



STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 3rd Floor, Suite 314
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 Board of Public Utilities was held on June 30, 2017, at the State House Annex, Committee Room 4, 125 West State Street, Trenton, New Jersey 08625.

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

Asbury Park Press
Atlantic City Press
Burlington County Times
Courier Post (Camden)
Home News Tribune (New Brunswick)
North Jersey Herald and News (Passaic)
The Record (Hackensack)
The Star Ledger (Newark)
The Trenton Times

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

Richard S. Mroz, President
Joseph L. Fiordaliso, Commissioner
Mary-Anna Holden, Commissioner
*Dianne Solomon, Commissioner
Upendra J. Chivukula, Commissioner

*Commissioner Solomon was present at the Board meeting for items 9N, 9O, 9P and 9Q and voted on these matters at that time. The Board took a short break around noon, and when it reconvened, Commissioner Solomon participated via teleconference for the remaining matters on the Agenda. The Minutes of the Regular Agenda are in the order that they were presented.

President Mroz presided at the meeting and Irene Kim Asbury, Board Secretary, carried out the duties of the Secretary. Cynthia Covie, Chief of Staff served as Acting Secretary, while Secretary Irene Kim Asbury presented item 9Q.

It was announced that the next regular Board Meeting would be held on July 26, 2017 at the State House Annex, Committee Room 4, 125 West State Street, Trenton, New Jersey 08625.

OPENING STATEMENT

President Mroz noted that after approximately noon Commissioner Solomon will have to depart for another engagement, and will join us by telephone, as best she can. So, President Solomon adjusted the agenda slightly so that Commissioner Solomon could be present and the Board could have all five members to deliberate over certain matters and would not lose her involvement or her vote on those matters.

CONSENT

I. AUDITS

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

EE17050551L	Lava Energy, Inc.	I – EA
EE16121177L	Onix Energy, LLC	I – EA
EE16060568L	Secure Energy Solutions, LLC	I – EA/PA
GE16060569L		
EE17050445L	Our Energy Manager, LLC	I – EA/EC
EE17050584L	Pappas Financial Group d/b/a Energy Link	I – EA/PA/EC
GE17050585L		

Energy Agent and/or Private Aggregator Renewal Registrations

EE17030280L	Premier Energy Management, LLC	R – EA
GE16070684L	New Jersey Business & Industry Association	R – PA

Electric Power and/or Natural Gas Supplier Initial Licenses

EE17010055L	Freepoint Energy Solutions, LLC f/k/a American Edison, LLC	I – ESL
EE16070707L	Mint Energy, LLC	I – ESL
EE17030310L	South Bay Energy Corp.	I – EGSL
GE17030311L		

Electric Power and/or Natural Gas Supplier Renewal Licenses

EE17040346L	Credit Suisse (USA), Incorp.	R – ESL
EE17030318L	First Point Power, LLC	R – ESL
EE15040420L	ENGIE Resources, LLC f/k/a ENGIE Resources, Incorp. GDF Suez Energy Resources NA, Incorp.	R – ESL
EE17010056L	Sperian Energy Corp.	R – EGSL
GE17010057L		

BACKGROUND: The Board must register all energy agents and consultants, and the Board must license all third party electric power suppliers and gas suppliers. An electric power supplier, gas supplier, or clean power marketer license shall be valid for one year from the date of issue, except where a licensee has submitted a complete renewal application at least 30 days before the expiration of the existing license, in which case the existing license shall not expire until a decision has been reached upon the renewal application. An energy agent, private aggregator or energy consultant registration shall be valid for one year from the date of issue. Annually thereafter, licensed electric power suppliers, gas suppliers, and clean power marketers, as well as energy agents, private aggregators and energy consultants, are required to renew timely their licenses in order to continue to do business in New Jersey.

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

- Lava Energy, Inc.
- Onix Energy LLC
- Secure Energy Solutions, LLC
- Our Energy Manager LLC
- Pappas Financial Group d/b/a Energy Link

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

- Premier Energy Management LLC
- New Jersey Business & Industry Association

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

- Freepoint Energy Solutions LLC f/k/a American Edison, LLC
- Mint Energy, LLC
- South Bay Energy Corp.

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

- Credit Suisse (USA), Incorp.
- First Point Power LLC
- ENGIE Resources, LLC f/k/a ENGIE Resources, Inc. and GDF Suez Energy Resources NA, Inc.
- Sperian Energy Corp.

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

II. ENERGY

A. Docket No. ER17010003 – In the Matter of the Federal Energy Items for 2017 – FERC Docket No. ER17-1567, PJM Interconnection LLC Filing on Order 831 Compliance.

BACKGROUND: This matter involved Staff, on behalf of the Board, filing for intervention in this matter to establish the Board as a party in this proceeding in an effort to file comments in response to the PJM Interconnection LLC (PJM) compliance filing with the Federal Energy Regulatory Commission (FERC) with Order 831 and in support of the Independent Market Monitor for PJM (IMM).

The Board has been active in the process related to FERC Order 831 since the initial Notice of Proposed Rulemaking (NOPR). The NOPR addressed Offer Caps in Markets, such as PJM. Specifically, the Board submitted comments on the NOPR regarding the cost-based incremental energy offer verification process and fuel cost policies. Although FERC Order 831 requires verification to build on existing policies, PJM had proposed an automated process that eliminates the role of the IMM in the offer verification process. Staff, acting on behalf of the Board, issued comments supporting the IMM's role and seeking rejection of the PJM proposal.

Staff recommended that the Board ratify the intervention.

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

III. CABLE TELEVISION

A. Docket No. CE12100934 – 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 Berkeley, County of Ocean, State of New Jersey.

BACKGROUND: On October 11, 2012, Comcast of New Jersey, LLC (Comcast) filed a petition with the Board for an Automatic Renewal Certificate of Approval for the Township of Berkeley (Township), based on the automatic renewal provision, for a term to expire on October 15, 2022. The Comcast petition is based on the Township's ordinance granting renewal municipal consent which was adopted on October 14, 1997. The Township's ordinance granted a term of 15 years with an automatic renewal term of ten years.

After review, Staff recommended approval of the proposed Automatic Renewal Certificate of Approval. This Certificate shall expire on October 15, 2022.

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

B. Docket No. CE12020170 – In the Matter of the Petition of Comcast of Central 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 South Brunswick, County of Middlesex, State of New Jersey.

BACKGROUND: On February 27, 2012, Comcast of Central New Jersey, LLC (Comcast) filed a petition with the Board for an Automatic Renewal Certificate of Approval for the Township of South Brunswick (Township) based on the automatic renewal provision, for a term to expire on January 23, 2022. The Comcast petition is based on the Township's ordinance granting renewal municipal consent which was adopted on June 4, 1996, and was subsequently amended on May 18, 1996. The Township's ordinance granted a term of 15 years with an automatic renewal term of ten years.

After review, Staff recommended approval of the proposed Automatic Renewal Certificate of Approval. This Certificate shall expire on January 23, 2022.

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

C. Docket No. CE13020131 – 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 Borough of Lakehurst, County of Ocean, State of New Jersey.

BACKGROUND: On February 8, 2013, Comcast of New Jersey, LLC filed a petition for an Automatic Renewal Certificate of Approval for the Borough of Lakehurst (Borough) based on the automatic renewal provision, for a term to expire on January 28, 2023. The petition is based on the Borough's ordinance granting renewal municipal consent which was adopted on February 5, 1998. The Borough's ordinance granted a term of 15 years with an automatic renewal term of ten years.

After review, Staff recommended approval of the proposed Automatic Renewal Certificate of Approval. This Certificate shall expire on January 23, 2023.

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

D. Docket No. CE16121144 – 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 Borough of Island Heights, County of Ocean, State of New Jersey.

BACKGROUND: On August 10, 2016, after public hearing, the Borough of Island Heights (Borough) adopted an ordinance granting renewal municipal consent to Comcast of New Jersey, LLC (Comcast). On October 3, 2016, Comcast formally accepted the terms and conditions of the ordinance, and on December 5, 2016, Comcast filed with the Board for its Renewal Certificate of Approval for the Borough.

After review, Staff recommended approval of the proposed Automatic Renewal Certificate of Approval. This Certificate shall expire on December 11, 2025.

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

E. Docket No. CE17030183 – In the Matter of Cablevision of Hudson County, LLC for the Renewal of Its System-wide Cable Television Franchise.

BACKGROUND: On August 4, 2010, the Board issued an order memorializing the conversion by Cablevision of Hudson County, LLC of its municipal consent-based franchise in the City of Hoboken to a System-wide Cable Television Franchise in Docket No. CE10050328, for a term of seven years to expire on May 11, 2017. Cablevision of Hudson County, LLC added four municipalities, memorialized by Orders of Amendment issued by the Board on April 27, 2011, for the Township of North Bergen and the Township of Weehawken; on February 10, 2012, for the Town of West New York; and on March 18, 2015, for the City of Union City, thereby completing the conversion of Cablevision of Hudson County, LLC system to a System-wide Cable Television Franchise.

Prior to Cablevision of Hudson County, LLC's System-wide Cable Television Franchise application filing, staff of the Office of Cable Television & Telecommunications (OCTV&T) reviewed Cablevision of Hudson County, LLC's performance under its system-wide franchise.

- On July 1, 2014, the OCTV&T notified Cablevision of Hudson County, LLC of its intention to review its performance under its system-wide franchise pursuant to Federal and state guidelines.
- On July 20, 2016, the OCTV&T invited Cablevision of Hudson County, LLC to file comments on its performance under its System-wide Cable Television Franchise and to assess how it will meet the future needs of the communities listed in its franchise application.
- Cablevision of Hudson County, LLC filed its Initial comments with the OCTV&T on September 30, 2016.
- On November 30, 2016, the Board issued a report on Cablevision of Hudson County, LLC's performance under its System-wide Cable Television Franchise and the future system-wide cable television franchise needs of the State and the municipalities under the system-wide franchise.

Subsequent to Cablevision of Hudson County, LLC's application filing, the Board held two public hearings on the application on May 9, 2017 at 4:00pm in West New York and at 6:00pm in Hoboken. New Jersey Division of Rate Counsel submitted written comments outlining the responsibilities of Cablevision of Hudson County, LLC under its Renewal System-wide Cable Television Franchise. Two additional comments were submitted by West New York Mayor Felix E. Roque, MD, and Hoboken Mayor Dawn Zimmer both of whom expressed their support for the Cablevision of Hudson County, LLC System-wide Cable Television Franchise renewal.

On May 26, 2016, in Docket No. CM15111255, the Board approved the merger of Altice, USA and Cablevision Systems Corporation, the parent of Cablevision of Hudson County, LLC. Altice is obligated to abide by all commitments under Cablevision of Hudson County, LLC's franchise agreements.

After review, the Office of Cable Television & Telecommunications recommended that the Board approve issuance of an order for a Renewal System-wide Cable Television Franchise to Cablevision of Hudson County, LLC for a term of seven years, which will expire on May 11, 2024.

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

F. Docket No. CE13080756 – In the Matter of the Application of Verizon New Jersey, Inc. for Renewal of a System-wide Cable Television Franchise.

BACKGROUND: On December 15, 2006, the Board approved a system-wide cable television franchise to Verizon New Jersey, Inc. (Verizon) to provide cable television service in 316 municipalities as authorized by the New Jersey Cable Television Act, in competition with incumbent cable television companies. That order was amended on December 18, 2006, August 1, 2007, April 9, 2008, October 23, 2008, April 27, 2009, July 29, 2009, April 11, 2012, November 20, 2012 and April 29, 2013.

On January 30, 2014, the Board issued a system-wide cable television franchise renewal in the above referenced docket number for a term of seven years.

On July 23, 2014, the Board issued an Order of Amendment to the system wide-franchise issued to Verizon to include the Borough of Seaside Heights. On July 23, 2015, the Board issued a Second Order of Amendment to the system-wide franchise issued to Verizon to include the Township of Woodland. On November 30, 2016, the Board issued a Third Order of Amendment to the system-wide franchise issued to Verizon to include the Borough of Milltown. On January 25, 2017, the Board issued a Fourth Order of Amendment to the system-wide franchise issued to Verizon to include the Township of Lower Alloways Creek.

On May 8, 2017, Verizon filed notice with the Board and with the City of Corbin City and the City of Estell Manor that it was adding the City of Corbin City and the City of Estell Manor to its system-wide cable television franchise.

The total number of municipalities covered by Verizon's system-wide cable television franchise is now 385. Verizon provides telephone service in all or parts of 526 municipalities in the state. Verizon currently provides its FiOS cable television service to all or parts of 364 municipalities, including the City of Estell Manor, which previously had not had cable television service available to it.

After review, Staff recommended approval of the Fifth Order of Amendment to include the City of Corbin City and the City of Estell Manor into Verizon's renewal system-wide cable

television franchise.

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

G. Docket No. CE17030184 – In the Matter of Cablevision of Newark for the Renewal of Its System-wide Cable Television Franchise.

BACKGROUND: On August 4, 2010, the Board issued an order memorializing the conversion by Cablevision of Newark of its municipal consent-based franchise in the Township of South Orange Village to a System-wide Cable Television Franchise in Docket No. CE10050327, for a term of seven years to expire on May 11, 2017. Cablevision of Newark added the City of Newark, memorialized by an Order of Amendment issued by the Board on March 18, 2010, thereby completing the conversion of Cablevision of Newark system to a System-wide Cable Television Franchise.

Prior to Cablevision of Newark's System-wide Cable Television Franchise application filing, staff of the Office of Cable Television & Telecommunications reviewed Cablevision of Newark's performance under its system-wide franchise.

Subsequent to Cablevision of Newark's application filing, the Board held two public hearings on the application on May 2, 2017 at 4:00pm in South Orange and at 6:00pm in Newark. New Jersey Division of Rate Counsel submitted written comments outlining the responsibilities of Cablevision of Newark under its Renewal System-wide Cable Television Franchise. Additional comments were submitted by Newark City Mayor Ras Baraka, who expressed his support for the Cablevision of Newark System-wide Cable Television Franchise renewal and by the Boys and Girls Club of Newark, also supporting the renewal application.

On May 26, 2016 in Docket No. CM15111255, the Board approved the merger of Altice, USA and Cablevision Systems Corporation, the parent of Cablevision of Newark. Altice is obligated to abide by all commitments under Cablevision of Newark's franchise agreements.

After review, the Office of Cable Television & Telecommunications recommended that the Board approve issuance of an order for a Renewal System-wide Cable Television Franchise to Cablevision of Newark for a term of seven years.

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

H. Docket No. CO17050548 – In the Matter of the Petition of Verizon New Jersey, Inc. for Certification of Capability to Provide Cable Television Service to 60 Percent of Households in Nine Municipalities.

BACKGROUND: On May 16, 2017, Verizon New Jersey, Inc. (Verizon) filed a petition with the Board for approval of its certification that it is capable of providing service to 60 percent of the households in nine municipalities: the City of Elizabeth, the Borough of Fort Lee, the Borough of Glen Ridge, the Township of Irvington, the Borough of Milltown, the City of New Brunswick, the City of Orange Township, the Borough of Tavistock and the Township of Teaneck.

On June 12, 2017, Verizon withdrew its certification for the Borough of Fort Lee and the City of Orange Township.

Approval of the certification petition will require the existing cable television companies within the City of Elizabeth, the Borough of Glen Ridge, the Township of Irvington, the

Borough of Milltown, the City of New Brunswick, the Borough of Tavistock and the Township of Teaneck to pay the same franchise fee required of Verizon, resulting in an increased fee from 2 percent of the basic revenues to 4 percent of the gross revenues of the cable television provider.

This is the 27th such petition that has been brought before the Board. By previous orders the Board has approved the certifications filed by Verizon of its capability to provide service to at least 60 percent of the households in a total of 255 municipalities in the State.

After review, the Office of Cable Television & Telecommunications recommended that the Board approve Verizon's certification for 60 percent availability of cable television service in the City of Elizabeth, the Borough of Glen Ridge, the Township of Irvington, the Borough of Milltown, the City of New Brunswick, the Borough of Tavistock and the Township of Teaneck.

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

IV. TELECOMMUNICATIONS

There were no items in this category.

V. WATER

There were no items in this category.

VI. RELIABILITY & SECURITY

A. Docket Nos. TS17050466K, et al. – 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 (the Act) by both excavators and operators of underground facilities. The categories of infraction include failure to provide proper notice, failure to use reasonable care and mismarking of facilities. The cases have been settled in accordance with a penalty strategy which escalates the penalty ranges in relationship to the aggravating factors such as injury, property damage, fire, evacuation, road closure, and other public safety concerns. Moreover, the strategy sought to establish appropriate disincentives for actions which violate the Act.

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

The number of settlements are 76 with a total penalty of \$223,000.00.

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

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

VII. CUSTOMER ASSISTANCE

A. Docket Nos. BPU EC16060553U and OAL PUC 12603-16 – In the Matter of Deborah Edwards, Petitioner v. Public Service Electric and Gas Company, Respondent – Request for Extension.

BACKGROUND: The Initial Decision of the Administrative Law Judge was received by the Board on May 24, 2017; therefore, the 45-day statutory period for review and the issuing of a Final Decision will expire on July 8, 2017. Prior to that date, the Board requested an additional 45-day extension of time for issuing the Final Decision in order to adequately review the record in this matter.

Good cause having been shown, pursuant to N.J.S.A. 52:14B-10(c) and N.J.A.C. 1:1-18.8, Staff recommended that the time limit for the Board to render a Final Decision be extended until August 22, 2017.

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

VIII. CLEAN ENERGY

There were no items in this category.

IX. MISCELLANEOUS

A. Approval of the Minutes for the May 31, 2017 Agenda Meeting.

BACKGROUND: Staff presented the minutes of the Regular Board Agenda meeting of May 31, 2017 and recommended they be accepted.

