commissioner Christodoulou Aye

## 3. CABLE TELEVISION

A. Docket No. CO11090548 – In the Matter of Verizon New Jersey, Inc. Notice for Relief of a Requirement to Extend its Fios TV Service to Certain Multi-Dwelling Unit Properties Located in Municipalities Where Extension of Fios TV Service is Required Under the Terms of its System-Wide Franchise.

Lawanda Gilbert, Esq., Director, Office of Cable Television and Telecommunications, presented this matter.

**BACKGROUND:** This agenda matter related to a petition filed by Verizon New Jersey, Inc. ("Verizon") seeking to waive deployment requirements of its Fios TV service to eight (8) multi-dwelling units ("MDUs") in several municipalities. By way of background, changes to the New Jersey Cable TV Act ("Cable TV Act") enacted in 2006 permitted Verizon to offer cable TV service throughout its telephone service footprint under a System-wide Franchise granted by the New Jersey Board of Public Utilities ("Board"). As part of its franchise commitments, pursuant to N.J.S.A. 48:5A-25.2(a)(1)(a) and (b) of the Cable TV Act, Verizon was required to make its cable TV service available to residential areas throughout the 70 most densely populated communities in the State. With respect to MDUs located within these 70 required towns, the Cable TV Act permitted Verizon to seek a waiver of the deployment requirements from the Board in instances where Verizon was unable to reach an agreement with the MDU property owner to access the buildings to install their equipment to provide service. In total, Verizon submitted 84 separate requests for relief containing varying numbers of MDUs located throughout the 70 required towns. On September 14, 2011, Verizon filed the instant petition initially seeking a waiver for 12 MDUs. By letter dated October 3, 2019, Verizon submitted a notice to the Board indicating it had reached an agreement for access with owners of four (4) of the properties. thereby withdrawing them from the waiver request. As a condition of the Board's renewal of Verizon's franchise, in December 2020, Verizon was required to refresh the data on its pending waiver petitions. Verizon submitted information indicating that it continues to be unsuccessful in negotiating access agreements for Fios TV service in the eight (8) remaining MDUs listed in its September 14, 2011 filing.

The Office of Cable Television and Telecommunications ("Staff") sent correspondence to the eight (8) remaining MDU property owners giving them an opportunity to comment on Verizon's waiver request. Out of the eight (8), a response was received from one (1) of the owners, asking the Board to defer relief as he indicated he was still attempting to negotiate access with Verizon. The New Jersey Division of Rate Counsel filed comments generally supporting the approval of Verizon's request for relief, as well as the request by the one (1) property owner seeking to defer relief due to the ongoing negotiations.

As the waiver request has been pending for several years, Staff stated that it believed Verizon met its burden under the Cable TV Act. Staff therefore recommended that the Board approve Verizon's request for relief of the requirement to extend Fios TV service to seven (7) of the 12 properties listed in its September 14, 2011 filing, and defer for 180 days approval of the one (1) additional property that was negotiating an access agreement with Verizon.

**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 Gordon Aye
Commissioner Christodoulou Aye

## 4. TELECOMMUNICATIONS

There were no items in this category.

# 5. WATER

A. Docket No. WR22070458 – In the Matter of the Petition of Gordon's Corner Water Company for Approval to Change the Levels of its Purchased Water Adjustment Clause Pursuant to N.J.A.C. 14:9-7.1 et seq.

Mike Kammer, Director, Division of Water and Energy, presented this matter.

**BACKGROUND:** On July 27, 2022, Gordon's Corner Water Company ("Gordon's Corner") filed a petition seeking to increase its Purchased Water Adjustment Clause ("PWAC") from a rate of zero to \$0.10 per thousand gallons of water. Gordon's Corner proposed that the increase become effective on January 1, 2023. The New Jersey Board of Public Utilities ("Board") retained jurisdiction over the matter, and after proper notice, virtual public hearings were conducted by a Board-designated legal specialist on November 21, 2022, at 4:30 p.m. and 5:30 p.m. No members of the public appeared or provided comments at the virtual public hearing, and no written comments were received by the Board. Subsequent to the public hearing, Gordon's Corner, the New Jersey Division of Rate Counsel, and Board Staff ("Staff") entered into a stipulation that agreed to an overall increase in revenues totaling approximately \$110,000, which represented a 0.8 percent increase over present rate revenues. As a result of the stipulation, the bill for a typical customer with a 5/8-inch meter, using 7,000 gallons of water per month, would go from \$62.90 a month to \$63.46 per month, an increase of \$0.56 per month, or 0.9%.

