



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 October 29, 2018, at the State House Annex, Committee Room 6, 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:

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 Aida Camacho-Welch, Secretary of the Board, carried out the duties of the Secretary.

It was announced that the next regular Board Meeting would be held on November 19, 2018 at the State House Annex, Committee Room 11, 125 West State Street, Trenton, New Jersey 08625.

CONSENT AGENDA

I. AUDITS

A. Energy Agent and/or Private Aggregator Initial Registrations

EE18090988L	Management Services Partners, LLC	I – EA
EE18080945L	Energy Paradigm, LLC	I – E
EE18080880L	Cost Control Associates, Inc.	I – EA
EE18080947L	Energy Advisory Service, LLC	I – EA
EE18080923L	Resource Energy Solutions, LLC	I – EA/PA
GE18080924L		
EE18070782L	Navigate Power, LLC	I-EA/EC
GE18091007L		

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

EE18030246L	Power Brokers, LLC	R – EA
EE16100998L	Energy Brokerage Services, LLC	R – EA
EE18090972L	Tri State Energy Consultants, Inc.	R – EA
EE18050571L	Hospital Energy, LLC	R – EA
EE18080863L	Energy Procurement Partners, LLC	R – EA
EE18090991L	Broadleaf, LLC	R – EA
	d/b/a Broadleaf Energy	
EE18070761L	Greenwave Concepts, LLC	R – EA
GE18070762L	d/b/a TruEnergy	
EE18080857L	Destination Energy, LLC	R – EA
EE18070816L	Connect Energy Resources, LLC	R – EA
EE18090989L	Summit Energy Services, Inc.	R – EA
	d/b/a Schneider Electric	
EE18060634L	Alternative Utility Services, Inc.	R – EA/PA/EC
GE18060635L		
EE18070814L	Muirfield Energy, Inc.	R – EA/PA/EC
GE18070815L		
EE17101070L	Taylor Consulting and Contracting, LLC	R- EA/PA/EC
GE17101071L		
EE18080935L	Gotham Energy 360, LLC	R – EA/PA/EC
GE18080936L	d/b/a Gotham 360	
EE18101116L	Woodruff Energy	R - EA/PA/EC
GE18101117L		

Electric Power and/or Natural Gas Supplier Initial Licenses

GE18010023L	Agway Energy Services, LLC	I – EGSL
EE18010024L		
EE18070702L	Robison Energy (Commercial), LLC	I – EGSL
GE18070703L	d/b/a Original Energy	
EE18080941L	Approved Energy II, LLC	I – EGSL
GE18080940L	d/b/a Approved ENergy	

Electric Power and/or Natural Gas Supplier Renewal Licenses

EE18070754L	Calpine Energy Solutions, LLC	R – EGSL
GE18070755L		
EE18090975L	SFE Energy NJ, Inc.	R – EGSL
GE18090976L	d/b/a SFE NJ, SFE	

EE18030263L	Atlantic Energy MD, LLC	R – EGSL
GE18030264L		
EE18080920L	Town Square Energy East, LLC	R – ESL
EE18080938L	Inspire Energy Holdings, LLC	R – ESL
GE17121264L	Dominion Energy Solutions, Inc. d/b/a Dominion Energy Solutions	R – GSL
GE18090974L	Woodruff Energy US, LLC	R – GSL

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.

Having reviewed the submitted applications in accordance with N.J.A.C. 14:4-5.4, -5.8 and -5.11, Staff recommended that the following applicants be issued initial registrations as an energy agent, private aggregator and/or energy consultant for one year:

- o Management Services Partners, LLC
- o Energy Paradigm, LLC
- o Cost Control Associates, Inc.
- o Energy Advisory Service, LLC
- o Resource Energy Solutions, LLC
- o Navigate Power, LLC

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

- o Power Brokers, LLC
- o Energy Brokerage Services, LLC
- o Tri State Energy Consultants Inc.
- o Hospital Energy, LLC
- o Energy Procurement Partners, LLC
- o Broadleaf, LLC d/b/a Broadleaf Energy
- o Greenwave Concepts, LLC d/b/a TruEnergy
- o Destination Energy, LLC
- o Connect Energy Resources, LLC
- o Summit Energy Services, Inc. d/b/a Schneider Electric
- o Alternative Utility Services, Inc.
- o Muirfield Energy, Inc.
- o Taylor Consulting and Contracting, LLC
- o Gotham Energy 360, LLC d/b/a Gotham 360
- o Woodruff Energy

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

- o Agway Energy Services, LLC
- o Robison Energy (Commercial), LLC d/b/a Original Energy
- o Approved Energy II LLC d/b/a Approved Energy

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

- o Calpine Energy Solutions, LLC
- o SFE Energy NJ, Inc. d/b/a SFE NJ, SFE
- o Atlantic Energy MD, LLC
- o Town Square Energy East, LLC
- o Inspire Energy Holdings, LLC
- o Dominion Energy Solutions, Inc. d/b/a Dominion Energy Solutions
- o Woodruff Energy US, LLC

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

B. Docket No. TE18070786 – In the Matter of Brightpacket, Inc. for Authorization to Provide Local Exchange and Interexchange Telecommunications Services throughout the State of New Jersey.

BACKGROUND: By letter dated July 16, 2018, Brightpacket, Inc. (Petitioner or Brightpacket) filed a petition with the Board requesting authority to provide facilities-based and resold competitive local exchange access and non-dominant interexchange services to throughout the State of New Jersey.

Brightpacket is a privately held corporation organized under the laws of the State of California. Bright Packet Corporation was initially registered in the State of New Jersey as California Foreign Profit Corporation. On June 6, 2018, the Company filed Amended Certificate of Authority changing its legal status to Bright Packet, Inc.

The Petitioner asserted that approval of its Petition will further the public interest by expanding the availability of competitive telecommunications services in the State of New Jersey. The Petitioner also asserted that approval of this Petition will provide New Jersey customers with access to new technologies and service choices and will permit customers to achieve increased efficiencies and cost savings.

Brightpacket requested a waiver of N.J.S.A. 48:3-7.8 and N.J.A.C. 14:1-4.3, which requires that books and records be kept within the State of New Jersey and be maintained in accordance with the Uniform System of Accounts (USOA), respectively. The Petitioner also stated, upon written notice from the Board and/or Board Staff, it will provide its financial books and records at such time and place within New Jersey as the Board may designate and will pay any reasonable expenses for examination of the records.

By letter dated August 29, 2018, the New Jersey Division of Rate Counsel (Rate Counsel) submitted comments to the Board stating that, based on its review, the Rate Counsel was satisfied that the petition meets the regulatory requirements and is consistent with the public interest, convenience, and necessity. The Rate Counsel did not object to granting the waiver requests in connection with record-keeping by the Petitioner.

After review, Staff recommended that the Board grant the Petitioner authority to provide local exchange and interexchange telecommunications services throughout the State of New Jersey. Staff's recommendation does not pertain to Non-Competitive Local Exchange Carrier Services. Staff also recommended that the Board approve the request for waivers from its requirements that the Petitioner maintain its financial books and records in accordance with the USOA and within New Jersey.