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

After appropriate motion, the consent agenda was approved.

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

AGENDA

9. MISCELLANEOUS

N. Docket No. WX16111083 – In the Matter of the Proposed Amendments: N.J.A.C. 14:9-10.1 et seq. – Distribution System Improvement Charge.

Mona Mosser, Bureau Chief, Division of Water, presented this matter.

BACKGROUND AND DISCUSSION: This matter involved Staff recommending that the Board approve a minor amendment to the Distribution System Improvement Charge (DSIC) rules and the comment and response document for adoption and final publication in the NJ Register.

The DSIC is a regulatory mechanism which creates a financial incentive for water utilities to accelerate the level of investment needed to promote the timely rehabilitation or replacement of certain non-revenue producing critical water infrastructure. These components enhance safety, reliability and/or conservation and speed the rate of renewal of this aging infrastructure.

Absent explicit Board action, the DSIC rules were set to expire on June 4, 2017. Board Staff sought to get stakeholder input regarding the effectiveness of the rules that were originally adopted on June 4, 2012. In order to solicit input from interested parties, Staff held three separate stakeholder meetings on February 1, 2016, March 11, 2016 and June 28, 2016. Additionally, New Jersey Division of Rate Counsel and the National Association of Water Companies provided written comments and suggested amendments as part of the informal stakeholder process. As a result of this process, Board Staff developed amendments to the DSIC rules for consideration by the Board.

The DSIC Rule Proposal was published in the January 17, 2017 NJ Register for comment. Comments on the proposal were due on March 18, 2017. Comments were received from four parties: the Division of Rate Counsel; National Association of Water Companies (NAWC-NJ); jointly SUEZ Water New Jersey Inc. and SUEZ Water Toms River Inc. and New Jersey American Water.

With the proposed responses to comments and the non-substantive amendment, Staff believed that the rules will operate in a more effective manner. Staff recommended that the Board approve the documents to be filed with the Office of Administrative Law for publication in the NJ Register for final adoption of the DSIC rule.

President Mroz said that the BPU does have a history of supporting infrastructure investment even beyond what is normally included by our companies for various efforts. And since 2009, the industry in this state has invested about \$8 billion in infrastructure; about a billion and a quarter in storm-hardening or storm response efforts; in the natural gas industry, .4 billion dollars for infrastructure replacement and upgrades; the electric industry, \$2.6 billion during that time; and the water industry, about half a million dollars in infrastructure. And these are for advancing the policies that the Board is so focused on, resiliency, asset-hardening, safety and soundness and adequacy of the infrastructure the companies need to operate, and to ensure that our customers have that safe, sound, and adequate provision of public utility services. Doing these things, taking up these various efforts for either rules or what would be some additional stakeholder engagement in the future, does reinforce our commitment to these. But what these rules will do is provide a

framework so that there is a level of regulatory certainty to all parties as to how we will handle it because up until now many of these matters, particularly the infrastructure investments, have been done on a case-by-case basis.

Commissioner Holden said it's a long time coming and she was glad we are inching forward.

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

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

O. Docket No. AX17050468 – In the Matter of the Proposed Amendments to N.J.A.C. 14:1-5.12, et seq. – Tariff Filings for Petitions which Propose Increases in Charges to Customers.

Cynthia Covie, Esq., Chief of Staff, Office of Chief of Staff, Presented this matter.

BACKGROUND AND DISCUSSION: This matter involved Staff proposing an amendment to allow a utility to implement provisional rates after the suspension periods have elapsed but prior to the Board's final decision in a base rate case. Under the proposed rule, a utility may implement a provisional rate increase equal to the full amount requested in the base rate case, or a lesser amount, following the expiration of the suspension periods, subject to refund with interest.

Currently, the Board may order two or four month suspension periods pending a hearing and determination on a base rate case matter filed by a public utility. These suspension periods prohibit a utility from implementing the new rates the utility seeks approval for in its base rate case. The suspension periods allow the Board to conduct hearings and to deliberate. While many cases are settled or otherwise resolved prior to the end of the suspension periods, some are not. Under current law, once the suspension periods elapse, utilities are permitted to implement their proposed new rates.

The proposed amendments provide guidance to utilities in implementing provisional rates. Specifically, the amendments would explicitly allow a utility to implement the full rates requested by the utility in the base rate case, or a lesser amount, following the expiration of the suspension periods. The amendments would require a utility that seeks to implement provisional rates to provide at least 30 days' notice to the Board, Rate Counsel, ratepayers (via bill insert), municipal clerks of affected municipalities, county officials of affected counties, and any other parties to the underlying base rate case. After providing this notice, the amendments require the utility to file with the Board a certification stating that the utility complied with the foregoing notice requirements. Unless Board Staff objects within a specified period of time, the utility would be permitted to implement rates on a provisional basis beginning on the date noticed by the utility. However, to account for circumstances where the provisional rates might exceed the rates ultimately approved by the Board, the amendments would explicitly require the utilities to refund any overcharges, plus interest. The methodology for calculating interest is provided for within the amendments, and is borrowed virtually verbatim from other parts of the Board's rules concerning the calculation of interest.

Staff recommended that the Board approves the proposed amendments to be filed with the Office of Administrative Law for publication in the New Jersey register.

President Mroz said that this matter has come up because over time some of the applicants have sought to implement rates or considered them, and we've also been in a situation where applicants have sought the implementation of rates in other rate matters where we are dealing with them in an accelerated time frame. Since there is no foundational aspect to move a filing that would be made in this kind of circumstance, that being provisional rates, where we have not concluded a rate case and not even basic elements of notice provisions, President Mroz is supportive of this rule proposal so that parties are on notice of the process and the terms under which they need to notify parties if they are intending to implement rates.

Commissioner Fiordaliso said that in no way do these rules dilute the Board's authority or the Board's protection of the general public because that's extremely important. Both the Board's history and national organizations' rankings place the New Jersey Board of Public Utilities square in the middle as far as fairness in treating those the Board regulates, and also regarding protecting the general public.

Commissioner Chivukula said that the Board is not giving up any control and not limiting any of its authority. Instead, he believes that one of the advantages of this particular rule is that we're trying to create a framework for the provisional ratemaking so that the Board has some oversight of the process.

Commissioner Holden said that this does give more specificity and clarity of notice. One of the big gaps is what the provisional rate increase would cover and that is spelled out on base rates.

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

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

P. Docket No. AX17050469 – In the Matter of the Proposed Rule Making for Infrastructure Investment Programs – N.J.A.C. 14:3-2A.1, et seq.

Paul Flanagan, Executive Director, presented this matter.

BACKGROUND AND DISCUSSION: This matter involved Staff recommending that the Board releases for publication the proposal for a new Subchapter regarding the implementation of an Infrastructure Investment Program (IIP) that will allow a utility to construct, install, or remediate utility plant and facilities related to reliability, resiliency, and/or safety to provide safe and adequate service. The IIP is a regulatory initiative intended to create a financial incentive for utilities to accelerate the level of investment needed to promote the timely rehabilitation and replacement of certain non-revenue producing components that enhance reliability, resiliency, and/or safety.

To encourage investment in utility infrastructure, the Board has approved over \$3 billion in IIP spending since 2006. In general, IIPs allow utilities to recover their infrastructure investments more quickly than in a traditional base rate case filing, thereby reducing what is

known in the industry as “regulatory lag.”

In approving individual IIPs for the past decade, the Board has developed certain principles regarding the types of projects suitable for IIPs, the content of filings, and whether independent monitors are needed, among other things. In light of this experience, Staff recommended that the Board memorializes the policies it uses to approve IIPs in a new rule. The rule would provide guidance to utilities that seek to establish IIPs in the future, and in turn, will incentivize utilities to continue to invest in the resiliency and reliability of utility infrastructure.

The proposed rule contains a non-exhaustive list of the types of projects that may be included within an IIP. Importantly, the rule also establishes that the Board may allow a utility to go as long as five years from the time that its IIP is approved until it must file a new rate case.

The new rule would allow a utility to recover expenditures under an approved program in as little as six months but only for facilities constructed and placed in service prior to the utility’s filing for accelerated recovery. Furthermore, a utility would not be permitted to recover expenditures incurred prior to the date on which the Board approved the utility’s IIP.

Staff released a straw proposal on this proposed rule and subsequently held a public stakeholder meeting for public comment at 1:00 p.m. on May 4, 2017. Staff also accepted written comments from stakeholders until Friday, May 12, 2017, while the majority of groups and individuals who commented and/or submitted written comments to the straw proposal were generally supportive of the proposed new rules.

Staff recommended that the Board approve the proposed new subchapter to be filed with the Office of Administrative Law for publication in New Jersey Register.

President Mroz said that this does provide some regulatory certainty around how these types of applications will be dealt with by the Board. It will define a series of facts that the Board could use in evaluating these applications and making decisions on them. Further, President Mroz said that the proposal put forward will provide our continued framework around which the Board can consider these kinds of applications, should consider them, can advance them, all while ensuring the prudence of rates and the protection of the ratepayers.

Commissioner Fiordaliso said that this rule maintains enough human interaction and again in no way dilutes the authority of this Board because the Board has certain obligations statutorily that it must perform: Safe, reliable service at the most reasonable rate to the people of the State of New Jersey who use those Services, that’s the Board’s obligation, and to ensure the solvency of the entities that the Board regulates. And when talking about infrastructure projects, the Board is talking about something that must be maintained, enhanced, and improved.

Commissioner Chivukula thanked staff for working with him on acceptance of the comments and particularly in terms of the project eligibility, including cyber security investments and issues of reliability and resilience.

Commissioner Solomon said that it should not go unnoticed by those in this room, how often we have referred to staff in their participation and cooperation and the reliance of the Commissioners on their guidance and counsel. Further, Commissioner Solomon urged those in this room in the future, when making their filings, to reach out prior to those filings and get the input from those who are going to be working with you and with the

Commissioners to hash out some of these issues ahead of time.

Commissioner Holden said that as a Mayor, there were many times when you look ahead and say, well, we have to plan out our municipality five years in advance and report to DCA what we intended to spend money on when we were going to do our capital program. We'd reach out to utilities and say: Do you have a project going on at the same time in this area? They would say, no, nothing's going on. And sure as anything, we'd close up that street, and that's when they would come through with their infrastructure project. So many of the excuses were, well, we can't look out far enough. Well, now you're getting five years to look out and it matches right up to the municipalities.

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

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

Q. Docket No. AX16080751 – In the Matter of the Board’s Review of the Provisions of N.J.A.C. 14:1 et seq. and N.J.A.C. 14:17 et seq. to Fully Implement the Board’s E-Filing Program.

Irene Kim Asbury, Esq., Secretary of the Board, presented this matter.

BACKGROUND AND DISCUSSION: This matter involved Board staff proposing amendments to: N.J.A.C. 14:1-1.6, N.J.A.C. 14:1-4.2, N.J.A.C. 14:17-1.6, and N.J.A.C. 14:17-4.2. Also proposing a new rule, N.J.A.C. 14:1-4.2A, permitting the Board to establish an electronic filing system.

In June 2015, the Board launched its electronic filing pilot program. Participant utilities could then electronically upload documents through the Board's Infoshare system with a MyNewJersey Portal ID. Two courtesy hard copies were also sent by regular mail to the Board's Office of Case Management.

When the pilot program ended in August 2015, Staff deemed the performance of the Board's Information Technology System for e-filing a success and permitted the participants to continue filing certain documents electronically.

On July 29, 2015, the Board issued an order in the matter of the Board's e-filing program, Docket No. AX16020100, waiving the following: N.J.A.C. 14:4-2(a), N.J.A.C. 14:17-4.2(a), N.J.A.C. 14:1-1.6(c), and N.J.A.C. 14:17-1.6(d), prohibiting the submission of an electronic document from being entered into a record of a formal proceeding.

On September 14, 2016, the Board conducted a stakeholders' meeting to invite questions and comments from interested entities and members of the public on amending N.J.A.C. 14:1, et seq., and N.J.A.C. 14:17, et seq., to achieve that purpose.

The public comment period ended on October 14, 2016, and all written comments were reviewed and considered by staff during the drafting process. Almost all the substantive concerns raised by submitters have been addressed in the current draft of proposed amendments and proposed new rule.

The proposed amendments to N.J.A.C. 14:1-1.6(b) permits the electronic filing of documents pursuant to the new proposed rule, N.J.A.C. 14:1-4.2A.

The proposed amendment to 14:1-1.6(c) expands the exception to the prohibition of the formal receipt of documents submitted electronically in a formal proceeding to include those filed pursuant to the proposed new rule 14:1-4.2A.

The proposed amendment to 14:17-1.6(d) expands the exception to the prohibition of the formal receipt of documents submitted electronically in a formal proceeding for the Cable Division to include those filed pursuant to the proposed new rule.

Proposed new subsection 14:17-4.2(c) states that the provisions of this section do not apply to electronic filings made pursuant to the new proposed rule 14:1-4.2A.

The proposed new rule requiring a filer to submit ten certified copies of the filing states that the filing requirements of the three existing rules in 14:1-4, Subchapter 4, do not apply to any electronically filed pleading or other paper and amendment submitted pursuant to an electronic filing program established by the Board.

The proposed new rule also sets forth requirements of any electronic filing programs, which includes, but is not limited to: The electronic copy that will be considered the filed copy and any subsequent changes to the e-filed document must be filed as an amendment or supplement to the original filing; electronically submitted documents will be deemed as officially filed upon submission by assessed entities; any portion of the filing submitted by hard copy are subject to the provisions of N.J.A.C. 14:1-4.2; and, finally, electronic filing does not affect the service requirements to the Division of Law and Public Safety or the New Jersey Division of Rate Counsel or any other filing or service requirements set forth in the Board rules.

Since the Board has already provided a 60-day comment period on this notice of proposal, this notice is excepted from the rulemaking calendar. As such, Board Staff recommended that the Board approve the proposed amendments and the proposed new rule to be filed with the Office of Administrative Law for publication in the New Jersey Register.

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

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

1. AUDITS

There were no items in this category.

2. ENERGY

Thomas N. Walker, P.E., Director, Division of Energy, presented these matters.

A. Docket No. ER16040337 – In the Matter of the Provision of Basic Generation Service (BGS) for the Period Beginning June 1, 2017 – Bates White’s Final Report on the 2017 BGS Residential Small Commercial Pricing and Commercial Industrial Price Auctions.

BACKGROUND AND DISCUSSION: Bates White was hired by the Board in September 2012 to oversee and monitor the process proposed by the four Electric Distribution Companies (EDCs) in New Jersey to procure supplies for Basic Generation Service (BGS) for three years, starting with the supply period beginning June 1, 2013, and extending through the supply period beginning June 1, 2015. Among the many related tasks, Bates White is responsible for the following regarding any Board approved BGS procurement process: providing advice on any proposed procurement process, design, and associated rules; reviewing the EDCs’ marketing efforts to attract potential bidders; reviewing the data and information exchanged with potential bidders; monitoring efforts to educate potential bidders on the auction process and rules; monitoring the administration and implementation of the procurement process; advising on the procurement process final results, including the development of a range of potential final prices or “price benchmarks” based on market conditions existing at that time that would be compared with the final results; and providing a final report on the results with recommendations to improve future BGS procurement processes.

At its agenda meeting on September 30, 2014, the Board determined that Staff should pursue an additional one year contract extension with Bates White for the 2016 BGS Auction. By memo dated October 17, 2014, the Department of Treasury approved the one year contract extension. A further extension was approved for the 2017 BGS Auction.

By Order dated October 31, 2016, in Docket No. ER16040337, the Board approved with modifications the EDCs’ Joint Proposal for BGS for the period beginning on June 1, 2017. The EDCs proposed two simultaneous, multi-round, descending clock auctions (Auctions) for the procurement of supply to meet the full electricity requirements (i.e. energy, capacity, ancillary services, transmission, etc.) of retail customers that remain on BGS commencing June 1, 2017. One Auction, called the BGS-Commercial and Industrial Energy Pricing (CIEP) Auction, would procure hourly-priced supply for the larger commercial and industrial customers with a peak usage of 500 kW or greater for a one-year period. The second, called the BGS- Residential & Small Commercial Pricing (RSCP) Auction, would procure one-third of the supply requirements for all other customers with a peak usage of 500 kW and under for a three-year period.

Bates White determined that the implementation of the BGS-RSCP and BGS-CIEP auction processes for the supply year beginning June 1, 2017 sufficiently met the Board’s approved Auction Rules, including additional criteria used by Bates White to evaluate the auction process. Further, Bates White determined that the BGS-RSCP Auction and the BGS-CIEP Auction procurement processes and the Rockland procurement process were (a) fair and transparent, and (b) sufficiently competitive. Additionally, Bates White determined that the winning prices as a result of each Auction were consistent with market conditions.

The total contracted amount for the 2017 BGS Auction and Rockland procurement process was \$270,150.00. Bates White’s actual total project costs for the 2017 BGS Auction were through April 2017 were \$260,122.74. It is anticipated that invoices received from Bates

White for the May 2017 through June 2017 period will not exceed the remaining balance of the contract (\$10,027.26).

Staff determined that all contractual obligations regarding the BGS-RSCP and BGS-CIEP Auctions for the BGS supply period beginning June 1, 2017 have been fulfilled satisfactorily by Bates White. Staff recommended that Bates White's Annual Final Report on the 2017 BGS RSCP and CIEP Auctions" be accepted for filing by the Board, and that the redacted version be made available to the public via the Board's website. Staff also recommended that the Board direct the New Jersey Division of Treasury to provide final payment to Bates White.

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

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

B. Non-docketed Matter – In the Matter of Management Consulting: Oversight of the Board of Public Utilities Basic Generation Service Auction Process – Request for Proposal – Selection of Consultant – See Executive Session.