Staff recommended that the Board adopt the stipulation for service rendered on and after January 1, 2023.

**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 Gordon Aye
Commissioner Christodoulou Aye

B. Docket No. WR22050360 – In the Matter of the Petition of Aqua New Jersey, Inc.'s 2022 Distribution System Improvement Charge Foundational Filing.

Mike Kammer, Director, Division of Water and Energy, presented this matter.

BACKGROUND: On May 31, 2022, Agua New Jersey, Inc. ("Agua") filed a petition pursuant to N.J.A.C. 14:9-10.4, to establish an initial Distribution System Improvement Charge ("DSIC") to become effective January 1, 2023. Aqua's base rates at the time of the filing became effective on June 1, 2019, and at the time of the filing its DSIC was set at zero (\$0.00). Agua submitted an engineering evaluation report, which identified the rationale for the DSIC-eligible work to be performed, provided evidence that the proposal is cost-effective. Agua further submitted a calculation of its base infrastructure spending. The New Jersey Board of Public Utilities ("Board") retained jurisdiction over the matter. and after proper notice, virtual public hearings were held at 4:30 p.m. and 5:30 p.m. on October 26, 2022 and were presided over by a Board-appointed legal specialist. No members of the public appeared at the legal public hearing. The Board received written comments from the Township of Robbinsville ("Robbinsville"). Among other things, Robbinsville commented that charging a DSIC to both a municipality and its constituents ultimately charges those constituents multiple times for water service. Subsequent to the public hearings, the parties to this matter, the New Jersey Division of Rate Counsel, Aqua, and Board Staff ("Staff") entered into a stipulation that agreed to establish an initial DSIC for Aqua. There is no immediate rate impact.

Staff recommended that the Board adopt the stipulation.

**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 Gordon Aye
Commissioner Christodoulou Aye

C. Docket No. WR22090611 – In the Matter of the Petition of the Atlantic City Sewerage Company to Increase the Level of its Purchased Sewerage Treatment Adjustment Clause.

Mike Kammer, Director, Division of Water and Energy, presented this matter.

BACKGROUND: On September 26, 2022, the Atlantic City Sewerage Company ("ACSC") filed a petition for approval of an increase in the level of its Purchased Sewerage Treatment Adjustment Clause ("PSTAC") pursuant to N.J.A.C. 14:9-7.1(d) and 14:9-7.7. ACSC, like most wastewater companies in New Jersey does not treat its own wastewater. ACSC gets the wastewater and transmits it to the Atlantic County Municipal Utilities Authority. The matter was retained by the New Jersey Board of Public Utilities ("Board") and after public notice, virtual public hearings were held on November 16, 2022, at 4:30 p.m. and 5:30 p.m. No members of the public appeared at the public hearings and the Board received no written comments. Subsequent to the public hearings, ACSC, the New Jersey Division of Rate Counsel, and Board Staff ("Staff") entered into a stipulation that resolved ACSC's request. For the average residential customer, the PSTAC rate will increase from \$20.406 per cubic feet of metered water to \$25.76 per cubic feet of metered water. With respect to the total bill for annual wastewater service, the average residential customer using approximately 9.3 thousand cubic feet of metered water will see an increase in their bill from \$563 to \$613, an increase of \$49.56 annually, which is 26.11% annually.

Staff recommended that the Board adopt the stipulation.

**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 Gordon Aye

Commissioner Christodoulou Aye

# 6. RELIABILITY AND SECURITY

A. Docket No. QO20020109 – In the Matter of the United States Department of Energy – State Energy Program – July 1, 2020-June 30, 2021 – New Jersey State Energy Security Plan Development;

Docket No. QO21020626 – In the Matter of the United States Department of Energy – State Energy Program – July 1, 2021-June 30, 2022 – New Jersey State Energy Security Plan Development; and

Docket No. QO22030140 – In the Matter of the United States Department of Energy – State Energy Program – July 1, 2022-June 30, 2023 – New Jersey State Energy Security Plan Development – Executive Session.

Marco Valdivia, Division of Reliability and Security, presented this matter.

