



STATE OF NEW JERSEY
Board of Public Utilities
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**MINUTES OF THE REGULAR MEETING OF THE
BOARD OF PUBLIC UTILITIES**

A regular Board meeting of the Board of Public Utilities was held on May 18, 2022 at 9:00 AM, via online @ <https://youtu.be/qoCHhDOH4L8>

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

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

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

Joseph L. Fiordaliso, President
Mary-Anna Holden, Commissioner
Dianne Solomon, Commissioner
Upendra J. Chivukula, Commissioner
Robert M. Gordon, Commissioner

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

It was also announced that the next regular Board Meeting will be held on June 8, 2022 at 10:00 a.m. via livestream on YouTube.

CONSENT AGENDA

I. AUDITS

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

EE22030124L Via Energy Solutions, LLC I – EA

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

EE21101175L Essential Energy, LLC R – EA
d/b/a Utility Options

EE21040690L Eisenbach Consulting, LLC R – EA/PA/EC
GE21040691L

EE20010085L CSD Energy Advisors, LLC R – EA/EC
GE22020075L

Electric Power and/or Natural Gas Supplier Initial Licenses

EE22030123L EnPowered USA, Inc. I – ESL
d/b/a EnPowered

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

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

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

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

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

- Via Energy Solutions, LLC

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

- Essential Energy, LLC d/b/a Utility Options
- Eisenbach Consulting LLC
- CSD Energy Advisors, LLC

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

- EnPowered USA Inc. d/b/a EnPowered

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

B. Non Docketed Matter – Request for Extension of Treasure Term Contract #T-2482 Relating to Request for Proposal 13-X-22139, Management Consulting: Contracted Management Auditing Firms, BPU – Request for Approval of Six Month Contract Extension of Pre-Qualified Bidders List. Extension Contract Duration: July 1, 2022 – December 31, 2022.

BACKGROUND: This matter involved Staff's request to extend for six months the Department of Treasury, Division of Purchase and Property, Purchase Bureau's (Treasury) Contract Term # T-2482 (Contract) relating to a list of pre-qualified consulting firms contracted to perform management audits of utilities under the jurisdiction of the Board, which is anticipated to result in audit costs in excess of \$250,000.00 during the extension period from July 1, 2022 through December 31, 2022.

Pursuant to RFP 13-X-22139 under contract term T-2482 there are currently six contractors in the pool whose contracts will be extended upon mutual consent between Treasury and each contractor and they include the following:

- Liberty Consulting Group
- Overland Consulting
- Raymond G. Saleeby LLC dba Saleeby Consulting Group
- Sage Management Consultants, LLC
- Schumaker & Company, Inc.
- Silverpoint Consulting LLC

The existing contracts with the existing pool of consultants expire June 30, 2022. Pursuant to the Standard Terms and Conditions of Contract Term T-2482 under the RFP 13-X-22139, Management Consulting, the contract may be extended, by mutual written consent of the consultants and Treasury. By extending the contracts, it will allow the Board to fulfill its auditing obligations while Treasury finalizes the bid solicitation process for contracting with a pool of management consultants under the new bid solicitation.

During the proposed six-month extension, it is estimated that approximately between \$850,000.00 to \$2.55 million could be required for potential audits of New Jersey Natural Gas Company, Elizabethtown Gas Company and Middlesex Water Company. During this six-month extension, additional audits could commence which would add to this amount.

Given the continued statutory obligation and the Board's policy to ensure that utilities under our regulatory jurisdiction are operating in a sound manner to provide safe, adequate, and reliable utility service supported by sensible management decisions, Staff recommended that the Board seek OMB approval of the extension of contract number T-2482, Management Consulting: Contracted Management Auditing Firms, Board with the six pre-qualified consultants, which currently expires June 30, 2022, so that OMB may finalize the negotiation process for the contract extension as soon as possible and contactors are available to commence the management audits as planned for the period July 1, 2022 through December 31, 2022.

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

II. ENERGY

A. Docket Nos. BPU GR21121254 and OAL PUC 00872-22 – In the Matter of the Petition of Elizabethtown Gas Company for Approval of Increased Base Tariff Rates and Charges for Gas Service, Changes to Depreciation Rates and Other Tariff Revisions.