BACKGROUND AND DISCUSSION: This matter was first discussed in Executive Session, and it involved the Basic Generation Service Auction and a selection of a consultant.

At the October 31, 2016 Board meeting, the Board directed that a Request For Proposal be initiated to hiring a consultant to perform oversight work on behalf of the basic generation service procurement process. An evaluation committee was formed consisting of staff from the Division of Energy, Chief of Staff's Office, Legal and Contracts Department to review the proposal. The evaluation committee determined that Bates White was the best candidate for the job based on technical scoring and process.

Staff recommended that the Board concur with the evaluation committee recommendation. Staff also recommended that the Board request the Electric Distribution Companies (EDCs) to include the cost in tranche fees for the winning bidder and that EDCs transfer the full amount of the contract costs to treasury upon request of staff.

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

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

C. Docket No. GR16111064 – In the Matter of the Petition of Public Service Electric and Gas Company to Modify Its Manufactured Gas Plant Remediation Component within Its Electric Societal Benefits Charge (SBC) and Its Gas SBC; During the Remediation Adjustment Charge 24 Period, August 1, 2015 to July 31, 2016.

BACKGROUND AND DISCUSSION: On November 4, 2016, Public Service Electric and Gas Company (PSE&G or Company) filed a petition with the Board seeking review and approval of the Company's Manufactured Gas Plant Remediation Adjustment Clause (RAC)

activities and net Manufactured Gas Plant (MGP) costs incurred between August 1, 2015 through July 31, 2016 (RAC 24 Period).

In the petition, PSE&G requested approval of net RAC expenditures of \$40.903 million. As a result of the allocation of MGP costs between electric and gas customers, this resulted in \$24.542 million for electric customers and \$16.361 million for gas customers. As a result, the annual revenue collected from electric customers would be reduced by \$865,000.00 and the annual revenue collected from gas customers would be increased by \$6.143 million.

After review of discovery and subsequent settlement discussions, the Company, New Jersey Division of Rate Counsel and Board Staff, (collectively, the Parties) reached an agreement on the petition, and on June 2, 2017 executed a Stipulation of Settlement (Stipulation).

Staff recommended that the Board approve the Stipulation of the Parties. Board Staff further recommended that the Board direct PSE&G to file tariffs consistent with the Board's Order by July 10, 2017.

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

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

D. Docket No. GT17050522 – In the Matter of the Petition of South Jersey Gas Company for Approval to Modify Its Current Tariff Pursuant to N.J.A.C. 14:1-5.11.

BACKGROUND AND DISCUSSION: The Federal Pipeline and Hazardous Materials Safety Administration recently published a final rule amending Title 49 of the Code of Federal Regulations, Part 192 requiring natural gas distribution companies to install Excess Flow Valves (EFVs) on new or replaced gas service lines servicing single-family residences, multi-family residences and small commercial entities. An EFV is a safety device designed to shut off the flow of natural gas automatically if the service line should break. The new regulations also include the obligation to provide written or electronic notification to all customers of their right to request the installation of an EFV on their existing service line. The notification must include, inter alia, a description of the EFV installation and replacement costs.

On May 17, 2017, South Jersey Gas Company (SJG or Company) filed a petition with the Board seeking approval to modify its tariff in response to the new Federal EFV mandate, allowing customers to request installation of an EFV on an existing service line. In addition, the proposed tariff would ensure each individual customer seeking an EFV will bear the cost of such installation.

According to SJG, the proposed modification will expand the scope of changes that a customer may request to its existing service line at the customers expense. The Company further represented that the proposed modification will not impact its revenues or result in a change in rates.

By letter dated June 13, 2017, New Jersey Division of Rate Counsel (Rate Counsel) stated that it had reviewed the amended federal regulation at 49 CFR 192.383, the proposed tariff language modification, as well as the customer on-bill notice and the Company's webpage information about EFVs. The Rate Counsel further stated that it was not opposed to approval

of the Petition as it is satisfied that the proposed modification to the tariff should meet the necessary requirements under the new federal amendment for EFVs.

Staff recommended that the Board approve the tariff modification requested by SJG. Staff further recommended that the Board direct Company to file tariffs consistent with its Order within five days of service of the Board Order.

President Mroz asked staff to confirm that the tariff modification doesn't change the rates, it's simply a revision to the tariff sheets to permit the recapture of the cost of the EFVs.

Commissioner Solomon thanked President Mroz for giving her an excess flow valve.

Commissioner Chivukula asked staff for confirmation that excess flow valves are not covered in the infrastructure costs.

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

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

E. Docket Nos. BPU GR16090826 and OAL PUC 15870-16 – In the Matter of the Petition of Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas for Approval of Increased Base Tariff Rates and Charges for Gas Service and Other Tariff Revisions.

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

BACKGROUND AND DISCUSSION: On September 1, 2016, Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas (ETG or the Company), filed a petition with the Board seeking authority to: (1) increase base delivery rates for gas service designed to produce an increase in revenues of approximately \$19 million or 6.6%; (2) modify its depreciation rates; (3) to roll in and recover certain costs and finalize certain rates associated with the Accelerated Infrastructure Replacement Program approved by the Board in Docket No. GO12070693 and the Elizabethtown Natural Gas Distribution Utility Reinforcement Program approved by the Board in Docket Nos. GO13090826 and GR15060656; (4) make certain rate design and tariff changes and establish a new Societal Benefits Charge provision to recover the costs associated with the annual Board and New Jersey Division of Rate Counsel (Rate Counsel) assessments and ETG's uncollectible expense; and (5) establish certain regulatory assets pursuant to N.J.S.A. 48:2-16.

The Company's Petition, which was accompanied by exhibits and pre-filed testimony was based on a test year of the twelve months ending March 31, 2017, with three months of actual data and nine months of estimated data and certain post-test year adjustments that reflected changes in capital expenditures through September 30, 2017 and changes in revenues and certain expenses through December 31, 2017.

By Order dated September 23, 2016 (September 2016 Order) the Board issued an Order suspending the proposed rates until February 1, 2017. By Order dated January 25, 2017, the Board issued an Order further suspending any increases, changes or alterations in rates for service until June 1, 2017.

The September 2016 Order also directed Board Staff (Staff) to transmit the Petition to the Office of Administrative Law (OAL). On October 14, 2016, the Petition was transmitted to the OAL for evidentiary hearings and assigned to the Administrative Law Judge (ALJ) Irene Jones.

On November 17, 2016, ALJ Jones held a pre-hearing conference. ALJ Jones issued a Prehearing Order dated December 15, 2016 (Prehearing Order), establishing a procedural schedule for this proceeding which was further amended by orders dated March 23, 2017 and March 27, 2017. The Prehearing Order also granted the motion to intervene of the New Jersey Large Energy Users Coalition (NJLEUC) and the motion to participate of Public Service Electric & Gas Company (PSE&G).

On December 9, 2016, the Company updated its Petition with a 6+6 filing containing actual results for the 6 months ending September 30, 2016 and reflecting a revenue requirement of approximately \$17.2 million as compared to the \$19 million reflected in the Company's Petition. On March 31, 2017, the Company submitted a 9+3 filing containing actual results for the 9 months ending December 31, 2016 and reflecting a revenue requirement of approximately \$21 million.

Public hearings on ETG's proposed rate increase were held on March 20, 2017 at 4:30 p.m. and 5:30 p.m., in Union, New Jersey and on March 27, 2017 at 4:30 p.m. and 5:30 p.m., in Flemington, New Jersey. No members of the public attended the public hearings held in Union, New Jersey and one member of the public appeared at one of the public hearings held in Flemington, New Jersey.

Throughout the course of the proceeding, the Company, Staff, New Jersey Division of Rate Counsel (Rate Counsel), NJLEUC, and PSE&G held numerous discovery and settlement conferences.

On May 16, 2017, the Company submitted its 12+0 update reflecting actual results through March 31, 2017, reflecting a revenue requirement of \$20.1 million.

On June 9, 2017, after receipt and review of the 12+0 update, the Company, Rate Counsel, Staff and NJLEUC (collectively, Signatory Parties) executed a stipulation of settlement (Stipulation) in this matter. The Stipulation would allow for an increase in revenues of approximately \$13.3 million. PSE&G submitted a letter indicating that it did not object to the Stipulation.

On June 15, 2017, ALJ Jones issued an Initial Decision approving the Stipulation of the Signatory Parties finding that the settlement is voluntary, consistent with the law and fully disposes of all issues in controversy.

As a result of the Stipulation, a typical residential customer using 100 therms in a winter month will experience a monthly increase in their monthly bill from \$81.82 to \$87.47, a \$5.65 or 6.9 percent increase. On an annual basis, a customer using 100 therms in a winter month and 1,000 therms annually will experience an increase of approximately \$57.52.

Staff recommended that the Board adopt the Initial Decision and approve the Stipulation for service rendered on or after July 1, 2017. Staff further recommended that the Board direct ETG to file tariffs consistent with its order prior to July 1, 2017.

Commissioner Holden stated that the stipulated revenue requirement is reasonable, but she was not happy with the term regarding return on equity. Further, Commissioner Holden said that while she will vote for this settlement, the Board needs to reiterate that it does not start rate cases with a predetermined ROE and back it into the rate design.

Commissioner Fiordaliso stated that Commissioner Holden's points are well taken and it's something that the Board should look into.

President Mroz stated that he did not disagree with the previous comments by the Commissioners. Further, he said it is our responsibility, as Commissioners, to ultimately make determinations, particularly on policy matters and ultimately to determine the elements of rate cases, and it is our responsibility to do that and no one else's. At the end of the day, we will need to do that if we are so called upon by the parties. And this matter is clearly a settlement of the parties and I respect that and, therefore, I will certainly be supportive.

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

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

F. Docket Nos. BPU EO16010043 and OAL PUC 01505-16 – In the Matter of the Petition of Atlantic City Electric Company for a Determination Pursuant to the Provisions of N.J.S.A. 40:55D-19 that the Use of Certain Lands within the Township of Upper Pittsgrove, the Township of Pittsgrove, City of Vineland, the Township of Franklin, the Borough of Buena Vista; the Township of Hamilton; the Township of Weymouth; the City of Estell Manor; and the Township of Egg Harbor; All in the Counties of Salem, Cumberland, Gloucester and Atlantic; All in the State of New Jersey, are Reasonably Necessary for the Service, Convenience or Welfare of the Public, and that the Zoning and Land Use Ordinances of those Municipalities and Counties Shall Have No Application Thereto.

Thomas N. Walker, P.E., Director, Division of Energy, presented this matter.

BACKGROUND AND DISCUSSION: On January 15, 2016, Atlantic City Electric Company, (ACE or Company) filed a petition with the Board seeking the following determinations:

- The construction of the proposed Orchard-Lewis Transmission Project (Project) and all facilities involved in the project are reasonably necessary for the service, convenience and welfare of the public;
- The rights-of-way and construction requirements currently in effect shall apply to the Project notwithstanding any changes in Right-of-Way or construction requirements that the Board may promulgate between the date of approvals obtained and the date that the Project lines are placed into service;
- The Zoning and Land Use Ordinances and all regulations promulgated by the municipal entities and the counties shall have no application to the Project, including, but not limited to, substations;

The petition further sought authorization to construct and energize the proposed Project and the facilities in appurtenant thereto in a timely manner in order to permit the Company to satisfy its obligation to continue to provide safe, adequate, and reliable service to ACE's customers and to enable ACE to construct and energize the Project. ACE requested

expedited approval in order for the construction to commence, and considering the environmental restrictions set forth in an amended New Jersey Department of Environmental Protection Consent Order, the temporary extended operation of the B.L. England plant is minimized.

The Orchard-Lewis Transmission Project is an accelerated upgrade to a forty-one mile, eighty (80+) year old double circuited 138 kilo-volt (kV) transmission line consisting of new higher capacity double circuited 230 kV and multiple 138 kV lines with an extension from the original. This transmission upgrade traverses through the ten municipal entities identified in the caption located in Salem, Cumberland, Gloucester and Atlantic counties. Existing ACE right-of-way will be utilized for the upgrade construction. ACE and PJM studies determined the transmission project is necessary and in anticipation of possible overloads and voltage violations should the B.L. England electric generation facility cease operation. ACE believes if B.L. England is converted to burn natural gas the transmission upgrades would still be needed to maintain reliability during that process when B.L. England is offline.

On January 28, 2016, the matter was transferred to the Office of Administrative Law (OAL) and assigned to Administrative Law Judge (ALJ) William T. Miller. After notice, public hearings were held on this matter on June 8 and 9, 2016 in Mays Landing, NJ and Elmer, New Jersey, respectively. In October 2016, ALJ Miller was elevated from the Administrative Law bench to the Superior Court bench, and this matter was transferred to ALJ Elia A. Pelios. ALJ Pelios held a plenary/evidentiary hearing and closed the record on December 2, 2016.

The initial decision forty-five day time period expired on January 16, 2017. The first automatic forty-five day initial extension expired on March 2, 2017. On March 2, 2017, ALJ Chief Judge Laura Sanders filed a signed forty-five day Extension Order which was received by the Board on March 6, 2017, citing the reason for the extension as Judge Pelios' voluminous caseload. President Mroz signed the OAL Order on March 10, 2017 granting ALJ Pelios until April 17, 2017, to issue his initial decision in this matter. President Mroz's execution of that order was ratified by the Board on March 24, 2017. On April 18, 2017, the Board again received an order signed by ALJ Laura Sanders on April 17, 2017, seeking the President's signature for an additional 45 day extension of time, to June 1, 2017, for ALJ Pelios to issue the initial decision. The Board approved that extension on April 21, 2017.

No opposition has been filed to this project, and the Pinelands Commission has issued its Certificate of Filing. The parties entered almost all of the voluminous testimony into the record at the evidentiary hearing.

On May 25, 2017, ALJ Pelios issued his Initial Decision in this matter concluding that ACE should be able to construct and begin local operation of the Project as proposed; that the Local Land Use and Zoning Ordinances, rules or regulations promulgated under the auspices of the Municipal Land Use Act of the State of New Jersey should not apply to the construction, installation, and operation of the Project; and that ACE's petition should be granted.

Staff recommended that the Board accept ALJ Pelios' Initial Decision and grant ACE's request to construct and place in service the Project subject to the conditions as stated in the order.

President Mroz said that the nature of the project and the circumstances around it has evolved over time. Further, he asked staff for confirmation that this project originally was contemplated in anticipation that the B.L. England plant might go offline. Finally, he asked staff for confirmation that PJM determined that regardless of the continued operation of B.L.

England, assuming it continues, the project is still necessary.

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

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

G. Docket No. ER17010003 – In the Matter of the Federal Energy Items for 2017 – FERC Docket No. ER17-1567, PJM Interconnection LLC Filing on Order 831 Compliance.

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

BACKGROUND AND DISCUSSION: This matter involved Staff, acting on behalf of the Board filing comments in response to the PJM Interconnection LLC (PJM) compliance filing with Federal Energy Regulatory Commission (FERC) Order 831 and in support of the Independent Market Monitor for PJM (IMM). The Board has been active in the process related to Order 831 since the initial Notice of Proposed Rulemaking (NOPR). The NOPR addressed Offer Caps in Markets, such as PJM. Specifically, the Board submitted comments on the NOPR regarding the cost-based incremental energy offer verification process and fuel cost policies.

Although FERC Order 831 requires verification to build on existing policies, PJM has proposed an automated process that eliminates the role of the IMM in the offer verification process. Staff, acting on behalf of the Board, issued comments supporting the IMM's role and seeking rejection of the PJM proposal.

Staff recommended that the Board ratify the comments.

Commissioner Fiordaliso stated that it's important to have an independent market monitor and that he was disappointed in PJM. An independent market monitor is beneficial, not only to the states that are part of PJM, but to all the citizens represented by those commissions throughout those states.

President Mroz stated that he, as President of OPSI this year, along with members of a subcommittee which followed the activity of the independent market monitor, have been in contact directly with Andy Ott, CEO of PJM, and the Board members of PJM, apart from the filings that our state is making for other states or that OPSI has made, as an organization, to express our concern with the positions that PJM has been taking and that the OPSI states unanimously support the activities of the IMM. So it has not been lost at the regional level. And OPSI, as an organization collective of 14 jurisdictions within this electric grid, have been reinforcing the importance of the integrity of the market monitor's work.

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

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

3. CABLE TELEVISION

There were no items in this category.

4. TELECOMMUNICATIONS

A. Docket No. TM17040433 – In the Matter of the Verified Joint Petition of Broadview Networks Holdings, Inc., and Broadview Networks, Broadview NP Acquisition Corp., BridgeCom International, Inc., ATX Licensing, Inc., A.R.C. Networks, Inc., Eureka Telecom, Inc., and TruCom Corporation and Windstream Holdings, Inc. for Approval to Transfer Control of the Broadview Licensees.

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

BACKGROUND AND DISCUSSION: On April 21, 2017, Broadview Networks, Inc., Broadview NP Acquisition Corp., BridgeCom International, Inc., ATX Licensing, Inc., A.R.C. Networks, Inc., Eureka Telecom, Inc. and TruCom Corporation (collectively, the Broadview Licensees); Broadview Networks Holdings, Inc. (Broadview Holdings); and Windstream Holdings, Inc. (Windstream) (together with Broadview Holdings and Broadview Licensees, Petitioners) submitted a Joint Petition requesting Board approval to complete a transaction whereby Windstream will acquire indirect control of the Broadview Licensees.

Following the proposed transaction, the Broadview Licensees and will become a wholly-owned subsidiaries Windstream and will continue to offer the same services in New Jersey at the same rates, terms, and conditions.

