



Agenda Date: 8/16/23  
Agenda Item: 6A

**STATE OF NEW JERSEY**  
**Board of Public Utilities**  
44 South Clinton Avenue, 1<sup>st</sup> Floor  
Trenton, New Jersey 08625-0350  
[www.nj.gov/bpu/](http://www.nj.gov/bpu/)

RELIABILITY & SECURITY

IN THE MATTER OF THE LETTER PETITION OF JERSEY )  
CENTRAL POWER & LIGHT COMPANY SEEKING NEW )  
JERSEY BOARD OF PUBLIC UTILITIES APPROVAL )  
PURSUANT TO N.J.A.C. 14:3-4.4(e) FOR USE OF AN OUT )  
OF STATE METER TESTING FACILITY (“JCP&L TESCO ) DOCKET NO. EO23040241  
FACILITY FILING”) )

**Parties of Record:**

**James Austin Meehan, Esq.**, Jersey Central Power & Light Company  
**Brian O. Lipman, Esq.**, Director, New Jersey Division of Rate Counsel

BY THE BOARD:

By this Decision and Order, the New Jersey Board of Public Utilities (“Board”) considers a letter petition filed by Jersey Central Power & Light Company (“JCP&L” or “Company”), seeking approval, pursuant to N.J.A.C. 14:3-4.4(e), to use an out-of-state meter testing facility to test legacy meters targeted for replacement under JCP&L’s Advanced Metering Infrastructure (“AMI”) program.<sup>1</sup>

**BACKGROUND AND PROCEDURAL HISTORY**

N.J.A.C. 14:3-4.4(e) requires New Jersey utilities to seek Board approval to use out-of-state meter testing facilities. On April 21, 2023, JCP&L filed a letter petition seeking approval to use a meter testing facility located in Bristol, Pennsylvania and operated by The Eastern Specialty Company (“TESCO”) to test legacy meters targeted for replacement under JCP&L’s AMI program (“Petition”).

In the JCP&L AMI Order, the Board approved a stipulation of settlement (“Stipulation”) wherein the parties agreed to a 3-year deployment phase to test and replace 99% of New Jersey customer legacy meters, the equivalent of an estimated 1.15 million meters, by December 31, 2025.<sup>2</sup> According to the Petition, given the volume of the required meter testing, the Company sought a

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<sup>1</sup> In re the Petition of Jersey Central Power and Light Company for Approval of an Advanced Metering Infrastructure (AMI) Program (JCP&L AMI), BPU Docket No. EO20080545, Order dated February 23, 2022 (“JCP&L AMI Order”).

<sup>2</sup> The estimated 1.15 million meters are 275,000 AMI meters in 2023, 537,000 in 2024, and 333,000 in 2025, equaling approximately 40,000 meters per month.

third party to meet its AMI obligation. JCP&L's existing Morristown Meter Shop lacks the equipment, floor space or staffing needed to conduct the mass retirement testing of its meters by the December 31 2025 target date.

In December 2021, JCP&L issued solicitations for meter retirement testing and associated services and received four (4) bid responses. According to JCP&L, TESCO submitted a bid 77% lower than all other bids, and TESCO has a history of delivering satisfactory results to its parent company, FirstEnergy. JCP&L selected TESCO as the winning bidder, and entered into an agreement with TESCO on May 2, 2022 ("Retirement Testing Agreement"). On January 20, 2023, TESCO received approval from the New Jersey Office of Weights and Measures for meter testing compliance under N.J.A.C. 14:3-4.4(b) 2(ii). According to JCP&L, throughout the AMI deployment period, the Company plans to conduct monthly inspections at the TESCO facility, and has no objection to Board Staff ("Staff") inspecting the TESCO facility at JCP&L's expense.

### **RATE COUNSEL COMMENTS**

On June 22, 2023, the New Jersey Division of Rate Counsel ("Rate Counsel") filed comments not objecting to JCP&L's use of the TESCO facility, subject to the following conditions: 1) TESCO complies with all Board rules; 2) JCP&L shall ensure that TESCO permits Staff to inspect the TESCO facility, upon reasonable notice, at JCP&L's expense; 3) Approval terminates if the number of meters meets the capacity of the Company's New Jersey meter testing facilities; 4) JCP&L notifies the Board and Rate Counsel with any material changes to the reliability of TESCO's meter testing; 5) JCP&L notifies the Board and Rate Counsel if it experiences any material changes to the meter testing timeliness; 6) JCP&L notifies the Board and Rate Counsel if TESCO experiences any material changes to the certification from the Office of Weights and Measures; 7) JCP&L notifies the Board and Rate Counsel if additional New Jersey meter testing facilities become available; 8) JCP&L notifies the Board and Rate Counsel if it experiences any material changes to the pricing of the TESCO meter testing; 9) JCP&L provides the Board the current locations of any additional meter testing shops it plans to use to test New Jersey customer meters; and 10) Pursuant to N.J.A.C. 14:3-4.4(c), all costs associated with testing JCP&L meters at the TESCO facility shall be borne by JCP&L.