BACKGROUND: On December 28, 2021, Elizabethtown Gas Company (Elizabethtown or Company) filed a petition with the Board for approval of an increase in its operating revenues of approximately \$76.62 million including Sales and Use Tax (SUT), to be effective for gas service provided on or after January 28, 2022. The Company also sought Board approval to implement new depreciation rates and requested a return on equity of 10.75%.

According to the petition, the Company's base rates and return on equity are not sufficient, at their current level, to ensure the necessary capital to support further investments to provide safe and reliable service to its customers. Additionally, Elizabethtown argued that the requested rate relief is due to a need to recover greater depreciation expenses, as well as increases to the operations and maintenance costs incurred by the Company since its prior base rate case.

Elizabethtown sought authority from the Board to do the following:

1. Increase rates and charges for gas service that would result from the proposed amendments to the Company's tariff.

2. Roll in the Company's Infrastructure Investment Program investment costs through June 30, 2021, into base rates to be established in this proceeding on a final basis.
3. Retain its existing authority to establish a regulatory asset in which the incremental costs associated with a Transmission Integrity Management Program incurred between rate cases will be tracked and deferred for later review and recovery in rates.
4. Establish a regulatory asset to defer any costs which would otherwise be expensed related to the Transportation Security Administration Security Directives.
5. Establish a regulatory asset to defer and recover the remaining undepreciated costs of the liquefaction equipment at the Erie Street Liquefied Natural Gas Facility that were not reimbursed by the vendor/manufacturer and are not properly considered costs for the new liquefaction facility.
6. Establish a regulatory asset to enable Elizabethtown to defer the difference between the costs incurred to establish an in-house gas supply function at the Company and the costs that are ultimately included in the rates established in this proceeding.

By Order dated January 26, 2022, the Board suspended the proposed rate increase until May 28, 2022, pending further action on this matter. This matter was subsequently transmitted to the Office of Administrative Law as a contested case, and assigned to Administrative Law Judge Julio Morejon.

On February 18, 2022, Elizabethtown updated its petition to include nine months of actual data and three months of estimated data. The requested rate increase was modified to approximately \$72.94 million including SUT.

Since a review of this matter will not be complete prior to May 28, 2022, Board Staff recommended that the Board issue an order suspending the proposed rate increase until September 21, 2022, pending further action on this matter.

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

B. Docket No. GR22040253 – In the Matter of the Petition of South Jersey Gas Company for Approval of Increased Base Tariff Rates and Charges for Gas Service, Changes to Depreciation Rates and Other Tariff Revisions.

BACKGROUND: On April 14, 2022, South Jersey Gas Company (SJG or Company) filed a petition with the Board for approval of an increase in its operating revenues of approximately \$73 million including Sales and Use Tax (SUT), to be effective for gas service provided on or after May 16, 2022. The Company also sought Board approval to implement new depreciation rates and requested a return on equity of 10.75%.

According to the petition, the Company's base rates and charges for natural gas service are not sufficient, at their current level. Additionally, SJG argued that the requested rate relief is due to a need to recover greater depreciation expenses, as well as increases to the operations and maintenance costs incurred by the Company since its prior base rate case that have impacted its cost of service.

SJG also sought authority from the Board to do the following:

7. Increase rates and charges for gas service that would result from the proposed amendments to the Company's tariff.
8. Increase its depreciation expense based upon its most recent Depreciation Study.
9. Establish a 3-year amortization of \$507K of over-refunded ARAM amortization.
10. Amortize previously authorized Pension & OPEB regulatory asset, Pipeline Integrity Management, and Board Management Audit Costs.
11. Retain its existing authority to establish a regulatory asset in which the incremental costs associated with a Transmission Integrity Management Program incurred between rate cases will be tracked and deferred for later review and recovery in rates.
12. Establish a regulatory asset to defer any costs which would otherwise be expensed related to the Transportation Security Administration Security Directives and RNG/CNG O&M costs.