**BACKGROUND:** This matter related to the United States Department of Energy ("DOE") State Energy Program, and specifically the New Jersey State Energy Security Plan ("NJSESP"). Staff of the New Jersey Board of Public Utilities ("Board") ("Staff") requested approval for the solicitation of a Reguest for Response ("RFR"), from New Jersey's State universities and colleges. A seven-week solicitation period would follow for any submissions. The RFR would seek to find the most qualified institutions to draft the NJSESP. The goal of the project is to rewrite and update the 2012 Energy Assurance Plan that was also supplemented with work that was done on the Energy Master Plan. also amended and updated in 2017. The NJSESP draft will describe the State's energy landscape, people, processes, and strategies to build energy resilience. Following the draft submission of the NJSESP, Staff would receive a draft of the NJSESP as well as two (2) tabletop exercises to exercise the NJSESP's accuracy and effectiveness and outreach. Per the DOE guidelines, the NJSESP will include and: 1) address all energy sources, regulated unregulated; 2) provide an energy profile for the State, an assessment of energy production, transmission, distribution, and ultimate end-use; 3) address potential hazards to each energy sector including both the physical threats and cyber security threats and vulnerabilities that follow; 4) provide a risk assessment of energy infrastructure and crosssector interdependencies; 5) provide a risk-mitigation approach to enhance reliability and end-user resilience; and 6) address multi-state and regional coordination, planning, and response for mutual aid and, to whatever extent practical, encourage mutual assistance in both cyber and physical response plans. The NJSESP is a rewrite of the document that came from the 2012 Energy Assurance Plan. Plenty of things have occurred within the last 10 years in the landscape of emergency management and the different programs that have already been instituted here in the State of New Jersey. Therefore, if approved, the Board, in partnership with the selected bidder, would develop a comprehensive, forwardleaning NJSESP.

**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 Gordon Aye
Commissioner Christodoulou Aye

## 7. CUSTOMER ASSISTANCE

There were no items in this category.

# 8. CLEAN ENERGY

A. Docket No. EO12090832V – In the Matter of the Implementation of L. 2012, c. 24, the Solar Act of 2012:

Docket No. QO19010068 – In the Matter of the New Jersey Solar Transition Pursuant to P.L. 2018, c. 17 – Application for Certification of Solar Facility as Eligible for TRECS Pursuant to Subsection (T) of the Solar Act of 2012; and

Docket No. QO22030132 - Solar Landscape Owens Illinois Incorporated Brownfield.

Diane Watson, Division of Clean Energy, presented this matter.

**BACKGROUND:** This item related to a Subsection (t) application from Solar Landscape ("Applicant") to have its Owens Illinois, Inc., project certified as being located on a brownfield pursuant to Subsection (t) of the Solar Act of 2012. The Applicant's proposed 8.82 megawatt project is to be located on 22 acres at the former Owens-Brockway Glass Container facility in Bridgeton, Cumberland County, New Jersey. Staff of the New Jersey Board of Public Utilities ("Board") ("Staff") reviewed the application and supplied a copy to the New Jersey Department of Environmental Protection ("NJDEP") for their review. Staff subsequently received an advisory memo on the application where the NJDEP determined that the proposed site is a "brownfield," as defined by the Solar Act. The NJDEP also provided specific conditions and requirements for permits and approvals from the NJDEP that the project must satisfy.

Based upon the review of the application and the advisory memorandum provided by the NJDEP, Staff recommended that the Board: 1) grant conditional certification of the Solar Landscape project as proposed for the former Owens-Brockway Glass Container facility on property defined as a "brownfield" consistent with the Solar Act of 2012; 2) find the conditions for certification provided by the NJDEP be fully documented as satisfied by the Applicant prior to Staff's issuance of full certification; and 3) direct the Applicant to file its Transition Renewable Energy Certificate registration within 14 days of the date of the order.

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

Roll Call Vote: President Fiordaliso Recused

Commissioner Holden Aye
Commissioner Solomon Aye
Commissioner Gordon Aye
Commissioner Christodoulou Aye

B. Docket No. QO22090605 – In the Matter of the Clean Energy Program Authorization of Commercial and Industrial Energy Efficiency Incentives Exceeding \$500,000 – State of New Jersey.