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

II. ENERGY

A. Docket No. ER18010004 – In the Matter of Federal Energy (FERC) Items for 2018 – FERC Docket No. ER19-18 Atlantic City Electric Company re: Deferred Tax Adjustment.

BACKGROUND: On October 4, 2018, Staff on behalf of the Board, filed a doc-less intervention in this proceeding as an “interested state commission” under the Federal Energy Regulatory Commission (FERC) Rules of Practice and Procedure. The FERC e-filing rules allow for doc-less interventions, which serve to establish the Board as a party to the proceeding. If a substantive filing is necessary to advance Board policy, Staff will bring the matter to the Board’s regular agenda.

Staff recommended that the Board ratify this doc-less intervention.

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

B. Docket No. ER18010004 – In the Matter of Federal Energy (FERC) Items for 2018 – FERC Docket No. RP18-1122 Tennessee Gas Pipeline Company, LLC re: Modifications to Cash out Mechanism.

BACKGROUND: On September 6, 2018, Staff, on behalf of the Board, filed a doc-less intervention in this proceeding as an “interested state commission” under the Federal Energy Regulatory Commission (FERC) Rules of Practice and Procedure. The FERC e-filing rules allow for doc-less interventions, which serve to establish the Board as a party to the proceeding. If a substantive filing is necessary to advance Board policy, Staff will bring the matter to the Board’s regular agenda. Because the deadline for timely intervention was set between Board meetings, Staff recommended ratification of the doc-less intervention.

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

III. CABLE TELEVISION

A. Docket No. CE18070830 – In the Matter of the Petition of Comcast of New Jersey II, LLC for a Renewal Certificate of Approval to Continue to Construct, Operate and Maintain a Cable Television System in and for the City of Orange Township, County of Essex, State of New Jersey.

BACKGROUND: Commissioner Gordon recused himself from voting on this matter. On June 6, 2018, the City of Orange Township (City), after public hearing, adopted a municipal ordinance granting renewal consent to Comcast of New Jersey II, LLC (Comcast). On June 22, 2018, Comcast accepted the terms and conditions of the ordinance, and on July 30, 2018, filed a petition with the Board for a renewal of its Certificate of Approval with the City.

After review, Staff recommended that the Board approve of the proposed Renewal Certificate of Approval. This Certificate shall expire on November 3, 2026.

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

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

BACKGROUND: This matter involved an Order memorializing the addition of the City of Rahway and the Township of Mannington to the renewal system-wide cable television

franchise issued to Verizon New Jersey, Inc. (Verizon) on January 30, 2014. The Office of Cable Television & Telecommunications recommends approval.

On December 15, 2006, the Board approved a system-wide cable television franchise (franchise) to Verizon to allow it 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 (renewal franchise) 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 renewal 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 renewal franchise issued to Verizon to include the Township of Woodland.

On November 30, 2016, the Board issued a Third Order of Amendment to the renewal franchise issued to Verizon to include the Borough of Milltown.

On January 25, 2017, the Board issued a Fourth Order of Amendment to the renewal franchise issued to Verizon to include the Township of Lower Alloways Creek.

On June 30, 2017, the Board issued a Fifth Order of Amendment to the renewal franchise issued to Verizon to include the City of Corbin City and the City of Estell Manor.

On August 23, 2017, the Board issued a Sixth Order of Amendment to the renewal franchise issued to Verizon to include the Township of Berkeley,

On November 21, 2017, the Board issued a Seventh Order of Amendment to the renewal franchise issued to Verizon to include the Borough of Beachwood, the Borough of Pine Beach, and the Borough of South Toms River.

On September 7, 2018, Verizon filed notice with the Board and on September 6, 2018 with the City of Rahway that it was adding the City of Rahway to its renewal franchise.

On September 25, 2018, Verizon filed notice with the Board and on September 24, 2018 with the Township of Mannington that it was adding the Township of Mannington to its renewal franchise.

The total number of municipalities covered by Verizon's system-wide cable television franchise is now 391. Verizon provides telephone service in all or parts of 526 municipalities in the state.

Verizon's renewal franchise will expire on December 18, 2020.

Verizon currently provides its FiOS cable television service to all or parts of 369 municipalities.

After review, the Office of Cable Television & Telecommunications recommended approval of the Eighth Order of Amendment to include the City of Rahway and the Township of Mannington in Verizon's renewal system-wide cable television franchise.

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

C. Docket No. CE16121146 – In the Matter of the Petition of Comcast of Central New Jersey, II LLC, for a Renewal Certificate of Approval to Continue to Construct, Operate and Maintain a Cable Television System in and for the Municipality of Princeton, County of Mercer, State of New Jersey.

BACKGROUND: Commissioner Gordon recused himself from voting on this matter. On September 12, 2016, Municipality of Princeton (Princeton) adopted an ordinance granting renewal municipal consent to Comcast of Central New Jersey, II LLC, (Comcast). On October 3, 2016, Comcast accepted the terms and conditions of the ordinance, and on December 5, 2016, Comcast filed a petition for a Renewal Certificate of Approval.

Comcast currently holds the Renewal Certificates of Approval issued for the Township of Princeton, in Docket No. CE03121021 and the Borough of Princeton, in Docket No. CE03121023.

The Borough of Princeton and the Township of Princeton consolidated into one municipality to be known as Princeton (Princeton) for all governmental functions, which became effective January 1, 2013.

After review, Staff recommended that the Board approve the proposed Renewal Certificate of Approval. This Certificate shall expire October 12, 2029.

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

D. Docket No. CE18020187 – In the Matter of the Petition of Comcast of South 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 Franklin, County of Gloucester, State of New Jersey.

BACKGROUND: Commissioner Gordon recused himself from voting on this matter. On February 20, 2018, Comcast of South Jersey, LLC filed a petition with the Board for an Automatic Renewal Certificate of Approval for the Township of Franklin (Township) based on the automatic renewal provision, for a term to expire on December 17, 2027.

The petition is based on the Township's ordinance granting renewal municipal consent, which was adopted on December 28, 2005. The Township's ordinance granted a term of 15 years with an automatic renewal term of ten years. The initial term expired on December 17, 2017.

After review, Staff recommended approval of the proposed Automatic Renewal Certificate of Approval. This Certificate shall expire on December 17, 2027.

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

E. Docket No, CE17060669 – In the Matter of the Petition of Comcast of South 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 Penns Grove, County of Salem, State of New Jersey.

BACKGROUND: Commissioner Gordon recused himself from voting on this matter. On June 20, 2017, Comcast of South Jersey, LLC filed a petition with the Board for an Automatic Renewal Certificate of Approval for the Borough of Penns Grove (Borough) based on the automatic renewal provision, for a term to expire on May 17, 2027.

The petition is based on the Borough's ordinance granting renewal municipal consent, which was adopted on February 19, 2002. 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 May 17, 2027.

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

IV. TELECOMMUNICATIONS

A. Docket No. TO18040458 – In the Matter of the Joint Petition of United Telephone Company of New Jersey, Inc., d/b/a CenturyLink and Bluebird Communications, LLC for Approval of an Interconnection Agreement.

