

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 May 22, 2024 and at the Board's Hearing Room at 44 South Clinton Avenue, Trenton and via online mto.com/live/OgFScVSY5Cw?si=wO beg buaxm2qRj

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

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

President Guhl-Sadovy, President Commissioner Christodoulou, Commissioner Commissioner Abdou, Commissioner Commissioner Bange, Commissioner

President Guhl-Sadovy presided at the meeting and Sherri L. Golden, Secretary of the Board, carried out the duties of the Secretary.

It was also announced that the next regular Board Meeting will be held on June 27, 2024, 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

After appropriate motion, the following matters, which involved N.J.S.A. 10:4-12(b)(7) attorney-client privilege and/or contract negotiations exceptions, were discussed in Executive Session.

6. RELIABILITY AND SECURITY

A. Docket No. AA24040229 – In the Matter of Request for Proposal Designation of System Operator of New Jersey's "One-Call Damage Prevention System".

BACKGROUND: Staff of the New Jersey Board of Public Utilities ("Board") ("Staff") sought approval to issue a Request for Proposal ("RFP") to solicit bids for a contractor to operate New Jersey's One-Call Damage Prevention System for a five-year term, commencing March 1, 2025, through February 28, 2030. Staff indicated that it would work with the Department of Treasury's Division of Purchase and Property to release the RFP upon approval from the Board.

The Underground Facility Protection Act, N.J.S.A. 48:2-73 et seq. ("Act"), established the One-Call System to reduce the frequency of damage to underground facilities caused by excavation and demolition. Pursuant to the Act, the One-Call System is subject to the oversight of the Board which, among other things, designates a contractor to operate the One-Call System ("One-Call System Operator").

Staff recommended that the Board release the RFP through the Division of Purchase and Property process.

8. CLEAN ENERGY

A. Docket No. QO23100740 – In the Matter of the Request for Quotation for Consulting Services for Net Metering.

BACKGROUND: This matter involved the award of a contract for services related to net metering. Specifically, Staff of the New Jersey Board of Public Utilities ("Board" or "BPU") ("Staff") sought approval to hire a contractor to assist with the policy planning for future changes in net metering, a construct that permits owners and/or operators of a class I renewable energy generation facility to receive credits for any electricity that is supplied back to the electric grid.

In 2018, Governor Phil Murphy signed the Clean Energy Act of 2018 (P.L. 2017, c. 17), which updated provisions regarding "net metering standards for electric power suppliers and basic generation service providers." N.J.A.C. 14:8-1.2 defines net metering as "a system of metering and billing for electricity in which the supplier/provider and/or the EDC: 1.) Credits a customergenerator at the full retail rate for each kilowatt-hour produced by a class I renewable energy system installed on the customer-generator's side of the electric revenue meter, up to the total amount of electricity used by that customer during an annualized period determined under 14:8-5.3; and 2.) Compensates the customer-generator at the end of the annualized period determined under N.J.A.C. 14:8-5.3 for any remaining credits, at a rate equal to the supplier/provider's avoided cost of wholesale power." Net metering in New Jersey is predominantly utilized for solar installations at residential, commercial, and public entity locations. N.J.S.A. 48:3-87 requires net

metering to be offered at non-discriminatory rates to accommodate systems of any sized capacity.

The Clean Energy Act specifies that "the board may authorize an electric power supplier or basic generation service provider to cease offering net metering to customers that are not already net metered wherever the total generating capacity owned and operated by net metering customergenerators Statewide will exceed 5.8 percent of the total annual kilowatt-hours sold in this State by each electric power supplier and each basic generation service provider during the prior one-year period."

When this threshold is reached, Staff of the New Jersey Board of Public Utilities ("Board") ("Staff's") goal is Staff seeks to ensure continued development of a thriving solar industry in New Jersey in order to meet Governor Murphy's goal of 100% clean energy by 2035 while also reducing costs to ratepayers and promoting an efficient energy market with appropriate price incentives for generators.

To provide an open and transparent process, Staff expects robust stakeholder engagement. This will include holding a series of virtual public hearings to solicit input from stakeholders and members of the general public that will help inform Staff recommendations to the Board for the future application of net metering.

On November 17, 2023, the Board authorized the release of a Request for Quotation ("RFQ") to hire a contractor to assist with the policy planning for future changes in net metering.

On February 29, 2024, proposals were received from four firms in response to the RFQ. An evaluation committee composed of several Board Staff members reviewed and scored each proposal. Staff recommended that the Board award a contract to the selected vendor, as discussed in executive session.

B. Docket No. QO24040235 – In the Matter of the Request for Quotation for Escrow Services.

BACKGROUND: This matter involved a Request for Quotation ("RFQ") for escrow services. Specifically, Staff of the New Jersey Board of Public Utilities ("Board") ("Staff") sought approval to hire a contractor to provide escrow services for projects registered in the Community Solar Energy Program ("CSEP").

By Order dated August 16, 2023, the Board established the CSEP and required that projects registered in the CSEP post escrow of \$40.00 per kilowatt of project capacity within one year of conditional registration.

The Board further directed that the escrow amount would be reimbursed to applicants in full upon receipt of permission to operate and submission of a post-construction certification package, pursuant to N.J.A.C. 14:8-11.5(j). Escrow amounts are to be forfeited to the State if a registered project fails to commence commercial operation before its registration expires.

By Order dated April 30, 2024, the Board updated the deadline for submission of escrow to the later of 10 business days after receipt of conditional approval for a project or 60 business days

after the Board or the SuSI Program registration manager informs applicants of the method for depositing escrow with its designated escrow agent.

The Board established the escrow requirement to alleviate concerns regarding unviable projects because developers of community solar projects would be less likely to register an immature project that may not reach commercial operation within the registration period.

The RFQ would seek to hire an agent to provide manage the CSEP escrow accounts, including monthly progress reports and coordination with Staff to ensure proper execution the agent's proposed work plan.

Staff recommended that the Board approve the release of the RFQ to hire a contractor to provide escrow services for projects registered in the CSEP, subject to Treasury approval.

CONSENT AGENDA

I. AUDITS

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

EE20020175L

Arcadia Power, Inc.

I-EC

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

EE20020175L

Arcadia Power, Inc.

R - EA/PA

GE20020176L

EE20100665L

Dynamis Energy, LLC

R - EA

d/b/a United Energy Services

EE20010012L GE24040232L New Energy Concepts LLC

R - EA/PA

Electric Power and/or Natural Gas Supplier Renewal Licenses

GE14101184L

U.S. Gas & Electric, LLC

R - GSL

d/b/a New Jersey Gas & Electric

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 ("TPSs"). On May 10, 2019, <u>L.</u> 2019, <u>c.</u> 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. N.J.A.C. 14:4-5.6. 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. <u>L.</u> 2019, <u>c.</u> 100-101 became operative 60 days following the date of enactment. As such, any 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, or will 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. 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 timely file annual information update forms and renewal fees for 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 applicant be issued initial registration as an energy consultant:

Arcadia Power, Inc.