By letter to the Board dated June 5, 2017, the New Jersey Division of Rate Counsel (Rate Counsel) submitted comments indicating that it did not object to approval of the Petitioners' requests in this matter, however, it did raise a concern regarding the potential for diminished service, service quality and customer service capability based on attrition in employment post the transaction which would not be in the public interest. Rate Counsel recommended that the Board require the Petitioners to notify the Board and Rate Counsel providing an explanation if there is a net loss of jobs in New Jersey that is greater than fifteen percent for four years post-issuance of the Board's Order as a condition of approval of this merger.

Staff, having reviewed the Petition and supporting documents, did not find any reason to believe that there will be an adverse impact on rates, competition in New Jersey, the employees of the Petitioners, or on the provision of safe adequate and proper service to New Jersey consumers. Moreover, a positive benefit may be expected from the strengthening of the Petitioner's competitive posture in the telecommunications market.

Therefore, Staff recommended that the Petitioners be allowed to proceed with the transaction finding that there will be no adverse effect to customers in New Jersey; however Staff recommended that Petitioners shall notify the Board and provide an appropriate explanation for three years from the issuance of an Order if there is any net loss of jobs in New Jersey, greater than fifteen percent. Staff also recommended the Petitioners be ordered to notify the Secretary of the Board and the Office of Cable Television and Telecommunications within five days of the closing of the transaction.

President Mroz asked staff for confirmation that the provision, which requires the applicant to notify the Board if the level of employment drops by 15 percent, and provide an

explanation, is a standard that the Board has consistently applied or sought in similar applications.

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

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

Prior to Staff's presentation of item 5A, the Commissioners noted the following:

PRESIDENT MROZ: Now there's a related matter that is not on the agenda which I would like to have discussion about. I have had conversation with the staff and I know that my colleagues have as well. We are aware that there has been, first in other states, there are similar mechanisms as we currently have. They've been operating for many years as well successfully as is here. Separately, there have been efforts and requests to consider the further expansion of the rules, as we will put forward today, to include additional types of infrastructure, the water and wastewater companies have in their operations whether they would be eligible.

So I have heard that request loud and clear from various parties. And as a policy matter, I think it is incumbent upon us to consider whether the DSIC rules could be expanded further and the prudence of doing so. So it is my intention and I would ask my colleagues now to have some discussion about asking the staff to proceed with a new stakeholder process to evaluate any potential additional revisions to the rules in the future which might expand them for further investments in the infrastructure in the industry. Let me ask for any of my colleagues' comments.

COMMISSIONER HOLDEN: I think this came up in a recent Board meeting when we were talking about a sewer issue and Commissioner Chivukula said, well, they can use the DSIC. And I said, no, they can't use the DSIC for the systems.

So what I had suggested is perhaps that something that mirrors the DSIC in a wastewater collection system, not the treatment system, because that's pretty well covered by the Department of Environmental Protection, but really the public health issue of not addressing the wastewater systems. They're built pretty much to fail. They've been put in and they're pretty much neglected because everyone cares about the potable water.

COMMISSIONER HOLDEN: It's an important issue. It also might be a way to also address some of the cities that are having problems coming up with a way to deal with combined sewer overflows. And I will remind people that during Superstorm Sandy, the billions of gallons of untreated wastewater that were discharged, by not only New York and New Jersey, there was enough to cover the island of Manhattan in a foot of wastewater.

So if you don't think it's an important issue, it's an extremely important public health issue. It's also a way that we're sending a lot of wastewater to treatment plants that are actually leaking out of the system and one that is being treated is one issue, but also it's a way to reduce some of the electric load if we can upgrade these facilities. So I am obviously very much in favor of this, but particularly for the collection systems.

COMMISSIONER FIORDALISO: Thank you. I just want to concur, it's extremely important. I have more to say about infrastructure as we go along, I have more to say about other things as we go along today and so on. But -- and I'm going to make mention of the fact that what I'm going to say now which is something again that I'm going to say about and continue to say today, this Board has never shied away from maintaining, giving incentive to, and promoting infrastructure because we realize, just as well as anybody else, that if we are going to have a thriving economy, the infrastructure of this state has to be number one. And that has to be number one, not only in this state, but this country; unless we want this country to become a third world country, we better make sure our infrastructure is A No. 1. And in here in New Jersey, this Board, ever since I've been on it, has been committed to ensuring this. So I fully support what you're saying.

COMMISSIONER SOLOMON: Similarly, Joe, I also wanted to give kudos actually to the water industry and to this Board and the previous Boards in how they have developed this DSIC program and continuing to move forward, as Commissioner Holden is with the issue concerning wastewater, how to build a rule and create a rule that works well for the industry, with staff, and the cooperation of, you know, all interested parties in a way that is meaningful and well established.

COMMISSIONER CHIVUKULA: I think it's time we did this. But one other comment I would like to make is we need to be aware in terms of when you look at the potable water, 95 percent -- only we use 5 and 95 percent of potable water is flushed down the toilet. And we need to think about some innovative ways and increase companies to see that they can reuse some of the water so that we can reduce the collection point.

COMMISSIONER HOLDEN: And as to Commissioner Chivukula comments, there was a discussion one time in the states about water reduction, and that's becoming more and more apparent the more we get into drought conditions. It's one thing to have low-flow toilets and those kinds of efforts, but really think about how long it takes for your shower water to get hot if you don't have a quick heating tank. All that water is running away. Why can't that be reused? Why aren't using potable water to water our lawns, to flush our toilets? Other states maybe, like Florida, has purple pipe. But this is a much larger discussion, but one that really needs to be regenerated.

PRESIDENT MROZ: Any other comments or questions? Unless otherwise and I think I hear a consensus, I think the Board would then direct staff to begin a new stakeholder process to consider any comments about the DSIC rules and if there is any proposals for the DSIC expansion. Any -- I don't think we need a vote for that. Staff has heard us.

MS. MORAN: Just to be clear, we already are adopting the DSIC and with the clarifications in it. So we were going to start a stakeholder process for a DSIC for wastewater.

5. WATER

- A. Docket No. WO17040386 – In the Matter of the Application of the Merchantville-Pennsauken Water Commission Requesting Approval of an Agreement between the Commission and USCI, Inc. a Subsidiary of SUEZ Water Advanced Solutions for a Maintenance Agreement for MPWC Wells, Including Motors and Pumps Pursuant to the Provisions of the New Jersey Water Supply Public-Private Contracting Act, N.J.S.A. 58:26-19 et seq.**

Maria L. Moran, Director, Division of Water, presented this matter.

BACKGROUND AND DISCUSSION: On April 27, 2017, pursuant to the New Jersey Water Supply Public-Private Contracting Act (Water Act), the Merchantville-Pennsauken

Water Commission (Petitioner or MPWC) submitted a petition pursuant to the provisions of the Water Act for approval of a proposed agreement (Agreement) for a Water Well, Pumps and Motors Maintenance Agreement between the Petitioner and Utility Service Co., Inc. (USCI) a subsidiary of SUEZ Water Advanced Solutions.

MPWC is a regional municipal water authority in Camden County that sought to enter into a Well Maintenance Service Agreement pursuant to the Water Act. The Petitioner supplies potable water to residents of Merchantville, Pennsauken, a contiguous small section of northwestern Cherry Hill and a very small portion of northeastern Camden along the Pennsauken border.

On August 11, 2016, the Petitioner passed a Resolution to proceed with a Request for Proposals (RFP) for a long-term Well Maintenance Agreement. Thereafter, the MPWC on August 19, 2016 issued a RFP for a Well Maintenance Services Agreement in accordance with the Water Act. MPWC issued a notice of its RFP of vendors interested in providing a service agreement for well maintenance services as well as accompanying motors and pumps of MPWC's water supply system on its website on August 19, 2016 and in the Courier-Post on August 23, 2016. On August 29, 2016, MPWC notified New Jersey Department of Community Affairs, the New Jersey Department of Environmental Protection and the Board of its intent to enter into a contract for water, pump and motor maintenance services agreement.

On October 13, 2016, the evaluation committee reported the results of its evaluation of the USCI proposal to the MPWC. The MPWC determined to pass a Resolution making a conditional award subject to negotiations with USCI for certain final terms of a contract. Thereafter extensive negotiations took place regarding those terms. The proposal itself was published on the MPWC website along with the memorandum of reasons for the USCI selection.

The MPWC was not satisfied with the contract terms and negotiations were ongoing by the original hearing date of December 8, 2016. No one appeared on that date, and the hearing was postponed.

On February 21, 2017, the MPWC published the new Notice of Hearing Date as well as the final terms of the current contract along with the memoranda regarding USCI's selection. These documents were made available on the website, and the municipal clerks of the franchise area received that same day the Notice of Hearing for March 9, 2017. The Notice was published in the Courier-Post as of February 23, 2017, and physical inspection of the contract and website documents was afforded for the four days prior to the Public Hearing on March 9, 2017.

USCI, the only responder, put forth a proposal which complied with all the specifications required by the RFP. USCI exceeded the minimum score set in advance by the Committee and displayed vast experience and knowledge in an area where MPWC needs expertise.

Provided with the above information, MPWC agreed to enter into a 10-year contract with USCI for water, pump and motor maintenance services agreement.

A public hearing was conducted on March 9, 2017 at 4:00 p.m. in MPWC's Headquarters in Pennsauken. A verbatim record of the hearing was produced as required pursuant to N.J.S.A. 58:26-24(d). No one from the public or other vendors appeared and no one commented while the record remained open.

A resolution was introduced on April 13, 2017 (Resolution No. 2017-05) by the MPWC authorizing the execution of the Services Agreement with SUEZ, to provide contract operator services in connection with MPWC's System in accordance with the Water Act.

Staff recommended that the Board approve the Public-Private Contract between the Merchantville-Pennsauken Water Commission and USCI, Inc.

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

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

B. Docket No. WM15010043 – In the Matter of the Petition of SUEZ Water New Jersey, Inc. for Approval of the Sale and Conveyance of Approximately 9.2+/- Acres of Land and Improvements Situate in the Borough of Harrington Park, County of Bergen and the Transfer of Certain Easements in Connection Thereto Pursuant to N.J.S.A. 48:3-7 and N.J.A.C. 14:1-5.6.

Michael Kammer, Bureau Chief, Division of Water, presented this matter.

BACKGROUND AND DISCUSSION: This matter involved an Order approving the sale and conveyance of approximately 9.2 +/- acres of land and improvements of SUEZ (formerly United) Water New Jersey's (SUEZ or Company) headquarters property, situated in the Borough of Harrington Park, County of Bergen, and the transfer of certain easements in connection thereto. The property being sold is known and designated as 200 Old Hook Road, Block 1601, Lot 1, as shown on the Tax Map of the County of Bergen, New Jersey (Headquarters Property).

The Company entered into an Agreement of Sale to sell the property to Allegro Development Company, LLC (Allegro) that includes the transfer of easements for existing uses on the Harrington Park parcel and associated regulatory treatment in connection with such sale. The total purchase price as originally filed was \$6,660,500.00.

By letter dated May 25 2017, the New Jersey Division of Rate Counsel submitted comments stating that it did not object to Board approval of the sale of the property contingent upon the Board finding that SUEZ has complied with N.J.S.A. 48:3-7(a), N.J.A.C. 14:1-5.6 and the Erie-Lackawanna test.

Staff recommended that the Board approve the sale of the property from SUEZ to Allegro Development.

President Mroz stated that this matter has been going on for some time. The proposal for an assisted living facility and essentially the beneficial use for purposes of zoning and planning at the local level was a matter that the Review Board took into consideration in granting the approval. To that extent, it's one of the reasons why other proposals were not acceptable.

It was the decision of the Review Board to approve this proposed development as it is under jurisdiction of the Review Act of the Board. So suggestions that other proposals might be better or more advantageous to provide greater value are not relevant because there no longer are other proposals that the Board could even consider because this is the only one that the Review Board could see fit to approve. So, knowing full well what the decision was

at the Review Board and the reasons for it, President Mroz found that the objections which have been raised are not relevant. And, therefore, President Mroz intends to support the application.

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

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

C. Docket Nos. BPU WR16060510 and OAL PUC 09261-2016 – In the Matter of the Petition of SUEZ Water Arlington Hills, Inc. for Approval of an Increase in Rates for Wastewater Service and Other Tariff Changes – OAL Request for Extension.

Jim Kane, Legal Specialist, Office of Chief Counsel, presented this matter.

BACKGROUND AND DISCUSSION: On June 15, 2016, SUEZ Water Arlington Hills Inc. (Petitioner) filed a petition with the Board seeking to increase its rates for wastewater service.

On June 20, 2016, the Board transmitted this matter to the Office of Administrative Law (OAL) for hearings and on July 29, 2016, the Board issued an Order suspending the Petitioner's proposed rate increase until November 29, 2016. On October 31, 2016, the Board issued an Order further suspending the proposed rate increase until March 29, 2017.

Evidentiary hearings were held before Administrative Law Judge (ALJ) Irene Jones on March 13, 2017 and March 16, 2017. Numerous exhibits were entered into the record at the hearings.

Initial briefs were filed on April 13, 2017 and reply briefs were filed on May 4, 2017.

On June 23, 2017, Chief ALJ Laura Saunders filed a signed forty-five Extension Order citing the reason for the extension as ALJ Jones' voluminous caseload.

Staff recommended that the Board approve President Mroz granting the OAL the extension request.

President Mroz stated that he has, through senior staff, continued to ask that we stay in active conversation with Judge Sanders to deal with these issues because they come up regularly in terms of the docket, and he just wanted everyone to know that we continue to ask for our continued dialogue with Judge Sanders to hopefully not have any surprises with the docket as it is.

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

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

6. RELIABILITY & SECURITY

A. Docket No. GO17030188 – In the Matter of the Petition of South Jersey Gas Company for Authorization to Construct and Operate a 16-Inch Distribution Pipeline Pursuant to N.J.A.C. 14:7-1.4.

James P. Giuliano, Director, Division of Reliability and Security, presented this matter.

BACKGROUND AND DISCUSSION: On February 28, 2017, South Jersey Gas Company (SJG or Company) filed a petition with the Board requesting approval of the installation of a proposed 5-mile, 16-inch diameter steel natural gas distribution pipeline. The Pipeline will be designed, constructed and certified by pressure testing to operate at a maximum allowable operating pressure of 600 pounds per square inch gauge (psig).

The proposed pipeline alignment includes 230 buildings intended for human occupancy which currently exist within 100 feet of the proposed pipeline, of which 203 are residential, 20 are commercial, 4 are public assembly buildings including 3 churches and 1 school that is currently unoccupied, and 3 are municipal buildings. The 3 municipal buildings include 2 sanitary sewer pump stations and an unoccupied service station.

On April 19, 2017, a public hearing was held in Camden County at the municipal court located in the Borough of Stratford, New Jersey. Board Legal Specialist William Agee, Esq., served as the duly-designated hearing officer. Michael Stonack, Bureau Chief, Bureau of Pipeline Safety, appeared and commented on behalf of the Board Staff, Maura Caroselli, Esq., appeared and commented on behalf of the New Jersey Division of Rate Counsel (Rate Counsel) Stacy Mitchell, Esq., appeared on behalf of Petitioner.

At the public hearing, Richard Bethke, a Senior Engineer of SJG, described the need for the project, its design and proposed alignment, alternative Pipeline routes considered, proposed inline pipeline integrity inspections planned for the Pipeline, proposed construction safety measures, as well as safety measures to ensure protection against corrosion.

One member of the public, Ron Morello, Stratford Chief of Police, spoke on the impact the project would have on the residents and surrounding communities, and expressed that certain traffic safety measures would be taken by SJG and its contractor during Project construction.

On April 10, 2017, the Rate Counsel propounded discovery requests upon SJG, which were answered on April 13, 2017.

On May 4, 2017, the Rate Counsel filed comments in this matter asserting that action on the petition should be deferred until the Board has afforded it an opportunity for full discovery and an opportunity for an evidentiary hearing on the necessity for an safety of the Project. Rate Counsel argues that SJG's discovery responses raise substantial issues of fact which require further consideration by the Board based upon a full evidentiary record.

Staff recommended the Board approve SJG's request for authorization to construct and operate the Pipeline, as it is deemed necessary and in the public interest, subject to the following conditions:

- approval of all environmental permits required by the New Jersey Department of Environmental Protection;
- approval of road opening permits from the affected counties and municipalities;

- all other permits and approvals, if any;
- approval of traffic control and detour plans with the affected jurisdictions;
- installation of 12-inch wide warning tape over the Pipeline;
- the requirement to follow transmission pipeline regulations contained in the Federal Code of Regulations and New Jersey Administrative Code;
- the pressure testing requirements of N.J.A.C. 14:7-1.14 prior to placing the Pipeline into operation;
- assurance that integrity assessments of the Pipeline will be performed using inline inspection devices in accordance with Federal pipeline safety requirements; and
- the Rate Counsel conditions contained in the Board Order.

President Mroz stated that it was his understanding that the company's customers in the northern part of the service territory are experiencing issues regarding pressure of service, which has driven the need for this pipeline. Further, President Mroz asked staff to elaborate on that issue.

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

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

7. CUSTOMER ASSISTANCE

There were no items in this category.

8. CLEAN ENERGY

B. Scott Hunter, Renewable Energy Program Administrator, presented these matters.

A. Docket No. QO17030252 – In the Matter of the Petition for a Formal Hearing Regarding the Energy Year 2016 Retail Sales for NJ RPS Compliance – Public Power and Utility of New Jersey, LLC; TriEagle Energy, LP and Viridian Energy.