BACKGROUND: By separate letters, United Telephone Company of New Jersey, Inc. d/b/a CenturyLink and Bluebird Communications, LLC (collectively, Petitioners) filed an application with the Board for approval of a negotiated Interconnection Agreement (Agreement).

The Agreement sets forth the terms, conditions and prices under which the Petitioners will offer and provide network interconnection, call transport and termination, and ancillary services to each other.

By letter dated June 1, 2018, the New Jersey Division of Rate Counsel submitted comments to the Board stating that it did not object to Board approval of the Agreement subject to conditions.

After review, Staff recommended approval of the Petitioners' Agreement.

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

B. Docket No. TO18040394 – In the Matter of the Joint Petition of United Telephone Company of New Jersey, Inc., d/b/a CenturyLink and Barr Tell USA, Inc. for Approval of an Interconnection Agreement.

BACKGROUND: By separate letters, United Telephone Company of New Jersey, Inc. d/b/a CenturyLink and Barr Tell USA, Inc. (collectively, Petitioners) filed an application with the Board, pursuant to Section 252 (e) (1) of the Telecommunications Act of 1996 (Act) for the approval of a negotiated Interconnection Agreement (Agreement).

The Agreement sets forth the terms, conditions and prices under which the Petitioners will offer and provide network interconnection, call transport and termination, and ancillary services to each other.

By letter dated June 1, 2018, the New Jersey Division of Rate Counsel submitted comments to the Board stating that it did not object to Board approval of the Agreement subject to certain conditions.

After review, Staff recommended approval of the Agreement.

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

C. Docket No. TM18080900 – In the Matter of the Verified Joint Petition of Crown Castle Fiber, LLC, Crown Castle NG East (DE) LLC, Fiber Technologies Networks, LLC, Lighttower Fiber Networks I, LLC and Sunesys, LLC (1) for Approval of a Pro Forma Consolidation; and (2) Waiver of Mass Migration Rules.

BACKGROUND: On August 16, 2018, Crown Castle LLC, Crown Castle NG East LLC, registered in New Jersey as Crown Castle NG (DE) LLC, LTS Group Holdings LLC, Fiber Technologies Networks LLC, Lighttower Fiber Networks I, LLC, and Sunesys, LLC (collectively, the Petitioners) filed a petition with the Board requesting (1) approval for a Pro Forma consolidation that will result in the consolidation of CCNG-East, Fibertech, LFN-1, and Sunesys into Crown Fiber, and (2) changes in the ownership chains of Crown Fiber and CCNG-East.

The Petitioners also requested a waiver of the Board's mass migration rules. Following the closing of the transaction, the same services will continue to be offered in New Jersey at the same rates, terms, and conditions to customers.

By letter dated September 28, 2018, the New Jersey Division of Rate Counsel (Rate Counsel) stated that it did not oppose approval of the proposed transfer or waiver of the Board's mass migration regulations provided that certain conditions are imposed to ensure continued service quality in connection with potential future employment attrition in New Jersey. Specifically, as a condition of approval, the Rate Counsel urged that the Board require the Petitioners to notify the Board and the Rate Counsel, providing an appropriate explanation in writing within a minimum of thirty days prior to effectuating a reduction in New Jersey jobs that is greater than 15%, throughout a three year period following approval. After review, Staff recommended that the Board approve the Petitioners' request.

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

V. WATER

There were no items in this category.

VI. RELIABILITY & SECURITY

A. Docket Nos. WS18080877K, et al. – In the Matter of Alleged Violations of the Underground Facility Protection Act, N.J.S.A. 48:2-73 to -91.

BACKGROUND: Commissioner Gordon recused himself from voting on this matter. 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 49 with a total penalty of \$147,000.00.

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.

B. Docket No. CS18060650K – In the Matter of Alleged Violations of the Underground Facility Protection Act, N.J.S.A. 48:2-73 to -91 by, Fullerton Landscape Architects.

BACKGROUND: This matter involved a Final Orders of Penalty Assessment, resulting from alleged violations of the Underground Facility Protection Act (Act).

Following the reports of the failure to obtain a valid mark-out prior to commencing excavation or demolition activities, or the failure to hand dig and locate facilities, or the failure to use reasonable care, or reports of a failure to mark out underground facilities or properly mark them, Board Staff contacted the entities involved, investigated the incident, and informed the entities of the date and location of the alleged violations.

In an attempt to resolve this matter, the alleged violator were sent a Notice of Probable Violation, an Offer of Settlement, and an Answering Certification deadline from the Board, and was sent by regular and certified mail in accordance with the Uniform Administrative Procedure Rules. The alleged violator failed to submit the Answering Certification. The certified mail was returned to the Board as "UNCLAIMED", and the regular mail was not returned to the Board as undeliverable. The Respondent failed to submit the Answering Certification as required by N.J.A.C. 14:2-6.6(a). The certified mail receipt was returned to the Board and signed, and the regular mail was not returned to the Board as undeliverable.

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. N.J.S.A. 48:2-88(a). 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. N.J.S.A. 48:2-86(c).

This Final Orders of Penalty Assessments is for the amount of \$6,000.00.

Staff recommended that the Board approve this Final Order of Penalty Assessment.

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

VII. CUSTOMER ASSISTANCE

A. Docket Nos. BPU EC16100995U and OAL PUC 18763-2016 – In the Matter of Joseph A. Canning, Petitioner v. Atlantic City Electric Company, Respondent – OAL Request for Extension.

BACKGROUND: The record in this matter closed on April 23, 2018. By previous orders of extension, the due date for issuing an initial decision was extended until October 22, 2018. Administrative Law Judge Elia A. Pelios has requested additional time to complete the Initial Decision due to a voluminous caseload.

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 for filing the initial decision be extended until December 6, 2018.

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 Executive Session Minutes for Item 1A from the October 15, 2015 Agenda Meeting; and

Approval of the Minutes for the August 29, 2018 Agenda Meeting.

BACKGROUND: Commissioner Gordon abstained from voting on these matters. Staff presented the executive session minutes for item 1A from the October 15, 2015 meeting, and regular agenda minutes of August 29, 2018 meetings.

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

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 (excluding noted recusals)

AGENDA

1. AUDITS

A. Docket No. AA15090993 – In the Matter of New Jersey One-Call Damage Prevention System Tariff Rate Change, Contract Number A40171.

Alice A. Bator, Director, Division of Audits, presented this matter.

BACKGROUND AND DISCUSSION: This matter involved the rate charged by One Call Concepts, Inc. (OCC) to underground operators for notification of excavation activity.

On October 15, 2015, the Board selected OCC to operate the New Jersey One-Call Damage Prevention System for a second five year term beginning March 1, 2016 and ending February 28, 2021. OCC is compensated for its services through a charge to underground operators.

On September 21, 2018, OCC filed a petition with the Board, seeking approval of a tariff for facilities protection services which includes a rate increase from \$1.25 to \$1.36 per mark-out notification ticket to underground facility operators. The exact amount of this charge is calculated based upon the contract award. The charge is subject to an annual adjustment, up or down, based upon actual revenues received.

Staff recommended the Board approve the tariff for a period of one year.

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

2. ENERGY

Paul Flanagan, Executive Director, presented these matters.