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

Arcadia Power, Inc.
Dynamis Energy, LLC d/b/a United Energy Services
New Energy Concepts LLC

Lastly, Staff recommended that the following applicant be issued a renewal license as a natural gas supplier:

U.S. Gas & Electric, LLC d/b/a New Jersey Gas & Electric; NJG&E

B. Docket No. TE23120908 – In the Matter of the Petition of Archtop Fiber LLC for an Order of Approval to Provide Competitive Resold and Facilities-Based Local Exchange and Interexchange Telecommunications Services Throughout the State of New Jersey.

BACKGROUND: On February 8, 1996, the Telecommunications Act of 1996 was signed into law to promote competition and remove barriers to entry into telecommunications markets. To that end, 47 U.S.C. § 253(a) provides that "[n]o State or local statute or regulation, or other State or local legal requirement, may prohibit or have the effect of prohibiting the ability of any entity to provide any interstate or intrastate telecommunications service." However, pursuant to 47 U.S.C. § 253(b), the New Jersey Board of Public Utilities ("Board"), as the State's regulatory authority, may impose requirements necessary to protect the public safety and welfare, ensure the continued quality of telecommunications services, and safeguard the rights of consumers on a competitively neutral basis that is consistent with universal service.

Board Staff ("Staff") reviewed the petition filed by Archtop Fiber LLC ("Petitioner") seeking authorization from the Board to provide competitive facilities based local exchange, switched exchange access, and interexchange telecommunications services throughout the State of New Jersey, as well as its request for a waiver of requirements to keep records in New Jersey. Staff determined that the petition complied with all applicable regulatory requirements and is consistent with the public interest, convenience, and necessity. Additionally, Staff found the Petitioner's request for the waiver to maintain in books and records in New Jersey reasonable.

By letter dated April 22, 2024, the New Jersey Division of Rate Counsel ("Rate Counsel") indicated that it did not oppose a grant of authority of Petitioner's request to provide competitive facilities-based and resold local exchange and interexchange telecommunications services throughout the State of New Jersey. Rate Counsel's letter also indicated that it does not object to granting Petitioner's waiver request in connection with maintaining books within New Jersey.

Staff recommended that the Board approve Petitioner's request for an order of approval to provide competitive resold and facilities-based local exchange and interexchange telecommunications services throughout the State of New Jersey and to approve Petitioner's request for a waiver of N.J.A.C. 14:1-5.15(a), which requires Petitioner to maintain its books within the State of New Jersey.

II. ENERGY

A. Docket Nos. BPU ER23120924 and GR23120925 and OAL PUC 00926-24 – In the Matter of the Petition of Public Service Electric and Gas Company for Approval of an Increase in Electric and Gas Rates and for Changes in the Tariffs for Electric and Gas Service, B.P.U.N.J. No. 17 Electric and B.P.U.N.J. No. 17 Gas, and for Changes in Depreciation Rates, Pursuant to N.J.S.A. 48:2-18, N.J.S.A. 48:2-21 and N.J.S.A. 48:2-21.1, and for Other Appropriate Relief.

BACKGROUND: On December 29, 2023, pursuant to N.J.S.A. 48:2-18, N.J.S.A. 48:2-21 N.J.S.A. 48:2-21.1, and N.J.A.C. 14:1-5.12, Public Service Electric and Gas Company ("PSE&G" or "Company"), a public utility of the State of New Jersey subject to the jurisdiction of the New Jersey Board of Public Utilities ("Board"), filed a petition for approval of an increase in its current base rates for electric service of approximately \$522 million, excluding Sales and Use Tax ("SUT") and an increase in its current base rates for gas service of approximately \$423 million, to be effective for electric service provided on and after January 29, 2024 ("Petition").

Additionally, in the Petition, PSE&G sought: 1) recovery of storm costs through a new clause component rather than through base rates; 2) recovery of gas bad debt expense through a new component of the Societal Benefits Charge rather than through base rates; and 3) an adjustment to flow-back certain tax benefits to customers through the Tax Adjustment Credit. The net revenue impact of all proposals to electric customers is an increase of approximately \$462 million. The net revenue impact of all proposals to gas customers is an increase of approximately \$364 million.

By Order dated January 10, 2024, the Board suspended the proposed rates until May 29, 2024. This matter was subsequently transmitted to the Office of Administrative Law for hearing as a contested matter.

On April 15, 2024, PSE&G updated the Petition to include nine (9) months of actual information and three (3) of estimated information ("9+3 Update"). Based upon the 9+3 Update, the proposed revenue requirement was modified to a net increase of \$485 million for electric customers and a net increase of \$339 million for gas customers.

Board Staff ("Staff") recommended that the Board issue an order further suspending the proposed rate increase until September 30, 2024.

III. CABLE TELEVISION

A. Docket No. CE22060390 – In the Matter of the Petition of Comcast of New Jersey, LLC, for a Renewal Certificate of Approval to Continue to Construct, Operate and Maintain a Cable Television System in and for the Township of Barnegat, County of Ocean, State of New Jersey.

BACKGROUND: On June 21, 2022, Comcast of New Jersey, LLC ("Comcast") filed a petition for an Automatic Renewal Certificate of Approval for the Township of Barnegat ("Township"), for a term to expire on January 27, 2032. The petition is based on the Township's ordinance granting renewal municipal consent, which was adopted December 21, 2009. The Township's ordinance granted a term of 15 years with an automatic renewal term of 10 years. The initial term expired on January 27, 2022.

Board Staff recommended approval of the proposed Renewal Certificate of Approval. This Certificate shall expire on January 27, 2032.

B. Docket No. CE23100781 – In the Matter of the Petition of Spectrum New Jersey, LLC, Indirect Subsidiary of Charter Communications, Inc., for a Renewal Certificate of Approval to Continue to Construct, Operate and Maintain a Cable Television System in and for the Borough of Moonachie, County of Bergen, State of New Jersey.

BACKGROUND: On April 5, 2018, Time Warner Cable New York City LLC, I/k/a Charter Communications filed an application with the Borough of Moonachie ("Borough") for renewal of municipal consent. On October 14, 2020, the Board approved the internal reorganization of Charter Communications Inc. and Spectrum New York Metro, LLC, f/k/a Time Warner Cable New York City, LLC and the transfer of Charter's New Jersey cable assets and franchises into a newly created subsidiary, Spectrum New Jersey, LLC ("Spectrum") in Docket No. CO20090598. The Borough adopted an ordinance granting renewal municipal consent to Spectrum on August 25, 2021. On October 25, 2023, Spectrum formally accepted the terms and conditions of the ordinance. Spectrum filed with the New Jersey Board of Public Utilities ("Board") for a renewal of its Certificate of Approval for the Borough on October 31, 2023.