BACKGROUND AND DISCUSSION: This matter involved a motion for reconsideration filed by Crius Energy, LLC on May 4, 2017, and three subsidiaries acting as Third Party Suppliers in the New Jersey energy market (Petitioners). Pursuant to the Board's rules, N.J.A.C. 14:1-8.7, the Board must grant or otherwise expressly act upon a motion for reconsideration or rehearing within 60 days of its filing, or it will be deemed denied. Due to additional time needed to review and respond to the motion.

Due to the timing of the Board's agenda meetings and the press of other matters, the Board does not have time to adequately review the Petitioners' claims within the 60-day limit imposed by the rule. Staff recommended that the Board approve the issuance of a Secretary's letter to the Petitioners, informing them that the Board is continuing its review of the motion, and will act on it beyond the 60-day time limit.

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

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

B. Docket No. EO12090832V – In the Matter of the Implementation of L. 2012, c. 24, The Solar Act of 2012;

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

Docket No. QO16100958 – EPP Renewable Energy, LLC Pennsauken Township Landfill.

BACKGROUND AND DISCUSSION: On October 14, 2016, EPP Renewable Energy, LLC (EPP or Applicant) submitted its application to the Board to have its project certified as being located on a properly closed sanitary landfill facility of the Solar Act. EPP’s three MWdc project is proposed to be constructed on the Pennsauken Township Landfill, which is owned by Pollution Control Financing Authority of Camden County.

Staff consulted with New Jersey Department of Environmental Protection (NJDEP) on EPP’s request for certification of its potential solar generation facility pursuant to Subsection t of the Solar Act. The Applicant seeking certification submitted the required documentation to enable NJDEP to determine whether the proposed site was a “properly closed landfill” as defined by the Solar Act. NJDEP reviewed the application and supplied an advisory memorandum to Staff on the land use classification and the remediation status of the proposed site. On the basis of NJDEP’s determination, information contained in the application, and other relevant factors.

Staff recommended that the Board conditionally grant the Applicant’s request for certification as a “properly closed sanitary landfill” pursuant to Subsection t. NJDEP determined that the ten acre area on which the solar electric power generation facility will be located on constitutes a “properly closed sanitary landfill facility” pursuant to the Solar Act. Staff also recommended that Board direct the Applicant to file its solar renewable energy certificates registration within fourteen days of the date of the Order and explicitly grant conditional certification.

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

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

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

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

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

BACKGROUND AND DISCUSSION: This matter involved Staff recommending that the Board approve the final recommendations of the Solicitation Manager (SM) for the sixth solicitation conducted under the Electric Distribution Companies' (EDCs) Solar Renewable Energy Certificate II (SREC II) Programs.

On December 18, 2013, the Board approved the settlement stipulations of Atlantic City Electric Company (ACE), Jersey Central Power and Light (JCP&L) and the Rockland Electric Company (RECO) for the extension of their SREC-based financing programs (jointly SREC II Programs). After an Request for Proposal process, the EDCs retained Navigant Consulting, Inc. (Navigant) to act as the SM for these programs.

The timeline for the sixth solicitation in the SREC II Programs was announced via release of the Request for Proposals on February 24, 2017, including a webinar for prospective bidders on March 10, 2017.

Consolidated bid applications were due on April 17, 2017. The solicitation included three market segments: residential and commercial under 50 kW, residential and commercial from 51 kW to 2 MW, and Landfill/Brownfield/Area of Historic Fill. The SM issued its final recommendations report on May 19, 2017. The SM recommended awarding contracts to three of eight projects' bid in ACE's territory for award capacity totaling 1,480.50 kW. Of the eight projects bid, two were in Segment 1 and six were in Segment 2. The SM recommended rejecting two projects bid in ACE's Segment 1 and three projects bid in ACE's Segment 2 because the pricing was not competitive.

The SM recommended awarding sixteen of the forty one projects bid in JCP&L's territory for award capacity totaling 10,192.99 kW. Of the sixteen projects recommended for bid acceptance, nine were in Segment 1, six were in Segment 2 and one project bid in Segment 3. The SM recommended rejecting eighteen projects bid in JCP&L's Segment 1 and seven projects bid in JCP&L's Segment 2. Five of the project bids were recommended to be rejected for non-competitive prices and two bids were recommended for rejection due to their exceedance of the Developer Cap. No projects were bid in RECO's territory in Round Six.

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

Commissioner Chivukula asked staff if there was an end date for the SREC II program.

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

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

Marisa Slaten, Esq., Director, Division of Economic Development and Energy Policy, presented these matters.

D. Docket No. QO16040353 – In the Matter of the Clean Energy Programs and Budget for Fiscal Year 2017.

BACKGROUND AND DISCUSSION: The fiscal year 2017 (FY17) programs and budgets for the New Jersey Clean Energy Program were set in a Board Order dated June 29, 2016, and revised via Order dated February 22, 2017. Staff proposed additional revisions to the FY17 budgets. The proposed revisions were released for public comment on June 9, 2017 and comments closed on June 16, 2017.

The public comment summarizes the proposed budget changes. In sum, the proposal includes the following:

- \$3.724 million from HPwES to Energy Efficient Products;
- \$1.052 million from Energy Storage to Microgrids; and
- \$70 million in uncommitted funds to State Energy Initiatives. This increase recognizes the \$20 million increase in State Energy Initiatives included in the FY17 Appropriations Act (enacted in June 2016) plus \$50 million anticipated in a FY17 supplemental appropriation, consistent with the State Treasurer’s Revenue Update testimony on May 16, 2017.

Staff recommended approval of the FY17 budget modifications.

President Mroz stated that we do need to make revisions to the FY 17 budget to deal with certain obligations. However, the FY 17 budget is still in progress and, in fact, it will not be several weeks until the FY 17 budget numbers are actually concluded and we know exactly how those numbers and what, if any, surpluses there are from the FY17 budget will be realized.

Further, President Mroz said that we do not believe at this point in time, that over these two years, from FY 17 to FY 18, that there would be a particular detrimental impact or one that is different than we anticipated when we invoked the budget and the budget which I presented and testified to in the legislative committee; that being over the last -- from '16 to '17 to Fiscal Year 18 and approximately \$310 million spent for the Clean Energy Program.

Commissioner Fiordaliso said that we need an in-depth review of the money that is collected through the SBC. Further, Commissioner Fiordaliso said that we have to do our best to spend every last nickel for that which it's intended.

Commissioner Chivukula said that the challenge here is that it's a double taxation on the ratepayers because they're paying for a specific purpose that is not being used and in some cases we have societal benefit charges for taking care of the state parks. Commissioner Chivukula said that it does not make any sense and what we are doing is an injustice to the ratepayers. In addition, Commissioner Chivukula said that he thought that when you spend

it, we need to make sure that it's at least 60 percent or 70 percent towards the societal benefit in terms of energy and energy efficiency. Further, the Commissioner said that our ratings have been cut; we went from No. 8 to 25. We are now rated below average in terms of the innovativeness of our agency because we have not come up with any kind of innovative rate design.

Commissioner Holden said that some of the measures that we took today, particularly with our infrastructure, is going to certainly raise the rating of the agency in the eyes of people on Wall Street. Further, Commissioner Holden said that maybe it's time to revisit the societal benefits charge, because if you're not spending it on what you're supposed to, then we have too much money to spend. Finally, Commissioner Holden said that we need to get those programs out the door and come up with a good strategic plan on how to get these out the door.

Commissioner Solomon said that she echoed Commissioner Holden's comments.

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

Roll Call Vote:	President Mroz	Aye
	Commissioner Fiordaliso	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye
	Commissioner Chivukula	abstained

E. Docket No. QO17050464 – In the Matter of the Comprehensive Energy Efficiency and Renewable Energy Resource Analysis (CRA) for Fiscal Year 2018.

BACKGROUND AND DISCUSSION: This matter involved the Board considering and determining the funding for New Jersey's Clean Energy Program (NJCEP) for fiscal year 2018 (FY18).

On February 9, 1999, the Electric Discount and Energy Competition Act (the Act) was signed into law, creating the societal benefits charge to fund programs for the advancement of energy efficiency (EE) and renewable energy (RE) in New Jersey. The Act also provided for the Board to initiate proceedings and undertake a comprehensive resource analysis (CRA) of EE and RE programs in New Jersey every four years. The CRA would then be used to determine the appropriate level of funding over the next four years for the EE and Class I RE programs, which are part of what is now known as NJCEP. Accordingly, in 1999, the Board initiated its first CRA proceeding and, in 2001, it issued an order setting funding levels, the programs to be funded, and the budgets for each those programs, all for the years 2001 through 2003. Since then, the Board has issued numerous Orders setting the funding levels, related programs, and program budgets for the years 2004 – Fiscal Year 2017 (FY17).

On June 6, 2017, Staff distributed to the EE and RE listservs a notice of the availability of the draft FY18 "Comprehensive Energy Efficiency & Renewable Energy Resource Analysis Straw Proposal," dated May 31, 2017. Board Staff also posted the document on the NJCEP web site. The distributions and postings requested comments on the Straw Proposal, with a due date of June 20, 2017. Further, a public hearing regarding the Straw Proposal was held on June 16, 2017, and the Straw Proposal was also discussed at the meetings of both the EE and the RE Stakeholder Groups, which meetings were held on June 13, 2017. In addition, New Jersey Department of Environmental Protection (NJDEP), by email dated June 8, 2017, confirmed (a) the Board had consulted with NJDEP regarding the Straw Proposal including, without limit, the Proposed FY18 Funding Levels set forth therein, and (b) NJDEP agreed

with the Proposed FY18 Funding Levels, stating they were “acceptable and consistent with the overall goals of ... NJCEP.”

The Straw Proposal provides discussion of how the funding levels proposed for FY18 are consistent with the goals and objectives discussed above. Board Staff recommended that for FY18 the Board set a new SBC funding level of \$344,665,000.00, which is the same funding level approved by the Board for FY15, FY16, and FY17. When combined with other sources of funds, it results in total FY18 funding of \$346,370,959.00 (collectively, the Proposed FY18 Funding Levels). Board Staff estimated the Proposed FY18 Funding Levels will be sufficient to maintain a full portfolio of programs. The following table provides more details regarding the Proposed FY18 Funding Levels:

Proposed FY18 Funding Levels

Budget Category	New SBC Funding	Total FY18 Funding*
<i>Energy Efficiency:</i>		
Residential	\$ 49,846,906	\$ 50,249,371
Low Income	23,864,504	24,000,000
Commercial & Industrial	69,409,625	70,142,422
State Facilities	100,000	100,000
Subtotal Energy Efficiency	\$ 143,221,035	\$ 144,491,793
Distributed Energy Resources	8,735,203	9,000,000
Renewable Energy	2,585,321	2,600,000
EDA Programs	-	108,166
NJCEP Administration	6,862,441	6,910,000
NJCEP Total	\$ 161,404,000	\$ 163,109,959
State Energy Initiatives	183,261,000	183,261,000
Grand Total	\$ 344,665,000	\$ 346,370,959

Staff reviewed the Straw Proposal, including, without limit, the Proposed FY18 Funding Levels set forth therein, and found that the Straw Proposal will benefit customers and is consistent with the Energy Master Plan goal of reducing energy usage and associated emissions, will provide environmental benefits beyond those provided by standard offer or similar programs, and is otherwise appropriate. Therefore, Staff recommended the Board approve the Straw Proposal and the Proposed FY18 Funding Levels.

Staff found that the allocation of the FY18 funding to electric and natural gas utilities is reasonable and consistent with the methodology approved by the Board in its 2008 CRA III Order. Based on the above, Staff recommended the Board approve the Proposed FY18 Utility Payments.

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

Roll Call Vote:

President Mroz	Aye
Commissioner Fiordaliso	Aye
Commissioner Holden	Aye
Commissioner Solomon	Aye
Commissioner Chivukula	Aye

F. Docket No. QO17050465 – In the Matter of the Clean Energy Programs and Budget for the Fiscal Year 2018.

BACKGROUND AND DISCUSSION: This matter involved the Board considering and determining fiscal year 2018 (FY18) programs and budgets for New Jersey’s Clean Energy Program (NJCEP).

On February 9, 1999, the Electric Discount and Energy Competition Act (the Act) was signed into law, creating the societal benefits charge (SBC) to fund programs for the advancement of energy efficiency (EE) and renewable energy (RE) in New Jersey. The Act also provided for the Board to initiate proceedings and undertake a comprehensive resource analysis (CRA) of EE and RE programs in New Jersey every four years. The CRA would then be used to determine the appropriate level of funding over the next four years for the EE and Class I RE programs, which are part of what is now known as NJCEP.

Accordingly, in 1999, the Board initiated its first CRA proceeding and, in 2001, it issued an order setting funding levels, the programs to be funded, and the budgets for each those programs, all for the years 2001 through 2003. Since then, the Board has issued numerous Orders setting the funding levels, related programs, and program budgets for the years 2004 – Fiscal Year 2016 (FY16).

On December 1, 2015, the Department of Treasury awarded a Program Administrator contract (Contract) to TRC. The Contract requires TRC to participate in the annual CRA process, participate in the annual budget process, prepare draft annual Compliance Filings for NJCEP, design and implement improvements to NJCEP’s programs, obtain and consider stakeholder feedback (from, without limit, the RE and EE Committees), coordinate annual NJCEP evaluations, and implement the agreed-upon recommendations flowing from those evaluations. TRC has been fulfilling these requirements as applicable and as they come due.

Rutgers University’s Center for Energy, Economic and Environmental Policy (CEEPP) was engaged by the Board to manage evaluations of NJCEP. CEEPP evaluation activities have included preparation of a program cost benefit analysis, preparation of a multi-year evaluation plan, and management of other evaluation activities performed by third-party contractors. In January 2016, Energy Resource Solutions (ERS), contracted and managed through CEEPP, submitted its draft final report on the process evaluation of NJCEP Programs. While a review of the recommendations included in the ERS report remains ongoing, several of the recommendations in the benchmarking and process evaluation studies are reflected in the program changes. The ERS report will be posted after the review is completed. Evaluations of NJCEP are posted on the NJCEP web site.

On June 6, 2017, Board Staff distributed to the EE and RE listservs a notice of the availability of the proposed FY18 Program Descriptions and Budgets (aka “Compliance Filings” and “Plan Filings”) for programs managed by Board Staff, by TRC, and by the Utilities (collectively, the FY18 Compliance Filings), as well as other budgetary materials set forth in tables below in this Order (these budgetary materials, the FY18 Budget Materials). Additionally, on June 9, 2107, Board Staff supplemented the foregoing distribution with Appendices F and G to the TRC Compliance Filing. (FY18 Budget Materials together with the FY18 Compliance Filings (as supplemented), the FY18 Compliance Filings and Budgets). Board Staff also posted the documents on the NJCEP website. The distributions and postings invited comments on the foregoing documents, with a due date of June 20, 2017.

NJ Clean Energy Program
Proposed FY18 Budget
 (\$000)

Budget Category	New SBC Funding	Other Resources (a)	Total FY18 Funding (b)	Commitment Backlog (c)	Total FY18 Budget
<i>Energy Efficiency:</i>					
Residential	49,847	\$ 402	\$ 50,249	\$ 16,193	\$ 66,442
Low Income	23,865	135	24,000	-	24,000
Commercial & Industrial	69,410	733	70,142	86,837	156,979
State Facilities	100	-	100	7,500	7,600
Energy Efficiency	\$ 143,221	\$ 1,271	\$ 144,492	\$ 110,530	\$ 255,022
Distributed Energy Resources	8,735	265	9,000	29,054	38,054
Renewable Energy	2,585	15	2,600	-	2,600
EDA Programs	-	108	108	5,411	5,519
NJCEP Administration	6,862	48	6,910	2,193	9,103
NJCEP Total	\$ 161,404	\$ 1,706	\$ 163,110	\$ 147,188	\$ 310,298
State Energy Initiatives	183,261	-	183,261	-	183,261
Grand Total	\$ 344,665	\$ 1,706	\$ 346,371	\$ 147,188	\$ 493,559

(a) includes loan repayments, interest, and carryforward of unspent/uncommitted balances from FY17

(b) supports new commitments, payment of incentives not previously committed, program operating expenses

(c) includes carryover of committed balances from FY17 for payment in FY18 or continued encumbrance for future payment

Consistent with the Board's contract with TRC, Board Staff coordinated with the TRC Team regarding the FY18 Compliance Filings and Budgets, as well with regards to the comments received on same. Further, Board Staff, in conjunction with the TRC Team, discussed the FY18 Compliance Filings and Budgets at a public hearing and at public meetings of the EE and RE Stakeholder Groups, all to receive comments and input. Finally, the FY18 Compliance Filings and Budgets were circulated to the EE and RE listservs, they were posted on the NJCEP web site, and written comments about them were solicited from the public and considered. Therefore, Staff found that the processes utilized in developing the FY18 Compliance Filings and Budgets were appropriate and provided stakeholders and interested members of the public adequate notice and opportunity to comment on them.

Staff also reviewed the FY18 Compliance Filings and Budgets, and found that the FY18 Compliance Filings and Budgets will benefit customers and are consistent with the EMP goal of reducing energy usage and associated emissions. Further, the programs will provide environmental benefits beyond those provided by standard offer or similar programs, and are otherwise reasonable and appropriate. Therefore, Staff recommended the Board approve the FY18 Compliance Filings and Budgets.

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

Roll Call Vote:

President Mroz	Aye
Commissioner Fiordaliso	Aye
Commissioner Holden	Aye
Commissioner Solomon	Aye
Commissioner Chivukula	Aye

9. MISCELLANEOUS

Michael Winka, Senior Policy Advisor, Office of the President.

A. Docket No. QO17060629 – In the Matter of the Town Center Distributed Energy Resources (DER) Microgrid Incentive Program Authorization of Incentive Funding to the City of Atlantic City for Phase I Feasibility Study.