A. Docket No. ER18010004 – In the Matter of Federal Energy (FERC) Items for 2018 – FERC Docket No. EL15-95 – Delaware Public Service Commission and Maryland Public Service Commission v. PJM Interconnection, LLC et al.

BACKGROUND AND DISCUSSION: Commissioner Gordon recused himself from voting on this matter. This item involved two matters that staff filed on behalf of the Board. In the first matter, Board Staff joined with the New Jersey Division of Rate Counsel (Rate Counsel) in submitting a response to the paper hearing process established in the Federal Energy Regulatory Commission's (FERC or Commission) on July 19, 2018 FERC Order. In the Order, FERC reversed its prior course and ordered the paper hearing to determine the just and reasonable replacement rate for allocating the cost of the Artificial Island (AI) project.

Staff and the Rate Counsel urged the Commission to (1) consider the use of an Locational Marginal Pricing-based cost allocation methodology for the AI investment in combinations

with other methodologies previously determined to be just and reasonable; and (2) ensure that there has been a full and fair opportunity to develop an evidentiary record on all of the methodologies under consideration. Staff recommended that the Board ratify the comments filed on September 19, 2018 in the paper hearing.

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	recused

In the second matter, on September 28, 2018, the Delmarva Zone Parties (Commissions and Advocates for Maryland and Delaware) filed a Motion to Strike Staff and the Rate Counsel's pleading. Therefore, on October 15, 2018, Staff, on behalf of the Board, filed a joint Answer, with the Rate Counsel, opposing the Motion to Strike, and recommended that the Board ratify the answer in opposition to the motion to strike that was filed on October 15, 2018.

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	recused

Joseph DeLosa, Office of Federal and Regional Policy Division, presented these matters.

B. Docket No. ER18010004 – In the Matter of Federal Energy (FERC) Items for 2018 – FERC Docket No. EL18-178 PJM Interconnection, LLC re: 206 Proceeding to Determine Just and Reasonable Replacement Rate.

BACKGROUND AND DISCUSSION: This matter involved Staff, on behalf of the Board, filing with the Federal Energy Regulatory Commission (FERC or the Commission) an Initial Argument in the paper hearing proceeding established in the Commission's June 29, 2018 Order.

In the filing, Staff argued that any replacement rate that includes a Minimum Offer Price Rule (MOPR) for existing resources, with few or no exceptions, must also include an accommodation for state policies. For instance, an accommodating alternative, such as the Fixed Resource Requirement Alternative (FRRa), will mitigate the punitive effects of an expanded MOPR and allow states to pursue their public policy goals. In the Commission's pursuit of a just and reasonable replacement rate.

Staff provided the following preliminary recommendations, and areas for further exploration: (1) the Commission must not accept the PJM Capacity Filing definition of Material Subsidy, (2) FERC must carefully select a timeline for FRRa implementation that will allow for participation of any resources triggering the MOPR, (3) the reasonable path forward for the

Commission lies in regulatory certainty around MOPR determinations (4) FERC should reject any proposal that includes the ability for resources to choose between the FRRa and the MOPR, which, in a worst-case scenario, may provide a pathway for economic withholding, and (5) the Commission must not allow federal subsidies to trigger the MOPR. Moreover, Staff sought further guidance from FERC regarding the method for compensating the FRR resources since the July 29 Order lacked the information.

Staff recommended that the Board approve the Initial Argument in FERC's paper hearing proceeding that was filed October 2, 2018.

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. ER18010004 – In the Matter of Federal Energy (FERC) Items for 2018 – FERC Docket No. EL18-54 NJBPU v. PJM Interconnection et al.

BACKGROUND AND DISCUSSION: This item involved two matters in regards to the New York/New Jersey Transmission Seam (Seam). In the first matter, Staff on behalf of the Board, on September 14, 2018, joined with the New Jersey Division of Rate Counsel (Rate Counsel) in submitting a motion to consolidate the Board's existing Seam complaint with nine other existing dockets. The motion arises out of Federal Energy Regulatory Commission's (FERC) July 19, 2018 Order, granting Settlement Judge Procedures in nine previously non-consolidated dockets—all related to New York/New Jersey seam cost allocation disputes—but not including the Board's Complaint. Staff urged the Commission to consider consolidation because the issues of fact, or "changed circumstances" that the Commission raises in its July 19 Order, encompass the issues of fact that are raised in the Board Complaint.

Although PJM and Public Service Electric & Gas filed in support of the Motion to Consolidate, but the "New York Parties," namely, Linden VFT, LLC (Linden VFT), Consolidated Edison Company of New York, Inc. (ConEd), New York Independent System Operator, Inc. (NYISO), and New York Power Authority (NYPA), filed in opposition.

Staff recommended that the Board ratify the Motion to Consolidate, filed on September 14, 2018

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

In the second matter, on October 12, 2018, Staff and Rate Counsel filed a joint Answer to the New York Parties' Opposition to Staff and Rate Counsel's Motion to Consolidate. Staff and the New Jersey Division of Rate Counsel filed this Answer to clarify certain mischaracterizations and misstatements of the New York Parties. Therefore, Staff recommended that the Board ratify the Answer in opposition to motion to strike, filed on October 12, 2018.

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

Stacy Peterson, Director, Division of Energy, presented these matters.

D. Docket No. ER18091061 – In the Matter of the Provision of Basic Generation Service and Compliance Tariff Filing Reflecting Changes to Schedule 12 Charges in PJM Open Access Transmission Tariff – September 2018 Joint Filing.

BACKGROUND AND DISCUSSION: Commissioner Gordon recused himself from voting on this matter. On September 26, 2018, Atlantic City Electric Company, Jersey Central Power & Light Company, Public Service Electric and Gas Company, and Rockland Electric Company (collectively, the EDCs) filed a joint petition (September 2018 Petition) with the Board requesting recovery of Federal Energy Regulatory Commission (FERC) approved changes in transmission service related charges.

Through a series of Orders, the Board authorized the EDCs to modify their Basic Generation Service (BGS) Residential/Small Commercial Pricing and Commercial and Industrial Energy Pricing rates to reflect the changes in their transmission charges resulting from the FERC-approved changes to the Transmission Enhancement Charges (TECs) resulting from changes in the PJM Interconnection, LLC (PJM) Open Access Transmission Tariff (OATT).

On May 31, 2018, in Docket Nos. EL05-121-009, FERC issued an Order (Seventh Circuit Order) approving a Contested Settlement (Seventh Circuit Settlement) concerning the regional cost allocation methodology applicable to 11 large transmission projects (500kV and above) approved between the years 2005 and 2013. The Seventh Circuit Settlement was submitted to FERC on June 15, 2016. The Board is identified in the Seventh Circuit Settlement as a "non-opposing" party. The Seventh Circuit Settlement was contested at FERC by the merchant transmission owners. Due to a number of procedural delays, and then the lengthy period of non-quorum at FERC, the Seventh Circuit Settlement remained pending for nearly two full years. Despite the unanticipated and significant time lag, the time period effected by the Seventh Circuit Settlement began January 1, 2016.