After review, Board Staff ("Staff") recommended approval of the proposed Renewal Certificate of Approval. This Certificate shall expire on March 19, 2033.

IV. TELECOMMUNICATIONS

There were no items in this category.

V. WATER

A. Docket Nos. BPU WR24010057 and OAL PUC 02300-24 – In the Matter of the Petition of Aqua New Jersey, Inc. for Approval of an Increase in Rates for the Water Service, COVID-19 Deferred Cost Recovery, Adjustment of Certain Depreciation Rates, and Other Tariff Changes.

BACKGROUND: On January 19, 2024, Aqua New Jersey, Inc. ("Aqua" or "Company") filed a petition with the New Jersey Board of Public Utilities ("Board") seeking approval of an increase in its base rates for water service of approximately \$8,329,647 for services rendered on and after February 19, 2024 ("Petition").

By Order dated February 14, 2024, the Board suspended the proposed rates until June 19, 2024. This matter was subsequently transmitted to the Office of Administrative Law for hearings as a contested case.

On March 18, 2024, Aqua updated the Petition to include nine (9) months of actual, and three (3) months of estimated information ("9+3 Update"). Based upon the 9+3 Update, the proposed revenue requirement was modified to a proposed increase of \$7,560,280.

Board Staff ("Staff") recommended that the Board issue an Order further suspending the proposed rate increase until October 19, 2024.

B. Docket Nos. BPU WC22120730 and OAL PUC 00701-23 – In the Matter of Brenda Castrodad, Robert Harris, Robin Janell, Linda Pack, Lois Silverman, and All Similarly Situated, Petitioners v. Veolia Water New Jersey, Woodmont Properties, Toll NJ I, LLC, and Toll Brothers, Inc., Respondents.

BACKGROUND: On March 5, 2024, Administrative Law Judge Gail Cookson issued an Initial Decision in this matter, rendering a 45-day statutory period for the Board to issue a Final Decision and thereby setting an April 19, 2024, deadline for the New Jersey Board of Public Utilities ("Board") to take action on this matter.

Board Staff ("Staff") requested a 45-day extension of time to adequately review the record in this matter, which the Board granted via Order dated April 17, 2024, thereby rendering a deadline for the Board to issue a Final Decision in this matter of June 3, 2024.

Having received the consent of all parties, Staff requested that the Board grant an additional 45-day extension of time to adequately review the record in this matter, thereby rendering the date for the Board to issue a Final Decision in this matter on July 18, 2024.

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C. Docket No. WE23120922 – In the Matter of the Petition of New Jersey-American Water Company, Inc. for Approval of a Municipal Consent Granted by the City of Salem, County of Salem.

BACKGROUND: On December 28, 2023, New Jersey-American Water Company, Inc. ("NJAWC" or "Company") filed a petition with the New Jersey Board of Public Utilities ("Board") pursuant to N.J.S.A. 48:2-14 and N.J.A.C. 14:1-5.5 for approval of a municipal consent granted by the City of Salem ("City" or "Salem") on December 18, 2023 via Ordinance No. 23-16 ("Municipal Consent") granting the Company authority to provide water and wastewater services throughout the City of Salem ("Proposed Franchise Area").

On November 7, 2023, the City's voters approved a referendum approving the Municipal Consent. Subsequently, on December 18, 2023, the City granted the Municipal Consent as part of a sale process conducted in compliance with and pursuant to procedures set forth in N.J.S.A. 40:62-3 through 40:62-6.

On April 9, 2024, the Board conducted a duly noticed virtual public hearing on the Company's petition. No members of the public attended the hearing and the Board received no written public comments in this matter.

On April 16, 2024, the New Jersey Division of Rate Counsel filed comments stating that it did not object to Board approval of the Municipal Consent, subject to certain conditions.

Board Staff recommended that the Board approve the Municipal Consent, subject to the certain conditions.

D. Docket Nos. BPU WR24010056 and OAL PUC 02409-24 – In the Matter of the Petition of New Jersey-American Water Company, Inc. for Approval of Increased Tariff Rates and Charges for Water and Wastewater Service, Change in Depreciation Rates, and Other Tariff Modifications.

BACKGROUND: On January 19, 2024, New Jersey-American Water Company, Inc. filed a petition with the New Jersey Board of Public Utilities ("Board") seeking approval of an increase in its base rates for water and wastewater service of approximately \$161.7 million for services rendered on and after February 21, 2024.

By Order dated February 14, 2024, the Board suspended the proposed rates until June 21, 2024. This matter was subsequently transmitted to the Office of Administrative Law for hearings as a contested case.

On April 23, 2024, and supplemented on May 3, 2024, NJAWC updated the Petition to include nine (9) months of actual, and three (3) of estimated information ("9+3 Update"). Based upon the 9+3 Update, NJAWC updated its proposed revenue requirement to an increase of \$165.7 million.

Board Staff ("Staff") recommended that the Board issue an Order further suspending the proposed rate increase until October 21, 2024.

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VI. RELIABILITY AND SECURITY

A. Docket Nos. GS24020128K, GS24020129K, GS24020130K, GS24020131K, GS24020132K, GS24020133K, GS24020134K, GS24020135K, GS24020136K, GS24020137K, GS24020138K, GS24020139K, GS24020140K, TS24020141K, GS24020142K, GS24020143K, GS24020144K, GS24020145K, GS24020146K, GS24020147K, GS24020148K, GS24020149K, GS24020150K, GS24020151K, GS24020152K, ES24020153K, ES24020154K, ES24020155K, and GS24020156K – In the Matter of Alleged Violations of the Underground Facility Protection Act, N.J.S.A. 48:2-73 et seq.

BACKGROUND: This matter involved settlements of alleged violations of the Underground Facility Protection Act ("Act") by multiple underground facility operators and excavator. This matter did not contain settlements involving catastrophic situations, death, or major property damage. The categories of infraction include not having a proper mark out request at the time of excavation, failure to hand dig and locate, failure to use reasonable care and failure to properly mark. There were 29 settlements which total \$87,00.00.

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

VII. CUSTOMER ASSISTANCE

There were no items in this category.

VIII. CLEAN ENERGY

There were no items in this category.

IX. MISCELLANEOUS

A. Approval for the February 14, 2024 Minutes; and Approval for the March 20, 2024 Minutes.

After appropriate motion, consent agenda items IA, IB, IIIA, IIIB, VA, VB, VIA, and IXA

Roll Call Vote: President Guhl-Sadovy Aye
Commissioner Christodoulou Ave

Commissioner Christodoulou Aye
Commissioner Abdou Aye
Commissioner Bange Aye

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

After appropriate motion, consent agenda item IIA

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Roll Call Vote:

President Guhl-Sadovy

Commissioner Christodoulou Commissioner Abdou

Commissioner Bange

Aye Aye Recused

Aye

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

After appropriate motion, consent agenda items VC and VD

Roll Call Vote:

President Guhl-Sadovy

Commissioner Christodoulou
Commissioner Abdou

Commissioner Bange

Aye

Aye Aye

Recused

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

AGENDA

1. AUDITS

A. Docket No. WO24040233 – In the Matter of Simmons Water Company Request for 90 Day Extension to File CY 2023 Annual Report by June 30, 2024.