### **DISCUSSION AND FINDINGS**

The Board carefully reviewed JCP&L's Petition, Rate Counsel's comments, the JCP&L AMI Order, and the Retirement Testing Agreement. Taking into consideration the annual meter replacement targets, the Board **HEREBY FINDS** that the Company's current meter testing facilities lack the requisite capacity to test the required quantity of legacy meters for replacement under JCP&L's AMI Program.

Accordingly, the Board **HEREBY GRANTS** JCP&L's request, pursuant to N.J.A.C. 14:3-4.4(e), to use the TESCO out-of-state meter testing facility for the retirement testing of New Jersey legacy meters pursuant to the terms of the Stipulation and the JCP&L AMI Order, subject to the following conditions:

1. Board approval of the Petition does not constitute approval of any costs or expenses associated with JCP&L's meter inspection, testing, sampling and replacement practices, including JCP&L's AMI implementation program. The Board retains all rights to review all such costs or expenses in the Company's next base rate case or in another appropriate subsequent proceeding;

2. Board approval to use the out-of-state TESCO facility to test JCP&L New Jersey customer meters shall last only until the number of JCP&L AMI Program retired meters requiring testing no longer exceeds JCP&L's meter testing shop capacity in New Jersey.
3. JCP&L shall ensure that TESCO complies with all Board rules, including but not limited to the requirements of N.J.A.C. 14:3-4.4 and N.J.A.C. 14:5, Subchapter 4;
4. JCP&L shall ensure that TESCO allows Board Staff to inspect the TESCO facility, upon reasonable notice, and that such inspections shall be at JCP&L's expense;
5. All JCP&L customer requested Board witnessed meter testing shall continue to be performed in the Company's Morristown, New Jersey meter shop;
6. All JCP&L meter testing, including AMI related meter testing, shall be reported to Staff in the Company's quarterly Meter Testing Report, submitted to the Board, in accordance with the Meter Testing rules set forth in the New Jersey Administrative Code;
7. JCP&L shall notify the Board and Rate Counsel if it experiences any material changes to the reliability of the meter testing performed by the TESCO facility;
8. JCP&L shall notify the Board and Rate Counsel if it experiences any material changes to the timeliness of the meter testing performed by the TESCO facility;
9. JCP&L shall notify the Board and Rate Counsel if the TESCO facility experiences any material changes to the certification, from the New Jersey Division of Consumer Affairs' Office of Weights and Measures, of the testing equipment that will test the meters of JCP&L's New Jersey customers;
10. JCP&L shall provide to the Board the current locations of any additional meter testing shops that it plans to use to test the meters of its New Jersey customers;
11. JCP&L shall notify the Board and Rate Counsel if additional New Jersey meter testing facilities become available;
12. JCP&L shall notify the Board and Rate Counsel if it experiences any material changes to the pricing of the TESCO meter testing; and
13. Pursuant to N.J.A.C. 14:3-4.4(c), all costs associated with testing JCP&L meters at the TESCO facility shall be borne by JCP&L.

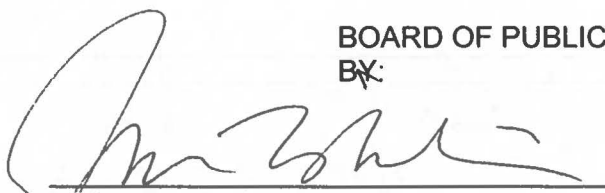
This Order shall not affect nor in any way limit the exercise of authority of the Board in any future Petition or in any proceeding with respect to rates, franchises, service, financing, accounting, capitalization, depreciation, or any other matter affecting JCP&L.

This Order shall be effective on August 23, 2023.

DATED: August 16, 2023

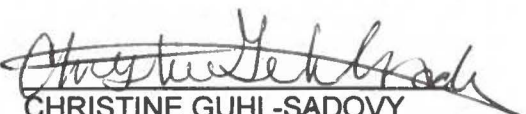
BOARD OF PUBLIC UTILITIES

BY:

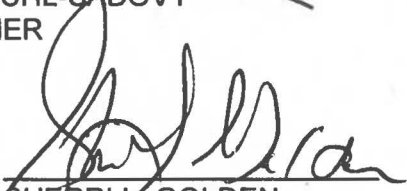
  
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COMMISSIONER

  
MARIAN ABDOU  
COMMISSIONER

ATTEST:   
SHERRILL GOLDEN  
SECRETARY

I HEREBY CERTIFY that the within document is a true copy of the original in the files of the Board of Public Utilities.

IN THE MATTER OF THE PETITION OF JERSEY CENTRAL POWER & LIGHT COMPANY  
SEEKING NEW JERSEY BOARD OF PUBLIC UTILITIES APPROVAL PURSUANT TO  
N.J.A.C. 14:3-4.4(e) FOR USE OF AN OUT OF STATE METER TESTING FACILITY (“JCP&L  
TESCO FACILITY FILING”)

DOCKET NO. EO23040241

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