In the Seventh Circuit Order, FERC found that the overall result of the Seventh Circuit Settlement was just and reasonable as applied to the contesting parties. Consistent with its decision, FERC directed PJM to make a compliance filing with revised tariff records within 30 days of its this order. PJM then sought, and was granted, an additional extension of time to carry out FERC's directive. PJM implemented the cost allocation changes in the OATT

effective July 1, 2018 on a prospective basis. While FERC has ruled on this matter through the issuance of the Seventh Circuit Order, the cost reallocation is still subject to a pending rehearing request at FERC.

Under the Supplier Master Agreement (SMA), specifically Section 15.9, the EDCs are permitted to recover increases in Firm Transmission Service charges from BGS customers subject to Board approval. Thereafter, EDCs are required to remit payment of the increased charges to suppliers upon, among other things, the issuance of a “FERC Final Order” approving the Firm Transmission Service increase.

The proposed rates included in the amended tariff sheets for each EDC reflect costs effective on October 1, 2018. The EDCs also requested that the BGS suppliers be compensated for the changes to the OATT resulting from the implementation of the updates to formula rates which became effective July 1, 2018. The EDCs represent that suppliers will be compensated subject to the terms and conditions of the applicable SMAs. Any differences between payments to BGS-RSCP and BGS-CIEP suppliers and charges to customers will flow through BGS Reconciliation Charges.

The EDCs also requested a waiver of the 30-day filing requirement that would otherwise apply to this type of submission, because BGS suppliers began paying the revised transmission charges for service effective July 1, 2018 pursuant to the Seventh Circuit Order.

By motion dated October 9, 2018, Exelon Generation, LLC (ExGen), the owner of approximately 33,300 megawatts of generation, including nuclear, fossil, hydroelectric, solar, landfill gas, and wind generation assets, moved to intervene in this proceeding pursuant to N.J.A.C. 1:1-16.

ExGen markets wholesale energy and capacity products to municipal, cooperative, and investor-owned utilities, retail suppliers, retail energy aggregators, merchant participants, power markets, and major commodity trading houses. As stated in the motion, ExGen has, individually or through its subsidiaries, participated in the competitive BGS auction procurement processes and is a BGS supplier in New Jersey and as such is subject to the TECs in Schedule 12 of the PJM OATT.

ExGen asserted that it has substantial interest in this matter and will be significantly affected by its outcome. ExGen further asserted that its interest is sufficiently different from that of any other part so as to add measurably and constructively to the scope of the case and that interest cannot be represented by another party.

In addition to the motion to intervene, ExGen also moved for the admission pro hac vice of Jeanne J. Dworetzky, Esq. and Florence K.S. Davis, Esq. The motions included sworn affidavits by Ms. Dworetzky and Ms. Davis.

Staff recommended that the Board deny both ExGen’s Motion to Intervene in this matter, and the pro hac vice motions because this matter in an uncontested case. Under the administrative code at N.J.S.A. 1:1-16.1(a) intervention is limited to contested cases. The September 2018 Petition does not require an adjudicatory hearing. The September 2018 Petition merely sought to recovery of FERC-approved changes in transmission service related charges.

Staff noted that any proposed changes to the SMA have been, and continue to be, reviewed in the annual BGS proceeding. ExGen indicated in its motion that it is a participant in the annual BGS auction procurement processes, where it has the opportunity to comment on the process.

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	recused

E. Docket No. AX18010001 – In the Matter of the New Jersey Board of Public Utilities’ Consideration of the Tax Cuts Jobs Act of 2017; and

Docket No. ER18030241 – In the Matter of the Petition of Atlantic City Electric Company for Approval of the Treatment of Tax Impacts Associated with Implementation of the Tax Cuts and Jobs Act of 2017 and to Determine the Appropriate Level and Mechanism by which Rates must be Adjusted to Reflect the Benefits of the Act.

BACKGROUND AND DISCUSSION: By Order dated January 31, 2018 (Generic TCJA Order), the Board directed all affected utilities to file petitions proposing new rates reflecting the impacts from the Federal Tax Cuts and Jobs Act (the 2017 Act) signed into law on December 22, 2017. The Generic TCJA Order specifically mandated that the utilities file amended tariff sheets reflecting a reduction in the corporate tax rate effective April 1, 2018, as well as a plan to address other rate factors and to refund any over collection in rates.

On March 2, 2018, Atlantic City Electric Company (ACE or Company) filed its petition pursuant to the Generic TCJA Order, including proposed tariffs, as well as a proposed plan. By Order dated March 26, 2018, the Board directed the Company to implement its proposed base rate reduction on an interim basis, effective April 1, 2018. As a result of the March 26, 2018 Order, an average residential customer using 716 kWh received a reduction of \$1.38 or approximately 1.0% on their monthly bill.

On August 29, 2018, the Board issued an Order in this matter. In the August 29, 2018 Order, the Board:

1. Required ACE to refund the “stub period” over collection of \$6.16 million within 60 days of the effective date of the Board’s Order in this matter;
2. Required ACE to refund the property protected excess deferred income tax (EDIT) balance of \$102.55 million utilizing the average rate assumption method;
3. Required ACE to refund the unprotected EDITs (property and non-property) over a five year period through a per kWh credit; and
4. Directed ACE to file tariffs consistent with the Board’s Order before October 1, 2018.

On October 11, 2018, the Company requested that the Board issued an amended Order to clarify or correct certain items. ACE has complied with all directives to date in the Board’s August 29, 2018 Order.

Staff recommended that the Board enter an Amended Order to reflect the correct description of what is included in the \$6.16 million, as well as certain other modifications.

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

F. Docket No. GR17091005 – In the Matter of the Petition of Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas to Revise the Remediation Adjustment Clause Component of its Societal Benefits Charge Rate.

BACKGROUND AND DISCUSSION: On September 22, 2017, Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas (ETG, Elizabethtown or Company) filed a petition (2017 RAC Petition) with the Board seeking review and approval of the Company's Manufactured Gas Plant (MGP) Remediation Adjustment Clause (RAC or Societal Benefits Charge, SBC-RAC) activities and net MGP costs incurred between July 1, 2016 and June 30, 2017 (RAC Period).

The RAC related costs for which recovery was sought in the 2017 RAC Petition were the costs to test, contain and remediate the Company's former MGP sites incurred during the period July 1, 2010 through June 30, 2017, based on a seven year cost amortization, plus certain adjustments and prior period true-up amounts. The RAC Period costs totaled \$15,959,849.00 from which third party recoveries of \$2,400.00 were deducted and a net of \$733,741.00 for the deferral of 50% of litigation costs were deducted, resulting in proposed recoverable net remediation costs of \$15,223,708.00 that are subject to refund over the seven year period.

In accordance with the Company's tariff, the Company's original proposed SBC-RAC rate was determined by calculating the sum of (a) one seventh of its net deferred remediation costs incurred during the 12 months ended June 30th for the periods ending 2017, 2016, 2015, 2014, 2013, 2012 and 2011 totaling a credit of \$1,198,016.00, plus the deferred tax adjustment of \$131,286.00, which equals a credit of \$1,066,730.00, (b) the prior year's RAC over recovered balance of \$3,586,519.00 and, the proceeds (\$496,388.00) from the sale of land in Rahway, together totaling a credit of \$4,082,907.00 and (c) a credit of \$664,481.00 related to the interest accrued on RAC-related costs calculated in the manner approved by the Board in its Order in Docket Nos. GX99030121 and GO99030122 dated March 30, 2001. The sum of these amounts total a credit of \$5,814,118.00 which was divided by the projected sales and service volumes to the service classifications subject to the RAC in order to yield the proposed SBC-RAC credit rate of \$0.0128 per therm inclusive of all applicable taxes.