BACKGROUND AND DISCUSSION: The 2015 New Jersey Energy Master Plan Update established a new overarching goal to “Improve Energy Infrastructure Resiliency & Emergency Preparedness and Response” in response to several extreme weather events that left many people and businesses without power for extended periods of time. These new policy recommendations included the following:

1. Increase the use of microgrid technologies and applications for Distributed Energy Resources (DER) to improve the grid’s resiliency and reliability in the event of a major storm; and
2. The State should continue its work with the United States Department of Energy, the utilities, local and state governments and other strategic partners to identify, design and implement Town Center DER (TC DER) microgrids to power critical facilities and services across the State.

At its November 30, 2016 agenda meeting, the Board authorized the release of staff’s Microgrid Report (Report). The following recommendations in the Report specifically address the development of a TC DER microgrid feasibility study incentive program and pilot:

1. Develop and implement a TC DER microgrid feasibility study incentive program as part of the current New Jersey Clean Energy Program budget. This TC DER microgrid feasibility study incentive program should provide funding for the upfront feasibility and engineering evaluation project development costs of a Town Center TC DER microgrid at the local level. This incentive should be a phased approach as beginning with an initial feasibility study, followed by detailed engineering designs. Staff should implement a stakeholder process to determine the terms and conditions of the TC DER microgrid feasibility study incentive program. This incentive should be provided through an Memorandum of Understanding (MOU) structure.
2. Initiate a TC DER microgrid pilot within each electric distribution company (EDC) service territory. This should initially be limited to the municipalities within the 9 Federal Emergency Management Agency designated counties or municipalities that meet the same criteria identified in the New Jersey Institute of Technology report. These pilots should include, at a minimum, an initial feasibility study of the TC DER microgrid. This process should assist in the development of a TC DER microgrid tariff.

At its January 25, 2017 agenda meeting, the Board authorized the release of TC DER microgrid feasibility study application. Incentive funding is capped at \$200,000.00 per feasibility study. The Board directed staff to release the application and to open a 60-day application submission window. Applications submitted during that period would be reviewed by Staff and selected on a competitive basis. Any application submitted after this time period would be accepted on a first-come-first-served basis subject to available fund. The 60 day period ended on March 27, 2017.

Prior to March 27, 2017, the City of Atlantic City submitted an application to the Board.

City of Atlantic City is a microgrid project with combined heat and power for the mid-town portion of the City including Atlanticare Regional Medical Center, Boardwalk Hall, Caesars/Bally's Hotels and Casino as the critical facilities. The microgrid assets (electric generation and thermal generation equipment) is planned to be installed at the ACM Energy's (an affiliate company of DCO Energy) Midtown Thermal Control Center (MTCC). Chilled water and steam generated by the MTCC are delivered to customers for cooling, heating, domestic hot water and kitchen use. A combine heat and power (CHP) was added to the MTCC system consisting of a Solar Taurus 60 fuel combustion gas turbine and a Rentech heat recovery steam generator. The additional technology employed by the MTCC would include a CHP that was installed in the former Revel Casino, and is now being removed from the facility. This additional generation of 7.5 MW electric and thermal would be connected to the critical facilities to provide additional thermal generation to the microgrid participants and other customers. Revenue would be generated through sale of Locational Marginal Price electricity and demand response. Cost savings would be realized by peak power demand reduction and reduced electric generation. The Atlantic City Electric supervisory control and data acquisition system would be integrated with the existing control systems at MTCC along with the installation of new EDC compatible control systems. The estimated time to complete the feasibility study is three to four months.

After review of the application, Staff recommended that the Board approve the Atlantic City application for the total incentive amount of \$175,000.00 and authorized President Mroz to sign and execute MOU which sets forth the terms and conditions of the commitment of these funds.

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

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

B. Docket No. QO17060630 – In the Matter of the Town Center DER Microgrid Incentive Program Authorization of Incentive Funding to Camden County for Phase I Feasibility Study.

BACKGROUND AND DISCUSSION: The 2015 New Jersey Energy Master Plan Update established a new overarching goal to “Improve Energy Infrastructure Resiliency & Emergency Preparedness and Response” in response to several extreme weather events that left many people and businesses without power for extended periods of time. These new policy recommendations included the following:

1. Increase the use of microgrid technologies and applications for Distributed Energy Resources (DER) to improve the grid’s resiliency and reliability in the event of a major storm; and
2. The State should continue its work with the United States Department of Energy, the utilities, local and state governments and other strategic partners to identify, design and implement Town Center DER (TC DER) microgrids to power critical facilities and services across the State.

At its November 30, 2016 agenda meeting, the Board authorized the release of staff's Microgrid Report (Report). The following recommendations in the Report specifically address the development of a TC DER microgrid feasibility study incentive program and pilot:

1. Develop and implement a TC DER microgrid feasibility study incentive program as part of the current New Jersey Clean Energy Program budget. This TC DER microgrid feasibility study incentive program should provide funding for the upfront feasibility and engineering evaluation project development costs of a Town Center TC DER microgrid at the local level. This incentive should be a phased approach beginning with an initial feasibility study, followed by detailed engineering design phase. Staff should implement a stakeholder process to determine the terms and conditions of the TC DER microgrid feasibility study incentive program. This incentive should be provided through an Memorandum of Understanding (MOU) structure.
2. Initiate a TC DER microgrid pilot within each electric distribution company service territory. This should initially be limited to the municipalities within the 9 Federal Emergency Management Agency designated counties or municipalities that meet the same criteria identified in the New Jersey Institute of Technology report. These pilots should include, at a minimum, an initial feasibility study of the TC DER microgrid. This process should assist in the development of a TC DER microgrid tariff.

At its January 25, 2017 agenda meeting, the Board authorized the release of TC DER microgrid feasibility study application. Incentive funding was capped at \$200,000.00 per feasibility study. The Board directed staff to release the application and to open a 60-day application submission window. Applications submitted during that period would be reviewed by Staff and selected on a competitive basis. Any application submitted after this time period would be accepted on a first-come-first-served basis subject to available fund. The 60 day period ended on March 27, 2017.

Prior to March 27, 2017, Camden County submitted an application to the Board.

Camden County along with the critical facility, Camden County Municipal Utilities Authority (CCMUA), looks to establish a community microgrid in the Camden Region. The project envisions connecting CCMUA with Covanta to allow the two facilities to exchange electrical and thermal energy during emergency and non-emergency times based on the needs of CCMUA and its connected microgrid community partners. The interconnection of the two facilities will allow Covanta to replace its use of potable water with treated wastewater for its power production operations, as part of a sustainability loop that would be created. This treated wastewater supply is expected to reduce stress on the local aquifer system which is in distress. Other facilities that will benefit from the microgrid include Camden Housing Authority, Riletta/H.B. Wilson Elementary Schools, New Village Supermarket, Fellowship House, Fortunas, and Citgo Gas. The project is 21MW of production and 1,578,000 therms over 420,000 square feet. The project team members will evaluate most commercially-viable technologies for use within the microgrid including but not limited to fuel cells, battery energy storage systems, solar photovoltaics, combined-heat and power systems, thermal loops, and water exchange systems. The microgrid feasibility study will evaluate the technical and financial viability of providing DER to most if not all of the study areas' electrical needs while using excess heat from the Covanta WTE facility to offset thermal loads of the CCMUA. In turn, water from CCMUA could be used to decrease Covanta's potable water use. This self-sustainable system would also provide continuity of operations

to critical public safety infrastructure (shelters, police, fire, medical) during times of natural or man-made disasters. The microgrid control system that will be specified would be able to connect directly to Public Service Electric & Gas Company resources and telecommunication/IT systems using software adapters and standard semantic models and protocols over internet provider networks. The estimated time to complete the feasibility study is twelve to fifteen months. The total project cost estimate will be developed during the feasibility study phase.

After review of the application, Staff recommended the Board approve the Camden County application for the total incentive amount of \$150,000.00 and authorized President Mroz to sign and execute the MOU which sets forth the terms and conditions of the commitment of these funds.

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

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

C. Docket No. QO17060631 – In the Matter of the Town Center DER Microgrid Incentive Program Authorization of Incentive Funding to Cape May County Municipal Utilities Authority for Phase I Feasibility Study.

BACKGROUND AND DISCUSSION: The 2015 New Jersey Energy Master Plan Update established a new overarching goal to “Improve Energy Infrastructure Resiliency & Emergency Preparedness and Response” in response to several extreme weather events that left many people and businesses without power for extended periods of time. These new policy recommendations included the following:

1. Increase the use of microgrid technologies and applications for Distributed Energy Resources (DER) to improve the grid’s resiliency and reliability in the event of a major storm; and
2. The State should continue its work with the United States Department of Energy, the utilities, local and state governments and other strategic partners to identify, design and implement Town Center DER (TC DER) microgrids to power critical facilities and services across the State.

At its November 30, 2016 agenda meeting, the Board authorized the release of staff’s Microgrid Report (Report). The following recommendations in the Report specifically address the development of a TC DER microgrid feasibility study incentive program and pilot:

1. Develop and implement a TC DER microgrid feasibility study incentive program as part of the current New Jersey Clean Energy Program budget. This TC DER microgrid feasibility study incentive program should provide funding for the upfront feasibility and engineering evaluation project development costs of a Town Center TC DER microgrid at the local level. This incentive should be a phased approach beginning with an initial feasibility study, followed by detailed engineering design phase. Staff should implement a stakeholder process to determine the terms and conditions of the TC DER microgrid feasibility study

incentive program. This incentive should be provided through an Memorandum of Understanding (MOU) structure.

2. Initiate a TC DER microgrid pilot within each electric distribution company service territory. This should initially be limited to the municipalities within the 9 Federal Emergency Management Agency designated counties or municipalities that meet the same criteria identified in the New Jersey Institute of Technology report. These pilots should include, at a minimum, an initial feasibility study of the TC DER microgrid. This process should assist in the development of a TC DER microgrid tariff.

At its January 25, 2017 agenda meeting, the Board authorized the release of TC DER microgrid feasibility study application. Incentive funding was capped at \$200,000.00 per feasibility study. The Board directed staff to release the application and to open a 60-day application submission window. Applications submitted during that period would be reviewed by Staff and selected on a competitive basis. Any application submitted after this time period would be accepted on a first-come-first-served basis subject to available fund. The 60 day period ended on March 27, 2017.

Prior to March 27, 2017, Cape May County Utilities Authority (CMCMUA) submitted an application to the Board.

CMCMUA is a microgrid project with syngas/biogas/natural gas fueled combined heat and power at CMCMUA Seven Mile Beach / Middle Wastewater Treatment Facility (WTF). Syngas / biogas will be generated on site and turned into electrical and thermal energy on site from the supply of wastewater bio-solids. Natural gas will be needed as a supplementary fuel. In addition to supplying electrical and thermal energy to the WTF, this project will also supply energy to several critical facilities in the Crest Haven Complex including County Prosecutor's Office, Correctional Center, Sheriff's K9 Unit, Police and Fire Academies, Administration Building, Health Department, Road and Bridge Department, Fueling Station, Crest Haven Nursing and Rehab Center, Special Services School, Technical High School, NJ Army National Guard Armory and few others. The preliminary estimate of energy production from a wastewater residual bio-solids digester is 2,258,362 kWh/year and 8,806 MMBTU/year. The estimated time to complete the feasibility study is fourteen months. The total project cost estimate will be developed during the feasibility study phase.

After review of the application, Staff recommended that the Board approve the CMCMUA application for the total incentive amount of \$175,000.00 and authorized President Mroz to execute the MOU which sets forth the terms and conditions of the commitment of these funds.

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

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

D. Docket No. QO17060632 – In the Matter of the Town Center DER Microgrid Incentive Program Authorization of Incentive Funding to Galloway Township for Phase I Feasibility Study.

BACKGROUND AND DISCUSSION: The 2015 New Jersey Energy Master Plan Update established a new overarching goal to “Improve Energy Infrastructure Resiliency & Emergency Preparedness and Response” in response to several extreme weather events that left many people and businesses without power for extended periods of time. These new policy recommendations included the following:

1. Increase the use of microgrid technologies and applications for Distributed Energy Resources (DER) to improve the grid’s resiliency and reliability in the event of a major storm; and
2. The State should continue its work with the United States Department of Energy, the utilities, local and state governments and other strategic partners to identify, design and implement Town Center DER (TC DER) microgrids to power critical facilities and services across the State.

At its November 30, 2016 agenda meeting, the Board authorized the release of staff’s Microgrid Report (Report). The following recommendations in the Report specifically address the development of a TC DER microgrid feasibility study incentive program and pilot:

1. Develop and implement a TC DER microgrid feasibility study incentive program as part of the current New Jersey Clean Energy Program budget. This TC DER microgrid feasibility study incentive program should provide funding for the upfront feasibility and engineering evaluation project development costs of a Town Center TC DER microgrid at the local level. This incentive should be a phased approach beginning with an initial feasibility study, followed by detailed engineering design phase. Staff should implement a stakeholder process to determine the terms and conditions of the TC DER microgrid feasibility study incentive program. This incentive should be provided through an Memorandum of Understanding (MOU) structure.
2. Initiate a TC DER microgrid pilot within each electric distribution company service territory. This should initially be limited to the municipalities within the 9 Federal Emergency Management Agency designated counties or municipalities that meet the same criteria identified in the New Jersey Institute of Technology report. These pilots should include, at a minimum, an initial feasibility study of the TC DER microgrid. This process should assist in the development of a TC DER microgrid tariff.

At its January 25, 2017 agenda meeting, the Board authorized the release of TC DER microgrid feasibility study application. Incentive funding was capped at \$200,000.00 per feasibility study. The Board directed staff to release the application and to open a 60-day application submission window. Applications submitted during that period would be reviewed by Staff and selected on a competitive basis. Any application submitted after this time period would be accepted on a first-come-first-served basis subject to available fund. The 60 day period ended on March 27, 2017.

Prior to March 27, 2017, the Galloway Township submitted an application to the Board.

Galloway Township's TC DER Feasibility Study will examine the potential of connecting the following critical facilities to a TC DER Microgrid: Galloway Town Hall and Police Station, AtlantiCare Regional Medical Center, Sunrise of Galloway and Seashore Assisted Living facilities, Stockton University, Reeds and Roland Elementary Schools, Galloway Middle School and Absegami High School and ShopRite. The project, should all target facilities be included, would represent approximately 47,000,000 kWh of usage and 1,400,000 therms over 2,510,714 sq. ft. The applicant will evaluate most commercially-viable technologies, including but not limited to fuel cells, battery energy storage systems, solar, combined heat and power thermal loops and water exchange systems.

After review of the application, Staff recommended that the Board approve the Galloway Township application for the total incentive amount of \$175,000.00 and authorized the President Mroz to execute the MOU which sets forth the terms and conditions of the commitment of these funds.

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

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

E. Docket No. QO17060633 – In the Matter of the Town Center DER Microgrid Incentive Program Authorization of Incentive Funding to the Borough of Highland Park for Phase I Feasibility Study.

BACKGROUND AND DISCUSSION: The 2015 New Jersey Energy Master Plan Update established a new overarching goal to “Improve Energy Infrastructure Resiliency & Emergency Preparedness and Response” in response to several extreme weather events that left many people and businesses without power for extended periods of time. These new policy recommendations included the following:

1. Increase the use of microgrid technologies and applications for Distributed Energy Resources (DER) to improve the grid's resiliency and reliability in the event of a major storm; and
2. The State should continue its work with the United States Department of Energy, the utilities, local and state governments and other strategic partners to identify, design and implement Town Center DER (TC DER) microgrids to power critical facilities and services across the State.

At its November 30, 2016 agenda meeting, the Board authorized the release of staff's Microgrid Report (Report). The following recommendations in the Report specifically address the development of a TC DER microgrid feasibility study incentive program and pilot:

1. Develop and implement a TC DER microgrid feasibility study incentive program as part of the current New Jersey Clean Energy Program budget. This TC DER microgrid feasibility study incentive program should provide funding for the upfront feasibility and engineering evaluation project development costs of a Town Center TC DER microgrid at the local level. This incentive should be a phased approach beginning with an initial feasibility study, followed by detailed engineering design phase. Staff should implement a stakeholder process to determine the terms and conditions of the TC DER microgrid feasibility study

incentive program. This incentive should be provided through an Memorandum of Understanding (MOU) structure.

2. Initiate a TC DER microgrid pilot within each electric distribution company service territory. This should initially be limited to the municipalities within the 9 Federal Emergency Management Agency designated counties or municipalities that meet the same criteria identified in the New Jersey Institute of Technology report. These pilots should include, at a minimum, an initial feasibility study of the TC DER microgrid. This process should assist in the development of a TC DER microgrid tariff.

At its January 25, 2017 agenda meeting, the Board authorized the release of TC DER microgrid feasibility study application. Incentive funding was capped at \$200,000.00 per feasibility study. The Board directed staff to release the application and to open a 60-day application submission window. Applications submitted during that period would be reviewed by Staff and selected on a competitive basis. Any application submitted after this time period would be accepted on a first-come-first-served basis subject to available fund. The 60 day period ended on March 27, 2017.

Prior to March 27, 2017, the Borough of Highland Park submitted an application to the Board.

The Borough of Highland Park submitted a TC DER microgrid feasibility study incentive application entitled Being Resilient In Temporary Emergencies Highland Park TC DER Feasibility Study will examine the potential of connecting the following critical facilities to a TC DER Microgrid: Borough Hall, Police and Fire Stations, two senior centers, the Housing Authority, the Bartle School and BOE Offices. The project represents approximately 1,349 MWh and 52,248 therms over 239,284 square feet (sq. ft.). Additional sites may be evaluated for potential inclusion in the TC DER Microgrid. The applicant will evaluate most commercially-viable technologies, including but not limited to fuel cells, energy storage systems, solar, and combined heat and power. The current timeframe for completion of the study is approximately nine months.