Additionally, the Company sought authorization to amortize previously deferred costs associated with the Company's Pension & OPEB regulatory asset. The forecasted deferred amount of \$636K as of August 31, 2022 is proposed to be amortized over a 3-year period. SJG is also seeking authorization to establish a 3-year amortization of \$507K of over-refunded ARAM amortization, to amortize previously authorized deferred costs associated with Pipeline Integrity Management of \$4.7 million, and the costs associated with the Board's Management Audit of \$598K over the same 3-year period.

The Company proposed to retain its existing authority to establish a regulatory asset in which the incremental costs associated with a Transmission Integrity Management Program incurred between rate cases will be tracked and deferred for later review and recovery in rates. The Company also proposed to establish regulatory assets to defer any costs which would otherwise be expensed related to the Transportation Security Administration Security Directives, and for those associated with RNG/CNG O&M Expenses.

A review of this matter will not be complete prior to May 16, 2022, Accordingly, Staff recommended that the Board issue an order suspending the proposed rate increase until September 13, 2022, pending further action on this matter. In addition, Staff recommended that this matter be transmitted to the Office of Administrative Law for hearing.

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

C. Docket Nos. BPU EC19030317 and OAL PUC 12007-2019 – In the Matter of County of Cumberland, Petitioner v. Atlantic City Electric Company, Respondent.

BACKGROUND: On March 8, 2019, the County of Cumberland (County or Petitioner) filed a petition with the Board seeking a declaratory ruling that the relocation of the utility lines and poles in question were for the public benefit, and the costs related thereto should be paid for by Atlantic City Electric (ACE or Company) (Petition).

The following four projects are the subject of the Petition: 1) the Yank Marine Project; 2) the Willow Grove Lake Project; 3) the Burlington Road C Bridge Project; and 4) the

Fortescue Bridge Project (collectively, Projects). The County asserted that the Willow Grove Lake Project, the Burlington Road Bridge Project, and the Fortescue Bridge Project were undertaken by the County and necessitate the relocation of utility lines and equipment. With regard to the Yank Marine Project, the County Planning Board required that the right-of-way (ROW) be expanded to widen the roadway. In each case, either the County or Yank Marine refused to absorb the cost for relocating utility lines and equipment within the public ROW, or only the Willow Grove Lake project moved forward to completion without the issue of payment respecting the cost of relocation of utility lines and poles being resolved.

On August 20, 2019, this matter was transferred to the Office of Administrative Law and assigned to Administrative Law Judge (ALJ) Dorothy Incarvito-Garrabrant.

Evidentiary hearings were held on January 15, 2020, and February 5, 2020, in person, and November 10, 2020, virtually.

Prior to issuing an Initial Decision, ALJ Incarvito-Garrabrant was named to the Superior Court. On November 1, 2021, the parties participated in a telephonic conference with ALJ Edward J. Delanoy during which they agreed that additional hearing dates would not be necessary, and the matter was reassigned to ALJ Tricia M. Caliguire. On December 13, 2021, the record was reopened by ALJ Caliguire for a telephonic conference with the parties to confirm details of the case.

On January 19, 2022, the County filed a letter notifying ALJ Caliguire that the County Planning Board intended to reconsider a ruling regarding the required expansion of County Road 616, the Yank Marine Project. On February 2, 2022, the County Planning Board modified its approval of the Yank Marine Project and withdrew its demand that the ACE relocate utility lines and poles along County Route 616. On February 10, 2022, the parties confirmed that the ruling requested from the Board involves payment for only Burlington Road Bridge Project and Fortescue Bridge Project.

On February 24, 2022, ALJ Caliguire issued an Initial Decision granting the relief sought in the Petition.

On March 9, 2022, ACE filed a letter with the Board providing exceptions to the Initial Decision issued by ALJ Caliguire. ACE requested the Board modify or reject the ALJ's Initial Decision.

On March 17, 2022, the County filed a letter with the Board providing a response to ACE's filed exceptions. The County requested the Board to accept the ALJ's Initial Decision.

On April 6, 2022, the Board approved a 45-day extension to allow Staff and the Attorney General's Office until May 26, 2022, to review the Initial Decision and the exceptions filed by ACE and the County and issue a Final Decision.

Staff recommended that the Board extends the 45-day time period until July 11, 2022.