The proposed SBC-RAC rate was designed to refund approximately \$5.8 million in RAC-related costs over a 12 month period ending June 30, 2018 based on the rates that were in effect at the time of the filing. By Order dated September 22, 2017 in Docket No. GR16080794, the Board approved ETG's current RAC credit rate of \$0.0128 per therm, effective October 1, 2017.

After review of discovery and subsequent settlement discussions, the Company, the New Jersey Division of Rate Counsel and Board Staff (collectively, Parties) reached an agreement on the 2017 RAC Petition, and on September 25, 2018 executed a stipulation of settlement (Stipulation).

Staff recommended that the Board approve the Stipulation of the Parties. Staff further recommended that the Board direct Elizabethtown to file tariffs consistent with its Order by November 15, 2018.

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

G. Docket No. GO18030350 – In the Matter of the Petition of South Jersey Gas Company for Approval of the Extension of Energy Efficiency Programs and the Associated Cost Recovery Mechanism Pursuant to N.J.S.A. 48:3-98.1.

BACKGROUND AND DISCUSSION: On March 29, 2018, South Jersey Gas Company (SJG or Company) filed a petition (2018 EEP IV Petition) with the Board, seeking approval to continue its existing energy efficiency programs (EEPs) with certain modifications and with new names. In addition, the Company sought approval to implement six new programs. SJG proposed to implement the new and existing programs over a five year period commencing upon issuance of a Board Order with a total budget of approximately \$195 million, including Operations and Maintenance expenses. The Company proposes to recover the costs associated with the EEPs through the Energy Efficiency Tracker set forth in Rider N of the Company's tariff.

On October 11, 2018, the Company, the New Jersey Division of Rate Counsel, and Board Staff (Staff (collectively, Signatory Parties) executed a Stipulation of Settlement (Stipulation).

Staff recommended that the Board approve the Stipulation of the Signatory Parties. Staff further recommended that the Board direct SJG to file tariff sheets consistent with the Stipulation prior to November 1, 2018.

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

H. Docket No. GR18080852 – In the Matter of Elizabethtown Gas Company to (1) Revise its Weather Normalization Clause Rate; (2) Revise the Clean Energy Program Component of its Societal Benefits Charge Rate; and (3) Revise Its On-System Margin Sharing Credit.

BACKGROUND AND DISCUSSION: On September 22, 2017, Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas (Elizabethtown or Company) filed a petition (2017 RAC Petition) with the Board seeking review and approval of the Company's Manufactured Gas Plant (MGP) Remediation Adjustment Clause (RAC or SBC-RAC) activities and net MGP costs incurred between July 1, 2016 and June 30, 2017 (RAC Period).

The RAC related costs for which recovery was sought in the 2017 RAC Petition were the costs to test, contain and remediate the Company's former MGP sites incurred during the period July 1, 2010 through June 30, 2017, based on a seven year cost amortization, plus certain adjustments and prior period true-up amounts. The RAC Period costs totaled \$15,959,849.00 from which third party recoveries of \$2,400.00 were deducted and a net of \$733,741.00 for the deferral of 50% of litigation costs were deducted, resulting in proposed recoverable net remediation costs of \$15,223,708.00 that are subject to refund over the seven year period.

In accordance with the Company's tariff, the Elizabethtown's original proposed SBC-RAC rate was determined by calculating the sum of (a) one seventh of its net deferred remediation costs incurred during the 12 months ended June 30th for the periods ending 2017, 2016, 2015, 2014, 2013, 2012 and 2011 totaling a credit of \$1,198,016.00, plus the deferred tax adjustment of \$131,286.00, which equals a credit of \$1,066,730.00, (b) the prior year's RAC over recovered balance of \$3,586,519.00 and, the proceeds (\$496,388.00) from the sale of land in Rahway, together totaling a credit of \$4,082,907.00 and (c) a credit of \$664,481.00 related to the interest accrued on RAC-related costs calculated in the manner approved by the Board in its Order in Docket Nos. GX99030121 and GO99030122 dated March 30, 2001. The sum of these amounts total a credit of \$5,814,118.00 which was divided by the projected sales and service volumes to the service classifications subject to the RAC in order to yield the proposed SBC-RAC credit rate of \$0.0128 per therm inclusive of all applicable taxes.

The proposed SBC-RAC rate was designed to refund approximately \$5.8 million in RAC-related costs over a 12 month period ending June 30, 2018 based on the rates that were in effect at the time of the filing. By Order dated September 22, 2017 in Docket No. GR16080794, the Board approved the Company's current RAC credit rate of \$0.0128 per therm, effective October 1, 2017.

After review of discovery and subsequent settlement discussions, the Company, the New Jersey Division of Rate Counsel and Board Staff (collectively, Parties) reached an agreement on the 2017 RAC Petition, and on September 25, 2018 executed a stipulation of settlement (Stipulation).

Staff recommended that the Board approve the Stipulation of the Parties. Staff further recommended that the Board direct the Company to file tariffs consistent with its Order by November 15, 2018.

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

I. Docket No. ER18090977 – In the Matter of the Verified Petition of Jersey Central Power and Light Company Constituting its Annual Filing With Respect to the Non-Utility Generation Charge Clause of its Filed Tariff (2017 NGC Filing).

BACKGROUND AND DISCUSSION: On September 7, 2018, Jersey Central Power and Light Company (JCP&L or the Company) filed a petition (2017 NGC Petition) with the Board seeking review and approval of the amounts included in the Company's Non-Utility Generation Charge (NGC) deferred balance to the extent accumulated from January 1, 2017 through December 31, 2017. In the 2017 NGC Petition, the Company projected that, at present rates, the net NGC deferred balance at December 31, 2018 would be an over-recovery of \$45,275,310.00, after the application of over-recovered carrying costs of \$749,906.00. The rates proposed in the 2017 NGC Petition would result in a decrease of \$45.3 million per year.

On October 1, 2018, JCP&L, Board Staff (Staff) and the New Jersey Division of Rate Counsel (collectively the Parties) executed a stipulation for provisional rates (Stipulation) requesting that the Board approve a decrease in annual NGC revenues of \$22 million on a provisional basis, subject to refund with interest, to allow the Parties sufficient time to complete their review of the petition and the proposed rates and costs.

Staff recommended that the Board issue an order adopting the Stipulation of the Parties. Staff further recommended that the Board order JCP&L to file tariffs consistent with the Board's Order by November 1, 2018.

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

J. Docket Nos. ER17070724 and GR17070725 – In the Matter of the Petition of Public Service Electric and Gas Company for Approval of Changes in its Electric Green Programs Recovery Charge and its Gas Green Programs Recovery Charge (2017 PSE&G Green Programs Cost Recovery Filing).