After review of the application, Staff recommended that the Board approve the Borough of Highland Park application for the total incentive amount of \$130,000.00 and authorized President Mroz to sign and execute the MOU which sets forth the terms and conditions of the commitment of these funds.

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

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

F. Docket No. QO17060634 – In the Matter of the Town Center DER Microgrid Incentive Program Authorization of Incentive Funding to the City of Hoboken for Phase I Feasibility Study.

BACKGROUND AND DISCUSSION: The 2015 New Jersey Energy Master Plan Update established a new overarching goal to “Improve Energy Infrastructure Resiliency & Emergency Preparedness and Response” in response to several extreme weather events

that left many people and businesses without power for extended periods of time. These new policy recommendations included the following:

1. Increase the use of microgrid technologies and applications for Distributed Energy Resources (DER) to improve the grid's resiliency and reliability in the event of a major storm; and
2. The State should continue its work with the United States Department of Energy, the utilities, local and state governments and other strategic partners to identify, design and implement Town Center DER (TC DER) microgrids to power critical facilities and services across the State.

At its November 30, 2016 agenda meeting, the Board authorized the release of staff's Microgrid Report (Report). The following recommendations in the Report specifically address the development of a TC DER microgrid feasibility study incentive program and pilot:

1. Develop and implement a TC DER microgrid feasibility study incentive program as part of the current New Jersey Clean Energy Program budget. This TC DER microgrid feasibility study incentive program should provide funding for the upfront feasibility and engineering evaluation project development costs of a Town Center TC DER microgrid at the local level. This incentive should be a phased approach beginning with an initial feasibility study, followed by detailed engineering design phase. Staff should implement a stakeholder process to determine the terms and conditions of the TC DER microgrid feasibility study incentive program. This incentive should be provided through an Memorandum of Understanding (MOU) structure.
2. Initiate a TC DER microgrid pilot within each electric distribution company service territory. This should initially be limited to the municipalities within the 9 Federal Emergency Management Agency designated counties or municipalities that meet the same criteria identified in the New Jersey Institute of Technology report. These pilots should include, at a minimum, an initial feasibility study of the TC DER microgrid. This process should assist in the development of a TC DER microgrid tariff.

At its January 25, 2017 agenda meeting, the Board authorized the release of TC DER microgrid feasibility study application. Incentive funding was capped at \$200,000.00 per feasibility study. The Board directed staff to release the application and to open a 60-day application submission window. Applications submitted during that period would be reviewed by Staff and selected on a competitive basis. Any application submitted after this time period would be accepted on a first-come-first-served basis subject to available fund. The 60 day period ended on March 27, 2017.

Prior to March 27, 2017, the City of Hoboken submitted an application to the Board.

The City of Hoboken's TC DER Feasibility Study will examine the potential of connecting the following critical facilities to a TC DER Microgrid: Hoboken Fire Company 3, Police HQ, Pump Stations, City Hall, Hoboken Homeless Shelter, St. Matthews Church, as well as St. Peter and Paul Church, Kings Grocery, municipal garages B, D & G, multiple Senior Housing facilities, the YMCA, two local pharmacies, and three Hoboken Housing Authority Properties (Andrew Jackson Gardens, Harrison Gardens, Adams and Monroe Gardens). The applicant will evaluate most commercially-viable technologies, including but not limited to DER, energy storage systems, solar, combined heat and power, thermal loops and

biodiesel fueled generators. The current timeframe for completion of the study is approximately 12 months.

After review of the application, Staff recommended that the Board approve the City of Hoboken application for the total incentive amount of \$157,000.00 and authorized President Mroz to sign and execute the MOU which sets forth the terms and conditions of the commitment of these funds.

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

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

G. Docket No. QO17060635 – In the Matter of the Town Center DER Microgrid Incentive Program Authorization of Incentive Funding to Hudson County for Phase I Feasibility Study.

BACKGROUND AND DISCUSSION: The 2015 New Jersey Energy Master Plan Update established a new overarching goal to “Improve Energy Infrastructure Resiliency & Emergency Preparedness and Response” in response to several extreme weather events that left many people and businesses without power for extended periods of time. These new policy recommendations included the following:

1. Increase the use of microgrid technologies and applications for Distributed Energy Resources (DER) to improve the grid’s resiliency and reliability in the event of a major storm; and
2. The State should continue its work with the United States Department of Energy, the utilities, local and state governments and other strategic partners to identify, design and implement Town Center DER (TC DER) microgrids to power critical facilities and services across the State.

At its November 30, 2016 agenda meeting, the Board authorized the release of staff’s Microgrid Report (Report). The following recommendations in the Report specifically address the development of a TC DER microgrid feasibility study incentive program and pilot:

1. Develop and implement a TC DER microgrid feasibility study incentive program as part of the current New Jersey Clean Energy Program budget. This TC DER microgrid feasibility study incentive program should provide funding for the upfront feasibility and engineering evaluation project development costs of a Town Center TC DER microgrid at the local level. This incentive should be a phased approach beginning with an initial feasibility study, followed by detailed engineering design phase. Staff should implement a stakeholder process to determine the terms and conditions of the TC DER microgrid feasibility study incentive program. This incentive should be provided through an Memorandum of Understanding (MOU) structure.
2. Initiate a TC DER microgrid pilot within each electric distribution company service territory. This should initially be limited to the municipalities within the 9 Federal Emergency Management Agency (FEMA) designated counties or municipalities that meet the same criteria identified in the New Jersey Institute of Technology

report. These pilots should include, at a minimum, an initial feasibility study of the TC DER microgrid. This process should assist in the development of a TC DER microgrid tariff.

At its January 25, 2017 agenda meeting, the Board authorized the release of TC DER microgrid feasibility study application. Incentive funding was capped at \$200,000.00 per feasibility study. The Board directed staff to release the application and to open a 60-day application submission window. Applications submitted during that period would be reviewed by Staff and selected on a competitive basis. Any application submitted after this time period would be accepted on a first-come-first-served basis subject to available fund. The 60 day period ended on March 27, 2017.

Prior to March 27, 2017, the County of Hudson submitted an application to the Board.

The Hudson County Advance Microgrid (Project) was submitted by the Hudson County and is located in Secaucus Township. The Project core partners include Hudson County, the Township of Secaucus, the Secaucus School District, Secaucus Housing Authority, Meadowview Hospital and Alaris Health at the Fountains. The Project's critical facilities are centered around the Meadowview Complex, which contains multiple critical facilities including the Meadowview Psychiatric Hospital and Hudson County's Juvenile Detention Center, Hudson County's 911 Call Center, multiple Hudson County office buildings, Alaris Health at the Fountains, Secaucus Housing Authority, and the Secaucus Town Hall and Police Department. Based on the list of partners and proposed critical facilities there are three FEMA category IV designated facilities and six FEMA category III facilities that can provide shelter in an emergency. The estimated total annual usage of the proposed Project is 147,617 MM Btus. The Meadowview Psychiatric Hospital which is a FEMA category IV facility has an estimated combined energy usage of approximately 231,100 Btu's per square foot.

There are no existing DER facilities in the proposed Project buildings. The Project will evaluate new power capacity which may include fuel cells, solar and dispatchable generation such as combined heat and power and other new electric infrastructure to allow the proposed Project to operate during normal and emergency conditions. The Project proposes to use Hybrid Optimization of multiple energy resources Pro microgrid software to model the proposed Project as well as the Rutgers' Cost/Benefit model. The estimated timeframe to complete the feasibility study is 12 months. Public Service Gas and Electric (PSE&G) is the electric utility and the natural gas utility for the Township of Secaucus. PSE&G provide a letter of support to participate in the feasibility study.

After review of the application, Staff recommended that the Board approve the County of Hudson application for the total incentive amount of \$150,000.00 and authorized President Mroz to sign and execute the MOU which sets forth the terms and conditions of the commitment of these funds.

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

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

H. Docket No. QO17060636 – In the Matter of the Town Center DER Microgrid Incentive Program Authorization of Incentive Funding to the Township of Middletown for Phase I Feasibility Study.

BACKGROUND AND DISCUSSION: The 2015 New Jersey Energy Master Plan Update established a new overarching goal to “Improve Energy Infrastructure Resiliency & Emergency Preparedness and Response” in response to several extreme weather events that left many people and businesses without power for extended periods of time. These new policy recommendations included the following:

1. Increase the use of microgrid technologies and applications for Distributed Energy Resources (DER) to improve the grid’s resiliency and reliability in the event of a major storm; and
2. The State should continue its work with the United States Department of Energy, the utilities, local and state governments and other strategic partners to identify, design and implement Town Center DER (TC DER) microgrids to power critical facilities and services across the State.

At its November 30, 2016 agenda meeting, the Board authorized the release of staff’s Microgrid Report (Report). The following recommendations in the Report specifically address the development of a TC DER microgrid feasibility study incentive program and pilot:

1. Develop and implement a TC DER microgrid feasibility study incentive program as part of the current New Jersey Clean Energy Program budget. This TC DER microgrid feasibility study incentive program should provide funding for the upfront feasibility and engineering evaluation project development costs of a Town Center TC DER microgrid at the local level. This incentive should be a phased approach beginning with an initial feasibility study, followed by detailed engineering design phase. Staff should implement a stakeholder process to determine the terms and conditions of the TC DER microgrid feasibility study incentive program. This incentive should be provided through an Memorandum of Understanding (MOU) structure.
2. Initiate a TC DER microgrid pilot within each electric distribution company service territory. This should initially be limited to the municipalities within the 9 Federal Emergency Management Agency (FEMA) designated counties or municipalities that meet the same criteria identified in the New Jersey Institute of Technology report. These pilots should include, at a minimum, an initial feasibility study of the TC DER microgrid. This process should assist in the development of a TC DER microgrid tariff.

At its January 25, 2017 agenda meeting, the Board authorized the release of TC DER microgrid feasibility study application. Incentive funding was capped at \$200,000.00 per feasibility study. The Board directed staff to release the application and to open a 60-day application submission window. Applications submitted during that period would be reviewed by Staff and selected on a competitive basis. Any application submitted after this time period would be accepted on a first-come-first-served basis subject to available fund. The 60 day period ended on March 27, 2017.

Prior to March 27, 2017, the Township of Middletown submitted an application to the Board.

The Township of Middletown – Microgrid Feasibility Study (Project) was submitted by the Township of Middletown. The Project core partners include the Township of Middletown, the Middletown School District, Middletown Sewage Authority, Monmouth County, NY Waterway and Earle Waterfront. The Project critical facilities include NWS Earle Waterfront Administrative Area, Township of Middletown Sewage Authority, NY Waterways Ferry Terminal, Middletown Public Works and CNG Fueling Facilities, Middletown Municipal Complex, Public Schools, Bayshore Middle School, Leonardo Elementary School, Bayview Elementary School, Monmouth County Highway Department, Middletown Fire Stations 3, 4 and 7, and Monmouth County Bayshore Outfall Authority. Based on the list of partners and proposed critical facilities there are seven FEMA category IV designated facilities and six FEMA category III facilities that can provide shelter in an emergency.

There are no existing DER facilities in the proposed Project buildings. The Project will evaluate new power capacity which is estimated to be between 30 to 50 MW. The estimated timeframe to complete the feasibility study is 12 months. Jersey Central Power & Light (JCP&L) is the electric utility and New Jersey Natural Gas (NJNG) is the natural gas utility for the Township of Middletown and both JCP&L and NJNG provided letters of support to participate in the feasibility study.

After review of the application, Staff recommended that the Board approve the Township of Middletown application for the total incentive amount of \$150,000.00 and authorized President Mroz to execute the MOU which sets forth the terms and conditions of the commitment of these funds.

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

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

I. Docket No. QO17060637 – In the Matter of the Town Center DER Microgrid Incentive Program Authorization of Incentive Funding to the Township of Montclair for Phase I Feasibility Study.

BACKGROUND AND DISCUSSION: The 2015 New Jersey Energy Master Plan Update established a new overarching goal to “Improve Energy Infrastructure Resiliency & Emergency Preparedness and Response” in response to several extreme weather events that left many people and businesses without power for extended periods of time. These new policy recommendations included the following:

1. Increase the use of microgrid technologies and applications for Distributed Energy Resources (DER) to improve the grid’s resiliency and reliability in the event of a major storm; and
2. The State should continue its work with the US Department of Energy (USDOE), the utilities, local and state governments and other strategic partners to identify, design and implement Town Center DER (TC DER) microgrids to power critical facilities and services across the State.

At its November 30, 2016 agenda meeting, the Board authorized the release of staff's Microgrid Report (Report). The following recommendations in the Report specifically address the development of a TC DER microgrid feasibility study incentive program and pilot:

1. Develop and implement a TC DER microgrid feasibility study incentive program as part of the current New Jersey Clean Energy Program budget. This TC DER microgrid feasibility study incentive program should provide funding for the upfront feasibility and engineering evaluation project development costs of a Town Center TC DER microgrid at the local level. This incentive should be a phased approach beginning with an initial feasibility study, followed by detailed engineering design phase. Staff should implement a stakeholder process to determine the terms and conditions of the TC DER microgrid feasibility study incentive program. This incentive should be provided through an Memorandum of Understanding (MOU) structure.
2. Initiate a TC DER microgrid pilot within each electric distribution company service territory. This should initially be limited to the municipalities within the 9 Federal Emergency Management Agency (FEMA) designated counties or municipalities that meet the same criteria identified in the New Jersey Institute of Technology report. These pilots should include, at a minimum, an initial feasibility study of the TC DER microgrid. This process should assist in the development of a TC DER microgrid tariff.

At its January 25, 2017 agenda meeting, the Board authorized the release of TC DER microgrid feasibility study application. Incentive funding was capped at \$200,000.00 per feasibility study. The Board directed staff to release the application and to open a 60-day application submission window. Applications submitted during that period would be reviewed by Staff and selected on a competitive basis. Any application submitted after this time period would be accepted on a first-come-first-served basis subject to available fund. The 60 day period ended on March 27, 2017.

Prior to March 27, 2017, the Township of Montclair submitted an application to the Board.

The Montclair Town Center Microgrid (Project) was submitted by the Township of Montclair. The Project's core partners include the Township of Montclair, the Montclair School District, United Methodist Communities, New Jersey Transit and Hackensack UMC – Mountainside Hospital. The Project critical facilities include the Fire Department headquarters (HQ), Glenfield Middle School, Pine Ridge Senior Living housing, Mountainside Hospital and New Jersey Transit Bay Street Station and Garage. Several other public building and private sector businesses were identified as potential sites in The Project. Based on the list of partners and proposed critical facilities there are two FEMA category IV designated facilities and two FEMA category III facilities can provide shelter in an emergency. The estimated total annual electricity usage of the selected buildings in the proposed Project is 24,261,143 kWh with an estimated electric peak load of 4.844 MW. The estimated annual natural gas usage is 954,443. The FEMA category facilities that have a combined energy usage per square foot of approximately 152,339 Btu's per square foot.

There are no existing DER facilities in the proposed Project buildings. The Project will evaluate approximately 2.3 MW of new power capacity which may include solar and dispatchable generation such as combined heat and power, battery storage and other new electric infrastructure to allow the proposed Project to operate during normal and emergency conditions. The Project proposes to evaluate both Siemens SICAM and Johnson Controls Grid Connect microgrid control/communications systems. The Project

proposes to use the USDOE Lawrence Livermore Berkeley Laboratories Distribution Energy Resource Customer Adoption Model. The estimated timeframe to complete the feasibility study is 11 months. Public Serve Electric & Gas Company (PSE&G) is the electric utility and natural gas utility for the Township of Montclair and PSE&G and provided a letter of support to participate in the feasibility study.

After review of the application, Staff recommended that the Board approve the Township of Montclair application for the total incentive amount of \$142,480.00 and authorized President Mroz to sign and execute the MOU which sets forth the terms and conditions of the commitment of these funds.

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

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

J. Docket No. QO17060638 – In the Matter of the Town Center DER Microgrid Incentive Program Authorization of Incentive Funding to Neptune Township for Phase I Feasibility Study.

BACKGROUND AND DISCUSSION: The 2015 New Jersey Energy Master Plan Update established a new overarching goal to “Improve Energy Infrastructure Resiliency & Emergency Preparedness and Response” in response to several extreme weather events that left many people and businesses without power for extended periods of time. These new policy recommendations included the following:

1. Increase the use of microgrid technologies and applications for Distributed Energy Resources (DER) to improve the grid’s resiliency and reliability in the event of a major storm; and
2. The State should continue its work with the United States Department of Energy, the utilities, local and state governments and other strategic partners to identify, design and implement Town Center DER (TC DER) microgrids to power critical facilities and services across the State.

At its November 30, 2016 agenda meeting, the Board authorized the release of staff’s Microgrid Report (Report). The following recommendations in the Report specifically address the development of a TC DER microgrid feasibility study incentive program and pilot:

1. Develop and implement a TC DER microgrid feasibility study incentive program as part of the current New Jersey Clean Energy Program budget. This TC DER microgrid feasibility study incentive program should provide funding for the upfront feasibility and engineering evaluation project development costs of a Town Center TC DER microgrid at the local level. This incentive should be a phased approach beginning with an initial feasibility study, followed by detailed engineering design phase. Staff should implement a stakeholder process to determine the terms and conditions of the TC DER microgrid feasibility study incentive program. This incentive should be provided through an Memorandum of Understanding (MOU) structure.

2. Initiate a TC DER microgrid pilot within each electric distribution company service territory. This should initially be limited to the municipalities within the 9 Federal Emergency Management Agency (FEMA) designated counties or municipalities that meet the same criteria identified in the New Jersey Institute of Technology report. These pilots should include, at a minimum, an initial feasibility study of the TC DER microgrid. This process should assist in the development of a TC DER microgrid tariff.