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

III. CABLE TELEVISION

A. Docket No. CE20020172 – In the Matter of the Petition of Comcast of Garden State L.P., for a Renewal Certificate of Approval to Continue to Construct, Operate and Maintain a Cable Television System in and for the Borough of Medford Lakes, County of Burlington, State of New Jersey.

BACKGROUND: On February 27, 2020, Comcast of Garden State L.P. (Comcast) filed a petition with the Board for an Automatic Renewal Certificate of Approval of the Borough of Medford Lakes (Borough) based on the automatic renewal provision

The petition was based on the Borough’s ordinance granting renewal municipal consent, which was adopted on November 23, 2004. The Borough’s ordinance granted a term of 15 years with an automatic renewal term of 10 years.

Staff recommended approval of the proposed Automatic Renewal Certificate of Approval. This Certificate shall expire on October 12, 2029.

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

IV. TELECOMMUNICATIONS

A. Docket No. TM22030154 – In the Matter of the Verified Petition of Everstream Solutions, LLC for Approval of a Pro Forma Change in Indirect Ownership.

BACKGROUND: On March 25, 2022, Everstream Solutions LLC (Petitioner or Everstream) submitted a Petition with the Board requesting approval, to the extent required, to complete a *pro forma* change to its indirect ownership with no change to its ultimate owner (Pro Forma Change).

Following consummation of the Pro Forma Change, Petitioner represented that there will be no change to the services, rates, terms and conditions currently being offered to customers in New Jersey.

By letter dated April 26, 2022, the New Jersey Division of Rate Counsel (Rate Counsel) submitted comments in support of the continuation of what it described as “innovative, high quality telecommunications services” within the State’s telecommunications market for the benefit of both residential and business customers in New Jersey. Accordingly, Rate Counsel, did not oppose the Board granting the Petitioner’s request.

Having reviewed the petition and supporting documents, Staff did not find any reason to believe that there will be an adverse impact on rates, competition in New Jersey, the employees of the Petitioner, 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 Petitioners’ competitive posture in the telecommunications market. Therefore, Staff recommended that the Petitioner be allowed to complete the change to its indirect ownership as proposed.

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

B. Docket No. TF22030131 – In the Matter of the Verified Joint Petition of ZenFi Networks, LLC for Approval of an Increase to Credit Facility.

BACKGROUND: On March 8, 2022, ZenFi Networks, LLC, on behalf of itself and its subsidiaries and affiliates, including Cross River Fiber LLC (CRF) (collectively, ZenFi or Petitioners), submitted a Petition to the Board for Approval of an Increase to Certain Financing Arrangements. ZenFi requested approval of a transaction by which ZenFi would replace and expand an existing credit facility previously approved by the Board (New Credit Facility).

The current credit facility, approved by Board Order dated July 25, 2018, provides for up to \$69,000,000.00 in financing to ZenFi and CRF (as borrowers) in the form of a \$15,000,000.00 Senior Secured Revolver, a \$32,000,000.00 Senior Secured Term Loan and a \$22,000,000 Senior Secured Delayed Draw Term Loan.

ZenFi stated that the New Credit Facility will replace and expand the current credit facility in the aggregate amount of up to \$175,000,000.00, as follows: (1) a \$75,000,000.00 Drawn Term Loan; (2) a \$25,000,000.00 Undrawn Revolver; and (3) a \$75,000,000.00 Undrawn Delayed Draw Term Loan. ZenFi and CRF will remain as borrowers. The Petitioners stated they will draw on the New Credit Facility consistent with the needs of the business and commercially reasonable operating and accounting practices. Petitioners will secure the New Credit Facility by a pledge of certain equity interests, as well as offering a first priority lien on substantially all of the assets and property of ZenFi and its subsidiaries, including CRF.

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

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

C. Docket Nos. BPU TC17091015 and OAL PUC 01597-2018 – In the Matter of Business Automation Technologies, Inc. d/b/a Data Network Solutions, Petitioner v. Verizon New Jersey, Inc., Respondent – Billing Dispute.

BACKGROUND: In September 2017, Business Automation Technologies d/b/a Data Network Solutions (DNS or Petitioner) filed a petition with the Board contesting billings by Verizon New Jersey, Inc. (Verizon) for access charges under a Board-approved interconnection agreement (Petition).