BACKGROUND AND DISCUSSION: Commissioner Gordon recused himself from voting on this matter. On July 5, 2017, Public Service Electric and Gas Company (PSE&G or the Company) filed a petition (2017 GPRC Petition) with the Board seeking approval to modify the electric and gas components of its Green Programs Recovery Charge (GPRC). The proposed rates for the combined components of the electric and gas GPRCs for the period

October 1, 2017 through September 30, 2018 are designed to recover approximately \$57.9 million (electric) and \$12.5 million (gas) in revenues on an annual basis. As filed, the resulting net combined annual revenue impacts on the Company's electric customers are an increase of \$20.1 million and a decrease of \$1.2 million for the Company's gas customers.

The 2017 GPRC Petition also requested Board approval to end the Company's Demand Response (DR) program after the summer of 2017, in light of changes to PJM Interconnection, LLC's (PJM's) rules regarding the electric capacity market. In the 2017 GPRC Petition, the Company proposed to recover the regulatory asset over the remaining life of the DR equipment.

By Order dated May 22, 2018 (May 2018 Order), the Board approved a stipulation of settlement in this matter terminating the DR Program after the 2017/2018 energy year and allowed the Company to defer the remaining net investment in the DR Program as of May 31, 2018 as a regulatory asset. The May 2018 Order only addressed the discontinuance of the DR Program and interim recovery of the DR regulatory assets.

On October 11, 2018, PSE&G, the New Jersey Division of Rate Counsel, and Board Staff (Staff) (collectively, Parties), executed a stipulation of settlement (Stipulation) requesting that the Board approve modifications to the Company's electric and gas GPRC rates.

Staff recommended that the Board issue an order accepting the Stipulation of the Parties. Staff further recommended that the Board order PSE&G to file tariffs consistent with the Board's Order by November 1, 2018.

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	recused

K. Docket Nos. ER18010029 and GR18010030 – In the Matter of the Petition of Public Service Electric and Gas Company For Approval of an Increase in Electric and Gas Rates And For Changes in Tariffs for Electric and Gas Service, B.P.U.N.J. No. 16 Electric and B.P.U.N.J. No. 16 Gas, and for Changes in Depreciation Rates, Pursuant to N.J.S.A. 48:2-18, N.J.S.A. 48:2-21 and N.J.S.A. 48:2-21.1, and for Other Appropriate Relief; and

Docket No. AX18010001 – In the Matter of the New Jersey Board of Public Utilities' Consideration of the Tax Cuts and Jobs Act of 2017; and

Docket No. ER18030231 – In the Matter of Public Service Electric and Gas Company for Approval of Revised Rates (Effective on an Interim Basis April 1, 2018 to Reflect the Reduction under the Tax Cuts and Jobs Act of 2017.

BACKGROUND AND DISCUSSION: Commissioner Gordon recused himself from voting on this matter. On January 12, 2018, Public Service Electric and Gas Company (PSE&G or Company) filed a petition with the Board (Base Rate Case Petition) for approval of an increase in its operating revenues of approximately \$95 million, or 1.2%, to be effective for

electric and gas service provided on or after February 23, 2018. The Company requested an electric revenue increase of \$27 million or approximately 0.49% and a gas revenue increase of \$68 million or approximately 2.97%. The Company also sought Board approval to implement new depreciation rates that include cost of removal rates that the Company asserted were more appropriate. The requested Return on Equity in the filing was 10.10%. The Base Rate Case Petition was filed with five months of actual data and seven months of estimated data for its test year, the 12 month period ending June 30, 2018.

Additionally, PSE&G sought approval of a Tax Adjustment Credit (TAC), which would be used to flow back to customers certain tax benefits related to a deduction for repair costs reflected in the Company's Accumulated Deferred Income Tax balance. The Base Rate Case Petition also included a proposed Green Enabling Mechanism that would "decouple" revenues from sales volumes. The Base Rate Case Petition also requested certain modifications to the Company's tariffs for electric and gas service.

By Order (Generic TCJA Order) dated January 31, 2018, the Board directed affected utilities to file petitions proposing new rates reflecting the impacts from the Federal Tax Cuts and Jobs Act (TCJA) signed into law on December 22, 2017. The effective date of the 2017 Act was January 1, 2018. The TCJA sets forth changes to the Federal Internal Revenue Tax Code (Tax Code), including a reduction in the maximum corporate tax rate from 35% to 21%. The Board is charged with the authority to ensure that the regulated utilities' rates charged to ratepayers are just and reasonable. When the Board sets rates in base rate cases and in certain annual/periodic clauses, utilities are permitted to gross up their revenue requirement as well as set other rate factors, including, the accumulated deferred income tax, based on the then existing 35% corporate tax rate.

The Board issued the Generic TCJA Order which set all affected utility rates as interim and established a proceeding to consider the implications of the TCJA. Based upon the Board's review of the TCJA, the Board found in its Generic TCJA Order that the changes to the Tax Code would provide savings to the affected utilities and would result in an over-collection of tax revenue by the affected utilities that would not be paid in federal income taxes. The affected utilities were required to file amended tariffs reflecting a reduction in rates resulting from the reduction in the corporate tax rate effective April 1, 2018, as well as a plan to address other rate factors and to refund any over collection in rates. The Generic TCJA Order set the deadline for the filing of motions to intervene or participate on February 20, 2018.

On March 2, 2018, PSE&G filed its petition (TCJA Petition) pursuant to the Generic TCJA Order, including proposed tariffs as well as a proposed plan. Based on the TCJA, the Company recalculated its current base rates and proposed the following to be effective April 1, 2018: (1) a rate reduction of \$71 million or 1.4% for its residential electric customers; and (2) a rate reduction for its gas residential customers of \$43 million or 2.6%. The total proposed combined electric and gas rate reduction was \$114 million or 1.9%. PSE&G proposed to refund its customers based on the proposed rate decrease for the period between January 1, 2018 through March 31, 2018, which was the same mechanism proposed in the Base Rate Case Petition for a new TAC. The Company proposed to return the amount over the 12 month period following the conclusion of the Company's Base Rate Case Petition, with interest at the short term debt rate.

By Order (March 26, 2018 Order) dated March 26, 2018 in Docket Nos. AX18010001 and ER18030231, the Board directed the Company to implement its proposed base rate

reduction on an interim basis, effective April 1, 2018. As a result of the March 26, 2018 Order, the typical residential electric customer using 750 kWh in a summer month and 7,200 kWh annually will receive an annual bill decrease of \$17.60 or approximately 1.41% and the typical residential gas heating customer using 165 therms in a winter month and 1,010 therms annually will receive an annual bill decrease of \$23.14 or approximately 2.56%. The March 26, 2018 Order also granted the motion to intervene in PSE&G's TCJA Petition filed by the New Jersey Large Energy Users Coalition (NJLEUC). Additionally, the Board directed that PSE&G's proposed plan be reviewed in the Company's pending base rate case and forwarded the file to the Office of Administrative Law.

As the case progressed, the estimated data was replaced by actual data, and on August 8, 2018, the Company filed its update consisting of 12 months of actual data (12+0 update). The Company's 12+0 update reflects a proposed increase in operating revenues of approximately \$272 million annually on an ongoing basis for PSE&G's electric and gas operations (approximately \$147 million in annual electric revenues and \$125 million in annual gas revenues), or an approximate 3.6% increase in overall revenues, less a \$39 million refund provided in the first three months assuming rates effective October 1, 2018.