Alice Bator, Division of Audits, presented in this matter

BACKGROUND: Pursuant to the New Jersey Administrative Code, every utility shall file with the Board on or before March 31 of each year an annual report summarizing its finances and operations for the preceding calendar year and may request up to a 30 day extension. Board approval is required for an extension of time beyond the 30 days.

Simmons Water Company has requested a 90 day extension to file its calendar year 2023 annual report by June 30, 2024. Staff finds the request reasonable as it will allow more time for Simmons to confirm the accuracy of its financial information and recommends that the Board approve the waiver and extend the filing deadline by three months until June 30, 2024 for Simmons.

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

Roll Call Vote: President Guhl-Sadovy Aye
Commissioner Christodoulou Aye
Commissioner Abdou Aye
Commissioner Bange Aye

2. ENERGY

A. Docket No. ER23030124 – In the Matter of the Provision of Basic Generation Service ("BGS") for the Period Beginning June 1, 2024.

Stacy Peterson, Division of Energy, presented in this matter

BACKGROUND: On February 8, 2024 the Board certified the results of the BGS auctions. The Board also directed the EDCs to execute the necessary documents with the winning bidders including the Supplier Master Agreements, implement the BGS rates resulting from the auctions beginning June 1st of 2024, and file revised tariffs with the Board no later than April 1. The EDCs have filed the revised tariffs to become effective June 1, which were reviewed by Staff.

At this time Staff recommends the Board approve the tariff filings of the EDCs and notify interested parties through a secretary's letter. As part of that secretary's letter, the EDCs will be asked to post the approved tariffs on their respective websites.

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

Roll Call Vote: President Guhl-Sadovy Aye
Commissioner Christodoulou Aye
Commissioner Abdou Aye
Commissioner Bange Aye

B. Docket No. ER24010068 – In the Matter of the Application of the Borough of Butler for an Order Approving a Levelized Energy Adjustment Clause (L.E.A.C.) for April 1, 2024 through June 30, 2024.

Stacy Peterson, Division of Energy, presented in this matter

BACKGROUND: On January 25, 2024 the Borough of Butler filed a petition for approval to adjust its Levelized Energy Adjustment Clause for the period April 1, 2024 through June 30th of 2024. Following a review of the petition and conducting discovery, the parties executed a stipulation recommending approval of the petition. As a result and effective April 1, 2024, the monthly bill of a typical customer will decrease by \$36.61 until the next true up in July.

Staff recommends the Board issue an order approving the stipulation and directing Butler to file revised tariffs by June 1.

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

Roll Call Vote: President Guhl-Sadovy Aye
Commissioner Christodoulou Aye
Commissioner Abdou Aye
Commissioner Bange Aye

C. Docket Nos. BPU GR23060335 and OAL PUC 13293-23 – In the Matter of the Petition of Elizabethtown Gas Company to Review its Periodic Basic Gas Supply Service Rate and its Conservation Incentive Program Rates for the Year Ended September 30, 2024.

Stacy Peterson, Division of Energy, presented in this matter

BACKGROUND: On June 1, 2023 Elizabethtown Gas filed its Annual Periodic Basic Gas Supply Service petition seeking authority to increase its BGSS periodic rate and modify its conservation incentive program rates beginning October 1, 2023, which was subsequently updated throughout the proceeding. On October 30, Elizabethtown filed an emergent motion seeking a waiver of certain provisions of the BGSS pricing structure and its tariff.

By order dated November 17, 2023, the Board authorized Elizabethtown to implement, subject to refund, provisional per-therm CIP rates effective December 1, 2023 and a provisional per-therm BGSS-P rate effective March 1st of '24. The November order also approved the emergent motion.

The parties have now executed a stipulation which was approved by an initial decision recommending the Board finalize the rates approved in the November order. As a result, customers will experience no additional changes to their bill.

Staff recommends the Board issue an order approving the initial decision and stipulation and directing Elizabethtown to file revised tariffs by June 15.

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

Roll Call Vote: President Guhl-Sadovy Aye
Commissioner Christodoulou Aye
Commissioner Abdou Aye
Commissioner Bange Aye

D. Docket No. ER23070464 – In the Matter of the Combined and Consolidated Application of Atlantic City Electric Company to Adjust the Level of its "Rider RGGI" Charges 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 ("TREC") Program, its Successor Solar Incentive ("SuSI") Program, its Energy Efficiency ("EE") Program, and its Community Solar Energy Pilot ("CSEP") Program (2023).

Stacy Peterson, Division of Energy, presented in this matter

BACKGROUND: On July 26, 2023, Atlantic City Electric filed a petition seeking authority to adjust the level of the Rider RGGI rates associated with the company's solar and energy efficiency program which was updated throughout the course of the proceeding. As part of the petition ACE also proposed to maintain administrative fee associated with its SREC-II program for calendar year 2024. By order dated December 20th of '23, the Board approved the maintenance of the administrative fee per calendar year 2024. Throughout the course of the proceeding, the company updated the petition with actual information through December 31st of 2023 and forecasted information through December of 2024.

Following review of the petition, the updates, and discussions among the parties, the parties have executed a stipulation recommending adjustments to the rates and a continuation of the administrative fee through the remainder of calendar year 2024. Based on the stipulation, the monthly bill of a typical residential customer is expected to increase by 65 cents.

Staff recommends the Board issue an order approving the stipulation and directing ACE to file revised tariffs by June 1.

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

Roll Call Vote: President Guhl-Sadovy Aye
Commissioner Christodoulou Aye
Commissioner Abdou Aye
Commissioner Bange Aye

E. Docket No. ER23110783 – In the Matter of the Petition of Public Service Electric and Gas Company for Approval of Electric Rate Adjustments Pursuant to the Infrastructure Advancement Program.

Stacy Peterson, Division of Energy, presented in this matter

BACKGROUND: On November 1st of 2023, PSE&G filed a petition seeking cost recovery of electric infrastructure investments placed in service within its infrastructure advancement program, which was subsequently updated for actual information through January 31st of 2024. PSE&G did not request recovery of costs incurred for gas infrastructure investments as the threshold to qualify for accelerated recovery had not been reached.

Following a review of the petition and the update, the parties executed a stipulation. As a result of the stipulation, a typical electric customer will see an increase in their average monthly bill of 19 cents.

Staff recommends the Board approve the stipulation and direct PSE&G to file revised tariffs by June 1.