Following unsuccessful informal settlement discussions, the matter was transmitted to the Office of Administrative Law (OAL) for hearings as a contested case in January 2018 and assigned to Administrative Law Judge (ALJ) Tricia M. Caliguire. On January 28, 2022, ALJ Caliguire issued her Initial Decision in this matter.

On February 14, 2022, the Petitioner filed a letter requesting an extension of the dates for filing exceptions and replies, noting additional time was needed to review the extensive record in the matter. The Petitioner received consent from counsel for Verizon to request filing of exceptions on February 21, 2022, and replies on March 14, 2022. On February 18, 2022, the Petitioner filed an amendment, seeking an additional week to the extension requests, with exceptions due on February 28, 2022, and replies due on March 21, 2022.

On February 23, 2022, the Board granted the requested extension of the deadlines for the parties' filing of Exceptions and Reply Exceptions, as well as an additional 45-day extension of the time for the Board to render a Final Decision on the Initial Decision, from March 14, 2022 to April 28, 2022.

Exceptions and Reply Exceptions were filed by both parties in the matter, requiring additional time for Staff review of the complete record. Since only one Board meeting was scheduled for the month of April 2022, Staff would not be able to complete its review prior to the due date, and sought an extension of the time to render a Final Decision, extending the due date from April 28, 2022 to May 31, 2022. Both parties consented to the Board's request, which was approved at the April 6, 2022 Board meeting.

Due to the voluminous record, Staff now sought an additional 45 day extension of the due date for the Board to render a Final Decision on the Initial Decision in this matter, extending the date from May 31, 2022 to July 15, 2022. Both parties have consented to the request.

Staff stated that additional time was required for Staff and the Attorney General's Office to perform a full review of the voluminous record in this complex matter. Staff recommended that the Board seek an additional extension of the time in which the Board must render a Final Decision from the OAL, extending the due date from May 31, 2022 to July 15, 2022.

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

V. WATER

There were no items in this category.

VI. RELIABILITY AND SECURITY

There were no items in this category.

VII. CUSTOMER ASSISTANCE

There were no items in this category.

VIII. CLEAN ENERGY

A. Docket No. QO20090624 – In the Matter of New Jersey’s Whole House Pilot Program.

BACKGROUND: This matter involved Staff seeking approval to enact a no-cost extension for the Whole House Pilot Project. Green & Healthy Homes Initiative (GHHI) was awarded a waived contract on April 7, 2021 through Board Order dated April 7, 2021 in Docket No. QO20090624 to design a Whole House Pilot Program in consultation with Staff based on national best practices and an assessment of New Jersey data, resources, and funding streams.

The pilot program will take a “whole house” approach, as described in the 2019 New Jersey Energy Master Plan, by working to address health and safety hazards that prevent weatherization and implement energy efficiency measures in single- and multi-family residences occupied by low-income residents by using an integrated, statewide approach. This approach streamlines and leverages existing resources, programs, and funding streams from multiple sources, including federal, State, and local governments, non-government organizations, and non-profit organizations. The pilot program will serve as a basis to scale to a statewide whole house program.

GHHI’s award included an 18-month pilot project period, with the possibility of extending the project period for up to six months. Staff recommended that the Board extend the contract for six-month period, so that GHHI’s award will last for the full 24 months allowed by the April 2021 Board Order.

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

IX. MISCELLANEOUS

There were no items in this category.

After appropriate motion, the consent agenda was approved.

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

AGENDA

1. AUDITS

There were no items in this category.

2. ENERGY

Paul Lupo, Bureau Chief, Division of Energy, presented these matters

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

BACKGROUND AND DISCUSSION: On March 30, 2022, Rockland Electric Company (RECO or Company) filed a petition with the Board seeking approval of a five-year Infrastructure Investment Program (IIP or Program) with a total investment level of \$209 million (Petition). In its Petition, Rockland proposed to invest in (1) enhanced overhead storm hardening, (2) selective undergrounding, (3) underground rebuild and rehabilitation, and (4) Franklin Lakes substation and related high voltage distribution line projects.