At its January 25, 2017 agenda meeting, the Board authorized the release of TC DER microgrid feasibility study application. Incentive funding was capped at \$200,000.00 per feasibility study. The Board directed staff to release the application and to open a 60-day application submission window. Applications submitted during that period would be reviewed by Staff and selected on a competitive basis. Any application submitted after this time period would be accepted on a first-come-first-served basis subject to available fund. The 60 day period ended on March 27, 2017.

Prior to March 27, 2017, Neptune Township submitted an application to the Board.

The Neptune Township Advanced Microgrid (NTAM or Project) was submitted by Neptune Township. The project partners include Neptune Township, Neptune Township School Board, Neptune Township Housing Authority, Monmouth County and several private sector entities. The NTAM critical facilities as part of the Project include Jersey Shore University Medical Center (JSUMC), Monmouth County Academy of Allied Health & Science, Meridian Dentistry for Children, Pediatric Associates, Neptune Municipal Building (including the Police Department and Library), Neptune Department of Public Works, Gables Elementary School, Neptune Middle School, Brookdale Community College, Monmouth County Vocational School, Neptune High School, Neptune Aquatic Center, County Sheriff Backup Communications Center and Emergency Medical Squad Training Center, Neptune Senior Citizens Center, Neptune Housing Authority, Employment Services, US Post Office, Senior Housing, DaVita Neptune Dialysis Center, Excelsior Medical corporation, Walgreens, Neptune Getty Station, ALDI Supermarket, Neptune Township Sewage Department and Wastewater Treatment Facility, New Jersey American Water Company, Monmouth County Emergency Communications Tower, Shark River Hills Fire Company, Shark River Hills First Aid Squad, and the Neptune Township Housing Authority. Based on the list of partners and proposed critical facilities there are two FEMA category IV designated facilities (the JSUMC and the Neptune Township Police Department) and seven FEMA category III facilities can provide shelter in an emergency. The estimated total annual fuel usage of all 12 buildings in the proposed Area A Project is 131,225 MM Btus. The FEMA category III and IV facilities in the proposed Area A Project that have a combined energy usage per square foot of approximately 83,676 Btu's per square foot.

The Project will include an existing 3.8 MW combined heat and power (CHP) facility at the JSUMC. The Project will evaluate approximately 15 MW of new power capacity which may include solar and dispatchable generation such as CHP and other new electric infrastructure to allow the proposed Project to operate during normal and emergency conditions. The Project proposes to use Pro microgrid software to model the proposed Project as well as the Rutgers' Cost/Benefit model. The estimated timeframe to complete the feasibility study is 12 months. Jersey Central Power & Light Company (JCP&L) is the electric utility and New Jersey Natural Gas (NJNG) is the natural gas utility for Neptune Township and both JCP&L and NJNG provide a letters of support to participate in the feasibility study.

After review of the application, Staff recommended that the Board approve the Neptune Township application for the total incentive amount of \$150,000.00 and authorized President Mroz to execute the MOU which sets forth the terms and conditions of the commitment of these funds.

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

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

K. Docket No. QO17060639 – In the Matter of the Town Center DER Microgrid Incentive Program Authorization of Incentive Funding to the City of Paterson for Phase I Feasibility Study.

BACKGROUND AND DISCUSSION: The 2015 New Jersey Energy Master Plan Update established a new overarching goal to “Improve Energy Infrastructure Resiliency & Emergency Preparedness and Response” in response to several extreme weather events that left many people and businesses without power for extended periods of time. These new policy recommendations included the following:

1. Increase the use of microgrid technologies and applications for Distributed Energy Resources (DER) to improve the grid’s resiliency and reliability in the event of a major storm; and
2. The State should continue its work with the United States Department of Energy (USDOE), the utilities, local and state governments and other strategic partners to identify, design and implement Town Center DER (TC DER) microgrids to power critical facilities and services across the State.

At its November 30, 2016 agenda meeting, the Board authorized the release of staff’s Microgrid Report (Report). The following recommendations in the Report specifically address the development of a TC DER microgrid feasibility study incentive program and pilot:

1. Develop and implement a TC DER microgrid feasibility study incentive program as part of the current New Jersey Clean Energy Program budget. This TC DER microgrid feasibility study incentive program should provide funding for the upfront feasibility and engineering evaluation project development costs of a Town Center TC DER microgrid at the local level. This incentive should be a phased approach beginning with an initial feasibility study, followed by detailed engineering design phase. Staff should implement a stakeholder process to determine the terms and conditions of the TC DER microgrid feasibility study incentive program. This incentive should be provided through an Memorandum of Understanding (MOU) structure.
2. Initiate a TC DER microgrid pilot within each electric distribution company service territory. This should initially be limited to the municipalities within the 9 Federal Emergency Management Agency (FEMA) designated counties or municipalities that meet the same criteria identified in the New Jersey Institute of Technology report. These pilots should include, at a minimum, an initial feasibility study of the TC DER microgrid. This process should assist in the development of a TC DER microgrid tariff.

At its January 25, 2017 agenda meeting, the Board authorized the release of TC DER microgrid feasibility study application. Incentive funding was capped at \$200,000.00 per feasibility study. The Board directed staff to release the application and to open a 60-day application submission window. Applications submitted during that period would be reviewed by Staff and selected on a competitive basis. Any application submitted after this time period would be accepted on a first-come-first-served basis subject to available fund. The 60 day period ended on March 27, 2017.

Prior to March 27, 2017, the City of Paterson submitted an application to the Board.

The Great Falls Eco-Energy Resiliency Project (Project) was submitted by the City of Paterson. The Project core partners include Passaic County and the City of Paterson School Board. Additional potential partners include the US Government Service Administration (GSA), Saint Joseph's Medical Center and the Children's Hospital. The Project critical facilities include Paterson City Hall, Health and Human Services – Community Development Office, Paterson Recreational Offices, Paterson Fire Station HQ, Paterson Police Department, Paterson International High School, JFK High School, Passaic County Jail, Passaic County Courthouses, Passaic County Administration Buildings and Passaic County Social Services. Other potential critical facilities include Hinchliffe Stadium, the US GSA Federal Building, Saint Joseph's Medical Center and the Children's Hospital. Based on the list of partners and proposed critical facilities there are four FEMA category III or IV designated facilities within 0.5 miles that have a combined energy usage of approximately 90,000 Btu's per square foot. The estimated total peak demand for all the proposed critical facilities is 21,785 kW. The total estimated annual electricity usage is 16,101,067 kWh and the total estimated annual natural gas usage is 556,990 therms.

The existing technology for the proposed Project is the Great Falls Hydro-Electric Generation Plant (Great Falls). The Great Falls can generate between 3.5 to 7.0 MW of power depending on water flow. The additional capacity could be provided through new power which may include solar, dispatchable generation such as combined heat and power, new distribution assets, storage, and other new electric infrastructure to allow the proposed Project to operate during normal and emergency conditions. The proposed microgrid modeling approach for this projects is to use the USDOE Lawrence Berkeley National Labs Distributed Energy Resource Customer Adoption Model. The estimated timeframe to complete the feasibility study is 12 months. Public Service Electric & Gas Company (PSE&G) is the electric and natural gas utility for the City of Paterson and PSE&G provided a letter of support to participate in the feasibility study.

After review of the application, Staff recommended that the Board approve the City of Paterson application for the total incentive amount of \$173,000.00 and authorized President Mroz to execute the MOU which sets forth the terms and conditions of the commitment of these funds.

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

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

L. Docket No. QO17060640 – In the Matter of the Town Center DER Microgrid Incentive Program Authorization of Incentive Funding to the New Jersey Department of Treasury for the City of Trenton for Phase I Feasibility Study.

BACKGROUND AND DISCUSSION: The 2015 New Jersey Energy Master Plan Update established a new overarching goal to “Improve Energy Infrastructure Resiliency & Emergency Preparedness and Response” in response to several extreme weather events that left many people and businesses without power for extended periods of time. These new policy recommendations included the following:

1. Increase the use of microgrid technologies and applications for Distributed Energy Resources (DER) to improve the grid’s resiliency and reliability in the event of a major storm; and
2. The State should continue its work with the United States Department of Energy, the utilities, local and state governments and other strategic partners to identify, design and implement Town Center DER (TC DER) microgrids to power critical facilities and services across the State.

At its November 30, 2016 agenda meeting, the Board authorized the release of staff’s Microgrid Report (Report). The following recommendations in the Report specifically address the development of a TC DER microgrid feasibility study incentive program and pilot:

1. Develop and implement a TC DER microgrid feasibility study incentive program as part of the current New Jersey Clean Energy Program budget. This TC DER microgrid feasibility study incentive program should provide funding for the upfront feasibility and engineering evaluation project development costs of a Town Center TC DER microgrid at the local level. This incentive should be a phased approach beginning with an initial feasibility study, followed by detailed engineering design phase. Staff should implement a stakeholder process to determine the terms and conditions of the TC DER microgrid feasibility study incentive program. This incentive should be provided through an Memorandum of Understanding (MOU) structure.
2. Initiate a TC DER microgrid pilot within each electric distribution company service territory. This should initially be limited to the municipalities within the 9 Federal Emergency Management Agency (FEMA) designated counties or municipalities that meet the same criteria identified in the New Jersey Institute of Technology report. These pilots should include, at a minimum, an initial feasibility study of the TC DER microgrid. This process should assist in the development of a TC DER microgrid tariff.

At its January 25, 2017 agenda meeting, the Board authorized the release of TC DER microgrid feasibility study application. Incentive funding was capped at \$200,000.00 per feasibility study. The Board directed staff to release the application and to open a 60-day application submission window. Applications submitted during that period would be reviewed by Staff and selected on a competitive basis. Any application submitted after this time period would be accepted on a first-come-first-served basis subject to available fund. The 60 day period ended on March 27, 2017.

Prior to March 27, 2017, the New Jersey Department of Treasury submitted an application to the Board.

The Downtown Trenton Microgrid (Project) was submitted by the NJ Department of Treasury, Division of Property Management and Construction. The Project core partners include the City of Trenton, Mercer County and the Mercer County Improvement Authority. The Project critical facilities include NJ State Prison, NJ Justice Complex, NJ State House, NJ Treasury Taxation Building, NJ Department of Labor Building, NJ Department of Health Building, NJ Department of Community Affairs – Ashby Building, NJ Department of Human Services – Capital Plaza One Building, NJ Department of Environmental Protection Building, NJ Treasury – Mary Roebling Building, NJ Motor Vehicle Commission Building, NJ Network Building, Old Barracks, Thomas Edison College and the NJ War Memorial. Based on the list of partners and proposed critical facilities the NJ State Capital Complex would be a FEMA category IV designated facilities and there are four FEMA category III facility within 0.5 miles that can provide shelter in an emergency as well as several critical data storage facilities such as the Justice Complex, Labor and Taxation. There are several FEMA category III facilities that have a combined energy usage of greater than 90,000 Btu's per square foot and the Project's estimated overall electrical usage is 63,300 Btu/ square foot. The estimated total annual electricity usage is 86,505,508 kWh and the thermal load is provided by Veolia's Trenton Thermal Energy District Network (TEDN).

The existing Trenton TEDN would be the hub technology of the Project. The existing combined heat and power (CHP) – district thermal facility provides 13,000 tons of chill water capacity and 132,352 pounds per hour of steam/hot water to approximately 35 customers in the central business district of Trenton. The additional capacity could be provided through new power which may include solar, dispatchable generation such as CHP and other new electric infrastructure to allow the proposed Project to operate during normal and emergency conditions. The Project will include a fully customized microgrid controller that would include the ability to balance load and generation and include smart grid and advanced metering infrastructure. The Project proposes to use their own proprietary software to model the Project design. The Project will work with Public Service Electric & Gas Company (PSE&G) on the microgrid controller and SCADA systems. The estimated timeframe to complete the feasibility study is four months. PSE&G is the electric and natural gas utility for the State of New Jersey Department of Treasury in the City of Trenton. PSE&G provided a letter of support to participate in the feasibility study.

After review of the application, Staff recommended that the Board approve the New Jersey Department of Treasury application for the total incentive amount of \$175,000.00 and authorized President Mroz to sign and execute the MOU which sets forth the terms and conditions of the commitment of these funds.

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

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

M. Docket No. QO17060641 – In the Matter of the Town Center DER Microgrid Incentive Program Authorization of Incentive Funding to the Township of Woodbridge for Phase I Feasibility Study.

BACKGROUND AND DISCUSSION: The 2015 New Jersey Energy Master Plan Update established a new overarching goal to “Improve Energy Infrastructure Resiliency & Emergency Preparedness and Response” in response to several extreme weather events that left many people and businesses without power for extended periods of time. These new policy recommendations included the following:

1. Increase the use of microgrid technologies and applications for Distributed Energy Resources (DER) to improve the grid’s resiliency and reliability in the event of a major storm; and
2. The State should continue its work with the United States Department of Energy (USDOE), the utilities, local and state governments and other strategic partners to identify, design and implement Town Center DER (TC DER) microgrids to power critical facilities and services across the State.

At its November 30, 2016 agenda meeting, the Board authorized the release of staff’s Microgrid Report (Report). The following recommendations in the Report specifically address the development of a TC DER microgrid feasibility study incentive program and pilot:

1. Develop and implement a TC DER microgrid feasibility study incentive program as part of the current New Jersey Clean Energy Program budget. This TC DER microgrid feasibility study incentive program should provide funding for the upfront feasibility and engineering evaluation project development costs of a Town Center TC DER microgrid at the local level. This incentive should be a phased approach beginning with an initial feasibility study, followed by detailed engineering design phase. Staff should implement a stakeholder process to determine the terms and conditions of the TC DER microgrid feasibility study incentive program. This incentive should be provided through a Memorandum of Understanding (MOU) structure.
2. Initiate a TC DER microgrid pilot within each electric distribution company service territory. This should initially be limited to the municipalities within the 9 Federal Emergency Management Agency (FEMA) designated counties or municipalities that meet the same criteria identified in the New Jersey Institute of Technology report. These pilots should include, at a minimum, an initial feasibility study of the TC DER microgrid. This process should assist in the development of a TC DER microgrid tariff.

At its January 25, 2017 agenda meeting, the Board authorized the release of TC DER microgrid feasibility study application. Incentive funding was capped at \$200,000.00 per feasibility study. The Board directed staff to release the application and to open a 60-day application submission window. Applications submitted during that period would be reviewed by Staff and selected on a competitive basis. Any application submitted after this time period would be accepted on a first-come-first-served basis subject to available fund. The 60 day period ended on March 27, 2017.

Prior to March 27, 2017, the Township of Woodbridge submitted an application to the Board.

The Woodbridge Town Center Advanced Microgrid (WAM or Project) was submitted by the Township of Woodbridge. The Project core partners include the Township of Woodbridge the Woodbridge School District, Woodbridge Housing Authority and a number of private sector companies. The Project critical facilities include The Town Hall/Police building, Fire Department building, Stern Tower Senior Living, Adams Tower Senior Living, Finn Tower Senior Living, Pump Station, Ross Street Elementary School, Mawbey Street Elementary School, Woodbridge Middle School and several private sector businesses. Based on the list of partners and proposed critical facilities there are two FEMA category IV designated facilities (the Town Hall and Fire Department) and seven FEMA category III facilities can provide shelter in an emergency. The estimated total annual electricity usage of all 13 buildings in the proposed Project is 9,024,022 kWh and the estimated annual natural gas usage is 202,011. The FEMA category III and IV facilities that have a combined energy usage per square foot of approximately 128,473 Btu's per square foot.

There are no existing DER facilities in the proposed Project buildings. The Project will evaluate new power capacity which may include fuel cells, solar and dispatchable generation such as combined heat and power (CHP) and other new electric infrastructure to allow the proposed Project to operate during normal and emergency conditions. The Project proposes to use Hybrid optimization of multiple energy resources Pro microgrid software to model the proposed Project as well as the Rutgers' Center for Energy, Economics and Environmental Policy Cost/Benefit model. The estimated timeframe to complete the feasibility study is 12 months. Public Service Electric & Gas Company (PSE&G) is the electric utility and Elizabethtown Gas is the natural gas utility for the Township of Woodbridge. Both PSE&G and Elizabethtown Gas provided a letters of support to participate in the feasibility study.

After review of the application, Staff recommended that the Board approve the Township of Woodbridge application for the total incentive amount of \$150,000.00 and authorized President Mroz to sign and execute the MOU which sets forth the terms and conditions of the commitment of these funds.

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

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

Joint Presentation for Items 9A-M:

President Mroz said that one of the policies vetted in the Energy Master Plan was our desire to advance microgrids for the purposes of the overarching policies to support our efforts for resiliency, but also to further explore what is now becoming the ongoing evolution of the grid and to explore the technologies that he thinks will be necessary for us to be able to manage and, if necessary, regulate here at the Board or at least oversee as the grid continues to evolve. Finally, President Mroz thanked staff and said it has been a great work in progress to advance this initiative.

Commissioner Chivukula asked staff for confirmation that the maximum amount of time that's required for studies is about 12 months.

EXECUTIVE SESSION

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

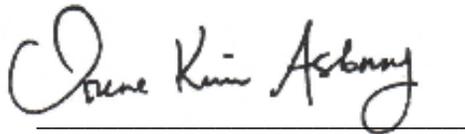
2. ENERGY

C. Non-docketed Matter – In the Matter of Management Consulting: Oversight of the Board of Public Utilities Basic Generation Service Auction Process – Request for Proposal – Selection of Consultant.

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

After appropriate motion, the Board reconvened to Open Session.

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



IRENE KIM ASBURY
BOARD SECRETARY

DATE: August 23, 2017