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

Roll Call Vote:	President Guhl-Sadovy	Aye
	Commissioner Christodoulou	Aye
	Commissioner Abdou	Aye
	Commissioner Bange	Aye

F. Docket No. ER23070479 – In the Matter of the Petition of Atlantic City Electric Company for Implementation of an Adjustment to its Conservation Incentive Program Rate Mechanism and Associated Customer Class Rates (2023).

Stacy Peterson, Division of Energy, presented in this matter

BACKGROUND: On July 31 Atlantic City Electric filed a petition seeking approval to adjust its Conservation Incentive Program rates to account for potential lost sales revenues stemming from the company's energy efficiency programs. Following review of the petition and conducting discovery, the parties have executed a stipulation resolving the matter. As a result of the stipulation, a typical residential customer will experience a monthly bill increase of \$2.94.

Staff recommends the Board stipulation and direct ACE to file revised tariffs by June 1.

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

Roll Call Vote: President Guhl-Sadovy Aye
Commissioner Christodoulou Aye
Commissioner Abdou Aye
Commissioner Bange Aye

G. Docket No. ER24020074 – In the Matter of the Petition of Atlantic City Electric Company to Reconcile and Update the Level of its Non-Utility Generation Charge and its Societal Benefits Charge (2024).

Stacy Peterson, Division of Energy, presented in this matter

BACKGROUND: On February 1st of this year, Atlantic City Electric filed its annual petition seeking approval for changes in its Nonutility Generation Charge and the Clean Energy Program and Uncollectible Accounts components of its Societal Benefits Charge. Through the course of the proceeding, ACE updated to include actual information through March of 2024, which would result in a net annual decrease of approximately \$21.664 million. The parties have executed a stipulation for provisional rates, which was modified to a net reduction of \$18.6 million based on an order issued by the Board in March. As a result, the monthly impact to a typical residential customer is a decrease of \$1.46.

Staff recommends the Board issue an order approving the provisional stipulation and directing ACE to file revised tariffs by June 1.

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

Roll Call Vote: President Guhl-Sadovy Aye
Commissioner Christodoulou Aye
Commissioner Abdou Aye
Commissioner Bange Aye

3. CABLE TELEVISION

A. Docket No. CE15010138 – In the Matter of Cablevision of Paterson, LLC for the Conversion to a System-wide Cable Television Franchise in the City of Paterson.

Lawanda Gilbert, Division of Cable Television, presented in this matter

BACKGROUND: This matter involves the first phase of the renewal process of a systemwide franchise for Cablevision of Paterson and request for approval for the release of the ascertainment report by the Office of Cable Television and Telecommunications, or OCTV&T.

By way of background, in 2006 amendments to the New Jersey Cable Television Act were enacted allowing the Board to issue a systemwide cable television franchise to new entities seeking to offer cable television service. The amendments also provided the ability for incumbent cable Minutes for May 22, 2024

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television operators to automatically convert any or all of their existing traditional municipal consent based cable television franchises to a systemwide cable television franchise by providing notice to the Board and the effected municipality without the requirement of prior Board approval.

On January 29, 2015, Cablevision converted its traditional franchise in the City of Paterson into a systemwide cable television franchise. The conversion was memorialized by Board order issued on March 18, 2015 and granted Cablevision a systemwide franchise in the City of Paterson for a second year term, which expired on June 30, 2022.

Franchise renewals are governed by the Federal Communications Act, the State Act, and the OCTV&T's rules under the New Jersey Administrative Code. Ascertainment is the term utilized in the Federal Act to explain the factfinding process used to examine the past performance of the cable operator and identify the future cable related needs of the community. Pursuant to the Board's rules, the OCTV&T must issue an ascertainment report which must be made available to the public for inspection and reviews Cablevision's performance.

On February 27, 2019, Cablevision notified the Board of its intention to renew its systemwide cable television franchise. On October 1, 2021, the OCTV&T notified Cablevision of its intention to review Cablevision's performance.

On January 9, 2024, the OCTV&T held a virtual ascertainment hearing to take comments from the municipality and subscribers. No comments were received at the hearing nor were any made at the close of the hearing.

On February 20, 2024, the OCTV&T invited Cablevision to file comments on its performance under the franchise and assess how it will meet the future needs of the City of Paterson. Cablevision filed its initial comments on March 19, 2024, where it contends that it has substantially met all franchise commitments and that it will continue to fulfill its obligations under a renewal of the franchise.

The ascertainment report prepared by the OCTV&T addresses Cablevision's comments and reviews its past performance. Pursuant to the franchise renewal rules, Cablevision will file its formal franchise renewal application following the release of the ascertainment report and two public hearings will be held thereafter to provide opportunity for public comment prior to final Board review.

Staff, therefore, recommends the Board approval of the release of the OCTV&T ascertainment report in compliance with the renewal process of Cablevision's systemwide franchise.

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

Roll Call Vote: President Guhl-Sadovy Aye
Commissioner Christodoulou Aye
Commissioner Abdou Aye
Commissioner Bange Aye

4. TELECOMMUNICATIONS

There were no items in this category.

5. WATER

A. Docket Nos. BPU WR23110790 and OAL PUC 13875-23 – In the Matter of the Petition of Veolia Water New Jersey, Inc. for Approval of an Increase in Rates for Water/Sewer Service and Other Tariff Changes.

Stacy Peterson, Division of Water, presented in this matter

BACKGROUND: On November 9, 2023, Veolia Water filed a petition seeking approval of an increase in base rates of approximately \$63.9 million. Through the course of the proceeding, Veolia provided updates of actual information through the test year, which updated the revenue requirement to approximately \$65 million.

Following settlement discussions, the parties executed a stipulation resolving the matter, which was subsequently approved by Administrative Law Judge Betancourt. As part of the stipulation, the agreed upon overall revenue requirement increase is \$40 million. Additionally, the return on equity is 9.6 percent. As a result of the stipulation, an average residential water customer will see an increase in their monthly bill of \$5.77. An average residential sewer customer increase in their monthly bill of approximately \$27.00.

Staff recommends that the Board adopt the initial decision and stipulation for rates effective June 1. Staff further recommends the Board direct Veolia to file revised tariffs by June 1.

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

Roll Call Vote:	President Guhl-Sadovy	Aye
	Commissioner Christodoulou	Aye
	Commissioner Abdou	Aye
	Commissioner Bange	Aye

B. Docket No. WR23050275 – In the Matter of the Petition of New Jersey-American Water Company, Inc. for Recovery of Regulatory Asset Established for Incremental COVID-19 Related Expenses, and for Establishment of an Uncollectible Adjustment Clause.