RECO proposed to recover costs of the IIP through an IIP Surcharge, which would be a non-bypassable cents per kWh charge applicable to all RECO distribution customers. The IIP Surcharge would be set annually based on the Company's forecasted revenue requirement associated with the Program, adjusted for any prior period over- or under-recoveries including interest, and a forecast of the Company's kWh deliveries to customers for each annual period.

RECO also proposed that any unrecovered Program or project investment costs would be rolled into base rates during future base rate cases. The proposed IIP Surcharge cost recovery mechanism will continue to be used until all Program costs are rolled into base rates.

The estimated initial bill impact for a residential heating customer using 925 kWh is \$0.32, or 0.2%. At the end of the five year period, the monthly electric bill for a typical residential customer with an average annualized monthly usage of 925 kWh would be an increase of \$11.72 or 7.3% in total, which is an average of 1.5% per IIP year.

Staff recommended that the Board retain this matter for hearing at the Board, and designate Commissioner Gordon as the Presiding Commissioner on this matter. Staff further recommended that the Board set a bar date of June 1, 2022 for the filing of motions to intervene and/or participate and for admission *pro hac vice*.

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

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

B. Docket No. GR21121256 – In the Matter of the Petition of Public Service Electric and Gas Company for Approval of the Next Phase of the Gas System Modernization Program and Associated Cost Recovery Mechanism (GSMP II) (December 2021 GSMP II Rate Filing).

BACKGROUND AND DISCUSSION: On December 30, 2021, Public Service Electric and Gas Company (PSE&G or Company) filed a petition with the Board seeking approval for gas base rate changes to provide for cost recovery associated with certain capitalized investment costs within the extension of the Company's Gas System Modernization Program (GSMP II) (December 2021 Petition).

In the December 2021 Petition, the Company sought approval to recover a revenue requirement of approximately \$27.227 million associated with the capitalized investment costs of GSMP II through February 28, 2022 not yet recovered in rates. According to the December 2021 Petition, through November 30, 2021, PSE&G replaced approximately 780 miles of main and 58,078 services. The Company indicated that it anticipated having a total of 822 miles of main installed and in-service, and 64,571 services replaced and in-service, by February 28, 2022.

On March 15, 2022, the Company provided an update reflecting actual data through February 28, 2022 (March 2022 Update). Through February 28, 2022, PSE&G replaced approximately 839 miles of main and 64,067 services. The March 2022 Update supported a proposed revenue requirement of approximately \$24.556 million.

Following a review of the December 2021 Petition, the March 2022 Update, and discovery, PSE&G, the New Jersey Division of Rate Counsel, and Board Staff (Staff) (collectively, the Parties) executed a stipulation of settlement (Stipulation) resolving all issues related to the December 2021 Petition. The Stipulation is based on the revenue requirement from the March 2022 Update.

Staff recommended that the Board issue an Order approving the Stipulation of the Parties. Staff further recommended that the Board direct PSE&G to file tariffs consistent with its Order prior to June 1, 2022.

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

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

C. Docket No. ER22010027 – In the Matter of the Application of the Borough of Butler for an Order Approving a Levelized Energy Adjustment Clause (L.E.A.C.) for April 1, 2022 to June 30, 2022.

BACKGROUND AND DISCUSSION: On February 1, 2022, the Borough of Butler Electric Utility (Butler Electric) filed a petition with the Board for approval of a Levelized Energy Adjustment Clause (LEAC) for the period April 1, 2022 to June 30, 2022 (Petition). Specifically, Butler Electric requested approval to: 1) adjust the LEAC rate from \$0.071940

per kilowatt hour (kWh) to \$0.035909 per kWh to be effective for services rendered on and after April 1, 2022; 2) continue the cap level of \$0.151718 per kWh on the quarterly LEAC adjustment that was approved on September 17, 2010 by the State of New Jersey, Department of Community Affairs, Division of Local Government Services, and the Local Finance Board pursuant to N.J.S.A. 40A:5A-25; and 3) continue to implement the LEAC quarterly adjustment rate mechanism as authorized by Board Order dated April 23, 2018, in Docket No. ER86040390.