**Dustin Wang, Division of Clean Energy,** presented this matter.

**BACKGROUND:** The State of New Jersey submitted two (2) applications under the Large Energy Users Program requesting approval from the New Jersey Board of Public Utilities ("Board") of financial incentives of \$1,918,758.21 for Heating, Ventilation, and Air Conditioning ("HVAC") decentralization with a total cost of \$20,733,044 and \$714,076.11 for a lighting upgrade at the Edna Mahan Correctional Facility, with a total cost of \$2,040,666. Both projects are part of a larger Energy Savings Improvement Program scope of work for the State that includes the Edna Mahan Correctional Facility and the Hunterdon Development Center. The first application would cover the replacement of the existing Noresco-owned central steam and high-temperature hot water plant at the facility with new heat and domestic water service and associated equipment installed in each of the 32 affected buildings on the campus. The project is anticipated to annually consume an additional 43,638 kilowatt hours of electricity but save 515,509 therms of natural gas, thereby yielding an estimated net annual energy cost savings of \$264,652. It would also save the facility an additional \$1,789,089 per year by ending the need to pay Noresco monthly fees for operating the central steam plant. The project would also provide critical health and safety benefits, as the previous heating system was well beyond its useful life, had massive inefficiencies, suffered from multiple underground leaks, and struggled to deliver sufficient heat to the facility's buildings.

The second application would cover the retrofit of existing interior and exterior lighting with new LED models. The project is anticipated to annually save 2,163,867 kilowatt hours of electricity, reduce peak demand by 468.21 kilowatts, and save \$194,748.03 in energy costs.

Board Staff ("Staff") recommended approval of the applications for the total estimated incentive amounts.

**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 Gordon Aye
Commissioner Christodoulou Aye

# 9. MISCELLANEOUS

A. Docket No. AO20060471 – In the Matter of the New Jersey Board of Public Utilities' Response to the COVID-19 Pandemic Order Authorizing – Establishment of a Regulatory Asset for Incremental COVID-19 Related Expenses – Motion to Extend COVID Deferral Period.

Mike Kammer, Director, Division of Water and Energy, presented this matter.

BACKGROUND: On July 2, 2020, the New Jersey Board of Public Utilities ("Board") issued an order authorizing the State's utilities to create a COVID-19 regulatory asset by deferring incremental, prudently incurred COVID-19-related costs beginning on March 9, 2020, through the latter of September 30, 2021, 60 days after Governor Murphy issued an order declaring proclamation or similar announcement that the Public Health Emergency was no longer in effect. The Board's July 2020 order required, among other things, that all affected utilities file a petition with the Board by the latter of December 31, 2021, or within 60 days of the close of the Regulatory Asset Period. By Order dated September 14, 2021, the Board extended the Regulatory Asset Period from September 30, 2021, to December 31, 2022. On August 2, 2022, Public Service Electric and Gas Company ("PSE&G") filed a motion with the Board requesting a further extension of the Regulatory Asset Period through the end of 2023. PSE&G noted, among other things that, at the start of the COVID-19 pandemic, it was unclear how long the moratoria on customer shutoffs would last, and it was unlikely that any party expected them to last for two (2) years and remain in place indefinitely for customers seeking payment assistance. In response to PSE&G's motion, the Board received comments from SJI Utilities, New Jersey Natural Gas Company, Jersey Central Power & Light Company ("JCP&L"), New Jersey American Water, Atlantic City Electric Company, and the New Jersey Division of Rate Counsel ("Rate Counsel"). PSE&G and JCP&L filed reply comments to Rate Counsel's comments.

Following a review of the motion, the comments and the reply comments, Board Staff ("Staff") recommended that the Board deny PSE&G's motion. However, Staff recommended that the Board extend the Regulatory Asset Period from December 31, 2022, through March 15, 2023, and that the filing deadline for COVID-19-related cost recovery filings be extended to 60 days from the close of the extended Regulatory Asset Period. Staff further recommended that the Board allow the affected utilities to seek recovery of the regulatory asset balance prior to the expiration of the extension of the Regulatory Asset Period if they cease deferring costs related to the regulatory asset.

**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 Gordon	Aye
	Commissioner Christodoulou	Ave

There being no further business before the Board, the meeting was adjourned.

SHERRY L. GOLDEN BOARD SECRETARY

Date: September 27, 2023