Stacy Peterson, Division of Water, presented in this matter

BACKGROUND: On April 28, 2023, New Jersey American Water filed a petition seeking authorization to recover its COVID-19 related net deferred costs over a three year period through an annual Special Program Charge. New Jersey American Water also requested approval to establish an Uncollectible Adjustment Clause in response to effects of uncollectible expenses created by the COVID-19 moratorium. On June 22, 2023, the company filed an amended petition

in this matter. Commissioner Abdou was designated as the presiding Commissioner for this matter.

Following review of the matter, conducting discovery, and discussions among the parties, the parties executed a stipulation wherein the parties agree that New Jersey American would recover approximately \$4.7 million annually for three years for a total recovery of approximately \$14.2 million. Based upon the stipulation, the average GMS customer will see a monthly bill increase of 30 cents.

Staff recommends the Board approve the stipulation for rates effective June 1. Staff further recommends the Board direct New Jersey American to file revised tariffs by June 1.

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

Roll Call Vote:

President Guhl-Sadovy
Commissioner Christodoulou
Commissioner Abdou
Commissioner Bange
Aye
Recused

C. Docket No. WE24030186 – In the Matter of the Petition of Veolia Water New Jersey Inc. for Approval of an Affiliate Contract for Waste Disposal Services in New Jersey.

This matter was deferred at the board meeting and was not presented.

6. RELIABILITY AND SECURITY

A. Docket No. AA24040229 – In the Matter of Request for Proposal Designation of System Operator of New Jersey's "One-Call Damage Prevention System" – Executive Session.

Ann Lang, Division of Reliability and Security, presented in this matter

BACKGROUND: Staff seeks approval to issue a request for approval to solicit bids for a contractor to operate New Jersey's One Call Damage Prevention System for a five-year term between March 1, 2025 and February 28, 2030. The current fourth extension expires on February 28, 2025. The operator of the One Call Prevention System receives calls and electronic notifications from excavators of their proposed excavation. The notice of that excavation is relayed to the underground facility operators. They then have three business days to mark and locate the facilities that are within the scope of the excavator's project.

Staff will work with the Department of Treasury, division of purchasing and property, to release the RFP upon approval of the Board. Staff recommends that the Board release the RFP through the division of purchase and property's process.

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

Roll Call Vote: President Guhl-Sadovy Aye

Commissioner Christodoulou Aye
Commissioner Abdou Aye
Commissioner Bange Aye

7. CUSTOMER ASSISTANCE

There were no items in this category.

8. CLEAN ENERGY

A. Docket No. QO23100740 – In the Matter of the Request for Quotation for Consulting Services for Net Metering – Executive Session.

Sawyer Morgan, Division of Clean Energy, presented in this matter

BACKGROUND: This matter involves a request for quotation for consulting services related to net metering. Specifically, Staff seeks approval to hire a consultant contractor to assist with the developing policy recommendations regarding net metering, a construct that permits owners and/or operators of a class 1 renewable energy generation facility to receive credits for any electricity that is supplied back to the electric grid.

Staff seeks to initiate a proceeding with a robust, open, and transparent stakeholder process to develop recommendations to the Board that will facilitate the State's least cost path to achieve its clean energy goals, support the State's solar industry, integrate with the wider energy system, and promote equity in access to benefits of clean energy.

On November 17, 2023 the Board authorized the release of an RFQ to hire a contractor to aid in the policy planning for potential changes to net metering. An evaluation committee of Board Staff members evaluated and scored the proposals received in response to the RFQ. Staff, with assistance from the Board's Division of Budget and Fiscal, will work with the Department of Treasury to receive all necessary approvals to procure a contractor through the Waivers of Advertising process.

Staff recommends the Board award the contract to the recommended vendor as discussed in executive session.

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

Roll Call Vote: President Guhl-Sadovy Aye

Commissioner Christodoulou Aye
Commissioner Abdou Aye
Commissioner Bange Aye

B. Docket No. QO24040235 – In the Matter of the Request for Quotation for Escrow Services – Executive Session.

Morgan Sawyer, Division of Clean Energy, presented in this matter

BACKGROUND: This matter involves a request for quotation for escrow services. Specifically, Staff seeks approval to hire a contractor to provide escrow services related to the Community Solar Energy Program, CSEP.

By order dated August 16, 2023, the New Jersey Board of Public Utilities established the CSEP and required that projects registered in the CSEP post escrow of \$40.00 per kilowatt of project capacity. The Board established the escrow requirement in an effort to alleviate concerns regarding unviable projects because developers of community solar projects would be less likely to register an immature project that may not meet commercial operation within the registration period.

The Board directed that the escrow amount would be reimbursed to applicants in full upon receipt of permission to operate and submission of a post-construction certification package. Escrow amounts are to be forfeited to the State if a registered project fails to commence operations before its registration expires.

By order dated April 30, 2024, the Board updated the deadline for submission of escrow the later of ten business days after the receipt of conditional approval for a project or 60 business days after the Board or SuSI program registration manager informs applicants of the method for depositing escrow with its designated escrow agent.

Staff recommends the Board approve the release of the RFQ to hire a contractor to provide escrow services as discussed in executive session.

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

Roll Call Vote:	President Guhl-Sadovy	Aye
	Commissioner Christodoulou	Aye
	Commissioner Abdou	Aye
	Commissioner Bange	Aye

C. Docket No. QO24020120 – In the Matter of New Jersey Board of Public Utilities Disbursement of Clean Energy Program Funds for the Residential Customer Assistance Initiative.

Brandee Sullivan, Division of Clean Energy, presented in this matter

BACKGROUND: This matter relates to the disbursement of \$51,831,897.00 in clean energy program funds to eligible residential public utility customers in New Jersey by way of the Residential Energy Assistance Payment, or REAP. The goal of the REAP is to utilize the committed funds to provide energy bill assistance through a one time bill credit to qualifying

residential public utility customers in New Jersey. Staff explored several options to disburse REAP relief and found that categorical eligibility as opposed to an application or enrollment process would qualify the most residential public utility customers, as an application or enrollment process to determine eligibility would significantly reduce participation in the REAP and placed undue burden on already overburdened residents.

Because the Board's winter termination program, WTP, reaches those customers in need of forbearance and/or utility assistance that the Board intends the REAP to reach and because the utilities already track WTP enrollment, Staff recommends that each of the electric and gas public utilities use the WTP eligibility criteria contained at N.J.A.C. 14:3-3A.5(a) to determine eligibility for REAP.

To ensure to the greatest extent feasible that the REAP credit is applied only once per eligible New Jersey household, Staff recommends that each public utility employ the eligibility procedures described in the order. Staff also recommends that as an administrative requirement of the REAP, utility certification forms be executed by Board Staff and individual participating utility companies. The utility certification forms detail the number of eligible accounts identified through the eligibility proceeding prescribed in the order, a timeline for the rollout of the initiative, a requirement for the return of unused funds, and reporting requirements as detailed in the order.

Staff recommends that the termination of the total number of households eligible for the REAP not be made until submission and approval of the certification from each participating electric and gas public utility.