Following discovery, Butler Electric, the New Jersey Division of Rate Counsel, and Board Staff (Staff) (collectively, Parties) executed a stipulation of settlement (Stipulation). The Stipulation allows Butler Electric to implement a LEAC rate of \$0.035909 per kWh for usage effective after April 1, 2022, and continue its LEAC cap on quarterly LEAC adjustments at \$0.151718 per kWh.

Staff recommended that the Board issue an Order approving the Stipulation of the Parties. Staff further recommended that the Board direct Butler Electric to file revised tariffs consistent with the terms and conditions of the Order by June 1, 2022.

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

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

D. Docket No. ER22020038 – In the Matter of the Petition of Atlantic City Electric Company to Reconcile and Update the Level of its Non-Utility Generation Charge and its Societal Benefits Charge (2022).

BACKGROUND AND DISCUSSION: On February 1, 2022, Atlantic City Electric Company (ACE) filed a petition with the Board seeking approval for changes to its Non-Utility Generation Charge (NGC) and two components of its Societal Benefits Charge (SBC): 1) the Clean Energy Program (CEP); and 2) the Uncollectible Accounts (UNC) (February 2022 Petition). Pursuant to the February 2022 Petition, the net impact of adjusting the NGC and SBC rates [including Sales and Use Tax (SUT)] was an overall annual rate decrease of approximately \$42.726 million.

Through the course of the proceeding, ACE updated the February 2022 Petition to include actual information through March 31, 2022 (March 2022 Update). Based upon the March 2022 Update, the net impact of adjusting the NGC and the CEP and UNC components of the SBC rates (including SUT) would result in an overall annual rate decrease of approximately \$55.277 million.

Following a review of the February 2022 Petition, the March 2022 Update and discovery responses, ACE, Board Staff (Staff), and the New Jersey Division of Rate Counsel (collectively, the Parties) executed a Provisional Rate Stipulation (Provisional Stipulation) requesting that the Board approves changes to the NGC, CEP and UNC rates on a provisional basis, subject to refund with interest. As part of the Provisional Stipulation, the Parties agreed that, to mitigate the rate impact on ratepayers, a portion of the anticipated

NGC benefits associated with the Board’s March 23, 2022 Order will be deferred to 2023 to reduce rate volatility.

Staff recommended that the Board issue an Order approving the Provisional Stipulation of the Parties. Staff further recommended that the Board direct ACE to file revised tariffs consistent with its Order by May 31, 2022, for service rendered on and after June 1, 2022.

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

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

3. CABLE TELEVISION

There were no items in this category.

4. TELECOMMUNICATIONS

A. Docket No. TO21121237 – In the Matter of the Broadband Access Study Commission (P.L. 2021, c. 161) – Executive Session.

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

BACKGROUND AND DISCUSSION: This matter was initially discussed in executive session and it involved staff requesting that the Board approve President Fiordaliso entering into the Memorandum of Understanding as discussed in executive session.

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

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

5. WATER

There were no items in this category.

6. RELIABILITY AND SECURITY

There were no items in this category.

7. CUSTOMER ASSISTANCE

There were no items in this category.

8. CLEAN ENERGY

Cathleen Lewis, Outreach Coordinator, Division of Clean Energy, presented this matter.

A. Docket No. QO21101203 – In the Matter of the Establishment of a Multi-Unit Dwelling EV Charging Program;

Docket No. QO21070999 – In the Matter of the Fiscal Year 2022 Clean Fleet Electric Vehicle Incentive Program; and

Docket No. QO21081070 – In the Matter of Fiscal Year 2022 Electric Vehicle Tourism Incentive Program.

BACKGROUND AND DISCUSSION: In June 2021, the FY22 New Jersey State Budget and Appropriations Act allocated an additional \$14 million to the Board for the purposes of creating programs to encourage Electric Vehicle (EV) charging infrastructure. The Board utilized those funds to create and expand several programs, including EV Tourism, Clean Fleet and the Multiunit Dwelling Program.

Throughout the year, each of these programs have seen significant interest, although some more than others. For that reason, Staff recommended allocating the remainder of the \$14 million, as well as reallocating some of the Clean Fleet Program funds to better fund the EV Tourism and the Multi-Unit Dwelling (MUD) programs.