Staff recommends that based on the total number of eligible accounts and the \$51,831.897.00 in available funds, a flat credit amount be established to be applied equally to all eligible customer accounts.

Staff recommends that the funds be provided to participating electric and gas company utilities based on the number of eligible accounts identified through the eligibility procedures detailed in the order.

Staff recommends that, thereafter, and as outlined in the order, the credits would then be applied by both gas and public electric utility to all REAP eligible accounts.

Staff further recommends that the Board direct participating electric and gas public utilities report to the Board the total number of accounts credited and the total amount of funds disbursed within 45 days of disbursement and that participating electric and gas public utilities be required to return any unused funds to the Board within 90 days of disbursement.

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

Roll Call Vote: President Guhl-Sadovy Aye
Commissioner Christodoulou Aye
Commissioner Abdou Aye
Commissioner Bange Aye

D. Docket No. QO24040208 – In the Matter of the United States Department of Energy – State Energy Program – July 1, 2024 – June 30, 2025.

Dustin Wang, Division of Clean Energy, presented in this matter

BACKGROUND: The United States Department of Energy provides federal financial assistance and technical support to states for energy programs for the State Energy Program. This program seeks to promote the efficient use of energy and reduce the rate of growth of energy demand through the development and implementation of specific state energy programs.

For program year 2024, the State of New Jersey will receive an allocation of \$1,565,500.00 and carry over \$1,565,500.00 in federal funding from program year 2023 for a total of \$3,131,000.00 in federal funding.

In accordance with State Energy Program requirements, staff proposes a State Energy Program plan, or SEP plan, for submission to the Department of Energy. The SEP plan includes \$1,565,500.00 in funding to expand access to benchmarking services to buildings over 25,000 square feet as part of the BPU's Energy and Water Benchmarking. The SEP plan also includes \$1,565,500.00 in funding to continue the program established in program year 2023 that expands the eligibility of non-IOU customers for financial incentives towards the purchase and installation of electric vehicle charging equipment in their place of residence, in multiunit dwellings, at unique attractions, and overnight lodging establishments in New Jersey and for New Jersey municipal and state government entity fleets, including the purchase of electric vehicles for these fleets.

Staff recommends submission of the 2024/2025 SEP plan application to the United States Department of Energy. Staff also recommends that the Board authorize Staff to submit future requests to the US DOE to extend the performance period, true up Market Title budgets, modify Market Title descriptions, or remove Market Titles of the SEP plan if necessary.

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

Roll Call Vote:	President Guhl-Sadovy	Aye
	Commissioner Christodoulou	Aye
	Commissioner Abdou	Aye
	Commissioner Bange	Aye

E. Docket No. EO20090621 – In the Matter of the Petition of Atlantic City Electric Company for Approval of an Energy Efficiency Program, Cost Recovery Mechanism, and Other Related Relief for Plan Years One Through Three.

Alexis Trautman, Division of Clean Energy, presented in this matter

BACKGROUND: By order dated April 27, 2021, the Board approved a stipulation of settlement authorizing Atlantic City Electric Company to implement its Triennium 1 EE programs with a total budget of \$98,622,553.00. On November 17, 2023, ACE filed a letter petition requesting that the

Board authorize ACE to extend the term of its initial portfolio of EE programs for the Triennium 1 extension period for a six month period with a proposed budget of \$29,500,000.00, which represents 44 percent of its Triennium 1 program year three budget.

ACE, the New Jersey Division of Rate Counsel, Board Staff, and the Energy Efficiency Alliance of New Jersey have executed a stipulation agreeing to extend ACE's Triennium 1 programs by six months with an expected period budget of \$29,500,000.00.

Staff recommends that the Board approve the stipulation.

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

Roll Call Vote: President Guhl-Sadovy Aye
Commissioner Christodoulou Aye
Commissioner Abdou Aye
Commissioner Bange Aye

F. Docket No. EO20090620 – In the Matter of the Verified Petition of Jersey Central Power & Light Company for Approval of JCP&L's Energy Efficiency and Conservation Plan Including Energy Efficiency and Peak Demand Reduction Programs (JCP&L EE&C).

Alexis Trautman, Division of Clean Energy, presented in this matter

BACKGROUND: By order dated April 27, 2021, the Board approved a stipulation of settlement authorizing New Jersey Central Power and Light Company to implement its Triennium 1 EE program with a total budget of \$203,032,357.00. On December 5, 2023, JCP&L filed a letter petition requesting that the Board authorize JCP&L to extend the terms of its initial portfolio of EE programs for the Triennium 1 extension period for a six month period with a proposed budget of \$69,290,584.00 which represents 50 percent of its Triennium 1 program year three budget.

JCP&L, the New Jersey Division of Rate Counsel, Board Staff, the Energy Efficiency Alliance of New Jersey, and the New Jersey Large Energy Users Coalition have executed a stipulation agreeing to extend JCP&L's Triennium 1 programs by six months with an extension period budget of \$69,290,584.00.

Staff recommends that the Board approve the stipulation.

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

Roll Call Vote: President Guhl-Sadovy Aye

Commissioner ChristodoulouAyeCommissioner AbdouAyeCommissioner BangeAye

G. Docket Nos. GO18101112 and EO18101113 – In the Matter of the Petition of Public Service Electric and Gas Company for Approval of its Clean Energy Future-Energy Efficiency ("CEF-EE") Program on a Regulated Basis.

Alexis Trautman, Division of Clean Energy, presented in this matter

BACKGROUND: By order dated November 17, 2021, the Board approved a stipulation of settlement authorizing Public Service Electric and Gas Company to implement its Triennium 1 EE programs with a total budget of \$1,284,147,813.00. On November 9, 2023, PSE&G filed a letter of petition requesting that the Board authorize PSE&G to extend the terms of its initial portfolio of EE programs for the Triennium 1 extension period for a six month period with a proposed budget of \$336,600,000.00, which represents 50 percent of its Triennium 1 program year three budget.

PSE&G, the New Jersey Division of Rate Counsel, Board Staff, Butler Power and Light Company, the Energy Efficiency Alliance of New Jersey, and the New Jersey large Energy Users Coalition have executed a stipulation agreeing to extend the Triennium 1 program by six months with an extension period budget of approximately \$335,200,000.00.

Staff recommends that the Board approve the stipulation.

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

Roll Call Vote: Pr

President Guhl-Sadovy Aye
Commissioner Christodoulou Aye
Commissioner Abdou Recused
Commissioner Bange Aye

H. Docket No. EO20090623 – In the Matter of the Petition of Rockland Electric Company for Approval of its Energy Efficiency and Peak Demand Reduction Programs.