In March 2022, the Board announced more than \$1 million in EV tourism awards and opened round two. Based on past applications, Staff anticipate that the second round will exceed the existing budget. Additionally, Board Staff has already received over \$1 million in MUD applications exceeding that program's allocation.

Staff recommended reallocating \$6 million from the Clean Fleet Program and utilizing the final \$2 million of the legislatively appropriated funds to increase the budgets of the EV Tourism and MUD programs. The recommended total for FY22 would be \$8.5 million for the EV Tourism program and \$4.5 million for the MUD program.

Staff recommended the approval of the proposed reallocations.

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

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

Ariane Benrey, Program Administrator, Office of Clean Energy, presented these matters.

B. Docket No. QX21060944 – In the Matter of a Rulemaking Proceeding to Define the Class 1 Renewable Portfolio Standard Cost Cap Pursuant to P.L. 2018, c.17.

BACKGROUND AND DISCUSSION: On July 28, 2021, the Board issued a proposed rule to define the methodology of process by which the Board would implement Section 32.d(2) Of the Clean Energy Act of 2018. Specifically, the Clean Energy Act mandates that the Board ensure that the cost of certain specified Class I renewable energy programs not exceed 9 percent of the total paid for electricity by all customers in the State in energy years 2019, 2020, and 2021 or exceed 7 percent in each energy year thereafter. The Board must take all necessary steps to prevent the exceedance of the cost cap.

The rule proposal was published in the New Jersey Register on September 7, 2021 and opened to public comments for 60 days. The Board received five public comments. Staff recommended that the Board adopt the proposed rule with one non-substantive change. If approved, the rule will be sent to the Office of Administrative Law and become effective upon publication in the New Jersey Register.

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

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

C. Docket No. QO20020184 – In the Matter of a Solar Successor Incentive Program Pursuant to P.L. 2018, c. 17; and

BACKGROUND AND DISCUSSION: pursuant to legislation and the Board's rules, the Board must certify on an annual basis that the cost cap has not been exceeded and, therefore, future incentive commitments are permitted. The Board must also set the megawatt block allocations for the Administratively Determined Incentive (ADI) Program for Energy Year 2023.

Based on Staff's calculations, the cost cap was not exceeded in Energy Year 2021 and is not forecasted to be at risk of being exceeded in Energy Years '22 or Energy Year '23. Accordingly, the cost cap does not currently serve as a constraint on setting megawatt

allocations for future eligibility for the ADI program or on compliance with the Energy Year '23 Class I Renewable Portfolio Standard.

In light of these calculations, Staff recommended that the Board certify that the cost cap has not exceeded in past energy years and is not forecasted to be exceeded in Energy Year '22 or Energy Year '23.

Staff also recommended setting capacity allocations for the Energy Year '23 ADI Program megawatt block. In addition, Staff recommended allocating 150 megawatts for net metered residential projects, 150 megawatts for community solar projects, and 75 megawatts for interim subsection (t) projects. For the community solar block, Staff recommended that the Board reserve the right to revisit the megawatt allocation as part of the development for the permanent program.

For the net metered nonresidential segment, Staff recommended rolling over any unused capacity from Energy Year '22 so that the Energy Year '23 megawatt block would be 150 megawatts plus any Energy Year '22 capacity that has not been reserved by May 31, 2022.

Finally, Staff recommended that the Board reserve the right to expand any megawatt blocks if necessary and that the Board maintain the incentive values for the ADI program, which might be reassessed at a later time during the upcoming one-year checkup.

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

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

9. MISCELLANEOUS

There were no items in this category.

EXECUTIVE SESSION

After appropriate motion, the following matter, which involved pending litigation attorney/client privilege and contract negotiation pursuant to the Open Public Meetings Act at N.J.S.A. 10:4-12(b)7 was discussed in Executive Session.

4. TELECOMMUNICATIONS

A. Docket No. TO21121237 – In the Matter of the Broadband Access Study Commission (P.L. 2021, c. 161).

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.


CARMEN D. DIAZ
ACTING BOARD SECRETARY

Date: 3/6/23