Alexis Trautman, Division of Clean Energy, presented in this matter

BACKGROUND: By order dated June 9, 2021, the Board approved a stipulation of settlement authorizing Rockland Electric Company to implement its Triennium 1 EE programs with a total budget of \$18,081,625.00. On December 5, 2023, RECO filed a letter petition requesting that the Board authorize RECO to extend the term of its initial portfolio EE programs for the Triennium 1 extension period for a six month period with a proposed budget of \$5,587,466.00, which represents 50 percent of its Triennium 1 program year three budget.

RECO, the New Jersey Division of Rate Counsel, Board Staff, and the Energy Efficiency Alliance of New Jersey have executed a stipulation agreeing to extend RECO's Triennium 1 EE programs by six months for an extension period budget of \$5,587,466.00.

Staff recommends that the Board approve this stipulation.

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

Roll Call Vote: President Guhl-Sadovy Aye

Commissioner Christodoulou Aye
Commissioner Abdou Aye
Commissioner Bange Aye

I. Docket No. QW23100738 – In the Matter of the Verified Petition of Synnergy LLC Seeking a Declaratory Judgment Pursuant to N.J.S.A. 52:14B-1 et seq., and/or a Waiver Pursuant to the Waiver Rule, N.J.A.C. 14:1-1.2(b) NJADRE1553095046.

Adam Coleman, Division of Clean Energy, presented in this matter

BACKGROUND: This matter pertains to a petition seeking a declaratory judgment or waiver of N.J.A.C. 14:8-4.1(b)1, which establishes requirements for net energy metering eligibility. Petitioner also requests a six month extension to its deadline to achieve commercial operation.

To be eligible for net energy metering, a renewable energy facility must be within the legal boundaries or contiguous to the property on which the energy is consumed, as those boundaries are set forth within the official tax map. The properties can be consider contiguous if they are geographically located next to each other, but may otherwise be separated by an existing easement, public thoroughfare, or transportation or utility owned right of way and, but for the separation, would share a common boundary.

Petitioner proposed to locate the solar energy project on Lot 27, in Block 1581 in Hamilton Township, New Jersey, which is referred to as the solar lot. The proposed project is intended to provide energy to the Ewing Lawrence Sewerage Authority's, or ELSA, treatment plant at 600 Whitehead Road, Lawrenceville, New Jersey. The solar lot is located on one side and is adjacent to Sweetbriar Avenue in Hamilton Township. The ELSA lot is located on the other side of Sweetbriar Avenue in Lawrence Township and is not adjacent to it. Between the ELSA lot and Sweetbriar Avenue lies Lot 1, in Block 1501, referred to as the merger lot. Between the ELSA lot in Lawrenceville and the merger lot in Hamilton runs the municipal border.

Petitioner stated that it has a contract to purchase the merger lot and intends to merge the lot with either the solar or ELSA lot. However, the merger lot cannot be merged with the solar lot because Sweetbriar Avenue runs between them and the merger lot cannot be merged with the ELSA lot because the two lots lie in different municipalities.

Thus, while Staff acknowledges Synnergy's efforts to bring the project into compliance with N.J.A.C. 14:8-4.1(b)(1), the project would still not satisfy the rule. According to the petition, the ability to net meter and the receipt of Solar Renewable Energy Certificate II's will benefit not only Synnergy, the petitioner, but also ELSA, a public entity that serves the public health through the operation of the sewer treatment facility.

In light of the significant savings to a public entity and its ratepayers, the location of the municipal boundary close to not, but along a public thoroughfare, and the ability of the solar developer to

acquire the merger lot, Staff recommends that the Board grant petitioner's request in the alternative for a waiver of the Board's rules conditioned upon petitioner's acquisition of the merger lot and the commitment of either petitioner or ELSA to maintain ownership of this lot.

As to the petitioner's request for an extension, Staff recommends that the Board deny it and encourage the petitioner to re-register the project. By re-registering, petitioner will obtain an additional year to achieve commercial operation rather than the requested six months and the available incentive level will remain the same.

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

Roll Call Vote: President Guhl-

President Guhl-Sadovy
Commissioner Christodoulou
Commissioner Abdou
Commissioner Bange
Aye

J. Docket No. QO20020184 – In the Matter of a Successor Solar Incentive Program Pursuant to P.L. 2021, c. 169;

Docket No. QO24020117 – In the Matter of the Certification of Energy Year 2023 Cost Cap Calculation and Setting ADI Program Megawatt Blocks for Energy Year 2025; and

Docket No. QO24030197 – In the Matter of the Establishment of a Remote Net Metering Market Segment in the ADI Program Pursuant to P.L. 2023, Chapter 190.

Zainab Durda, Division of Clean Energy, presented in this matter

BACKGROUND: Pursuant to legislation and the Board's rules, the Board must certify on an annual basis that the cost cap has not been exceeded and is not forecasted to be exceeded so that future incentive commitments are permitted. The Board must also set the megawatt block allocations for the Administratively Determined Incentive Program for energy year 2025.

Based on Staff's calculations, the cost cap was not exceeded in energy year '23 and it is not forecasted to be at risk of being exceeded in energy year '24 or energy year '25. Accordingly, the cost cap does not currently serve as a constraint on selling megawatt allocations for future eligibility for the ADI program or on procurement of Class 1 RECs to ensure compliance with the energy year 2025 Class 1 renewable portfolio standards.

In light of these calculations, Staff recommends that the Board certify that the cost cap was not exceeded in past energy years and is not forecasted to be exceeded in energy year '24 or energy year '25. In addition, Staff makes the following five recommendations.

First, Staff recommends setting capacity allocations for the energy year '25 ADI program megawatt blocks.

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Second, for the net metered residential market segment, Staff recommends that the capacity allocation take into account the rate at which project registrations have historically failed to reach completion through either cancellation or expiration. According to the scrub rate, Staff recommends that the megawatt capacity for the net metered residential segment be set at 200 megawatts for energy year '25.

Third, for the net metered nonresidential megawatt block, Staff recommends capacity be 200 megawatts for energy year '25.

Fourth, for the Community Solar segment, Staff does not recommend that the Board make an additional 250 megawatts available at this time. Instead, Staff recommends that the Board roll over any unused capacity from energy year '24 to energy year '25 until 500 megawatts of applications have been received.

Fifth, in response to an act amending the remote net metering statute, Staff recommends that the Board establish a remote net metering market segment in the ADI program megawatt block with an allocation of 50 megawatts. Staff is developing a recommendation on program design, including a new application and approval process for the Board's consideration at an upcoming agenda meeting.

And, finally, Staff recommends that the Board reserve the right to modify any megawatt blocks if necessary and that the Board maintain the incentives for the ADI program at their current value.

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

Roll Call Vote: President Guhl-Sadovy Aye

Commissioner ChristodoulouAyeCommissioner AbdouAyeCommissioner BangeAye

9. MISCELLANEOUS

There were no items in this category.

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

DAWN A. GRAY

EXECUTIVE ASSISTANT

Date: 8/14/2024

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