Following discussions among the parties, the Company, the New Jersey Division of Rate Counsel, Board Staff, American Association of Retired Persons, NJLEUC, Walmart Stores, East LP and Sam's East (Walmart), and Direct Energy Business, LLC, Direct Energy Business Marketing, LLC, Direct Energy Services, LLC, Gateway Energy Services Corporation and NJR Retail Services Company (collectively, Direct Energy) executed a Stipulation of Settlement resolving both the Base Rate Case Petition and the TCJA Petition. On October 4, 2018, ALJ Cookson issued her Initial Decision in this matter approving the Stipulation pursuant to N.J.A.C. 1:1-19.1, finding that the settlement is voluntary, consistent with the law and fully disposes of all issues in controversy.

On October 10, 2018, PSE&G filed an errata sheet with the Board indicating that Paragraph 4 of the Stipulation contained an error and requested that the Board amend the Stipulation upon adoption.

Staff recommended that the Board modify the Initial Decision and Stipulation to include the correction contained in the errata filing for service rendered on or after November 1, 2018. Staff further recommended that the Board direct PSE&G to file tariffs consistent with its order prior to November 1, 2018.

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	recused

L. Docket No. GR18020093 – 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 and It's Gas SBC; During the Remediation Adjustment Charge 25 Period, August 1, 2016 to July 31, 2017.

BACKGROUND AND DISCUSSION: Commissioner Gordon recused himself from voting on this matter. On February 1, 2018, 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 (MGP) Remediation Adjustment Clause (RAC) activities and net MGP costs incurred between August 1, 2016 through July 31, 2017 (RAC 25 Period).

In the petition, PSE&G requested approval of net RAC 25 Period expenditures of \$57.695 million. As a result of the allocation of MGP costs between electric and gas customers, the expenditures totaled \$23.081 million for electric customers and \$34.621 million for gas customers for the RAC 25 Period. Consequently, the annual revenue collected from electric customers would be increased by \$1.587 million and the annual revenue collected from gas customers would be increased by \$7.393 million.

After review of discovery and subsequent settlement discussions, on October 11, 2018 the Company, the New Jersey Division of Rate Counsel and Board Staff, (collectively, Parties) executed a stipulation of settlement (Stipulation).

Staff recommended that the Board approve the Stipulation of the Parties. Staff further recommended that the Board direct PSE&G to file tariffs consistent with the Board's Order by November 1, 2018.

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	recused

M. Docket No. GR18060675 – In the Matter of Public Service Electric and Gas Company to Revise its Weather Normalization Charge for the 2018-2019 Annual Period.

BACKGROUND AND DISCUSSION: Commissioner Gordon recused himself from voting on this matter. On June 26, 2018, Public Service Electric and Gas Company (PSE&G or Company) filed a petition (2018 WNC Petition) with the Board seeking approval to adjust its Weather Normalization Clause (WNC). In the 2018 WNC Petition, PSE&G sought to recover \$14,265,094.00 to be collected over the 2018-2019 Winter Period.

In recovering the \$14,265,094.00 over the 2018-2019 period, the Company proposed a WNC rate of \$0.009676 without New Jersey Sales and Use Tax (SUT) (\$0.010317 including SUT per balancing term applicable to the Company's gas customers receiving service under Rate Schedules Residential Service Gas, General Service Gas (GSG) and Large Volume Gas customers during the 2018-2019 Winter Period.

After an initial review of the 2018 WNC Petition, on September 25, 2018, PSE&G, the New

Jersey Division of Rate Counsel and Board Staff (collectively, the Parties) executed a stipulation of settlement for a provisional WNC (Stipulation).

Staff recommended that the Board issue an Order approving the Stipulation of the Parties. In addition Staff further recommended that the Board direct PSE&G to file sheets consistent with its Order by November 1, 2018.

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	recused

N. Docket No. EO18101115 – In the Matter of Public Service Electric and Gas Company for Approval of its Clean Energy Future-Energy Cloud Program.

BACKGROUND AND DISCUSSION: Commissioner Gordon recused himself from voting on this matter. On October 11, 2018, Public Service Gas and Electric Company (PSE&G or the Company) filed a petition (EC-AMI Petition) with the Board for approval of the Company's Clean Energy Future- Energy Cloud (CEF-EC) program on a regulated basis.

PSE&G requested the Board to approve a five-year, proposed estimated investment of approximately \$721 million and operations and maintenance costs of \$73 million designed to implement an Advanced Metering Infrastructure (AMI) program within the PSE&G service territory. The Company stated that the proposed AMI program will allow the Company greater visibility of its distribution system, as it will allow operators to "see" the status of the network down to the customer meter level, including which customers are still without power during an outage. The CEF-EC or AMI program will also help with restoration improvements which will include faster identification of "nested outages". Without the CEF-EC Program, PSE&G alleged it is dependent on customers calling to report an outage, adding significant delay in restoration and customer frustration.

Staff recommended that this matter be retained for hearing and designate Commissioner Mary-Anna Holden as the presiding officer who is authorized to rule on all motions that arise during the pendency of these proceedings and modify any schedules that may be set as necessary to secure a just and expeditious determination of the issues.

Staff further recommended that the Board direct any entities seeking to intervene or participate in this matter to file the appropriate application with the Board by November 16, 2018. Any party wishing to file a motion for admission of counsel, pro hac vice, should do so concurrently with any motion to intervene or participate.

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	recused

3. CABLE TELEVISION

There were no items in this category.

4. TELECOMMUNICATIONS

A. Docket No. TS18090978 – In the Matter of Broadband Centric Corporation to Comply with Regulations Requiring the Filing of its Annual Report, Statement of Gross Intrastate Revenue and the Payment of its Assessment.

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

BACKGROUND AND DISCUSSION: This matter involved an Order to show cause stemming from the failure of Broadband Centric Corporation (BCC) to comply with statutory requirements. BCC was granted authority to provide local telecommunications services throughout New Jersey by Order dated October 12, 2006, in Docket No. TE06080615. BCC, has not complied with requirements to file its respective Annual Report, Statement of Gross Intrastate Revenue and failure to pay its minimum assessment pursuant to N.J.S.A. 48:2-16(2)b, N.J.A.C. 14:3-6.3, N.J.S.A. 48:2-62, N.J.S.A. 48:2-69 and N.J.S.A. 48:2-60, respectively.

BCC failed to file its annual report and statement of Gross Intrastate Revenue for calendar year 2017 which resulted in a penalty of \$1110.00 computed at \$5.00 per day to November 8, 2018 and failed to pay its minimum assessment of \$500.00 for FY2018.

An additional penalty of \$5.00 per day will accrue for each day after November 8, 2018 where the CY2018 AR is not filed.

If BCC fails to comply with the Order to show cause by December 8, 2018, Staff recommended revocation of respondent's respective authority.

Staff from the Division of Audits attempted to contact BCC a minimum of ten times by email and letter plus numerous phone calls with no response.

Staff from the Office of Cable Television and Telecommunications mailed a certified letter on August 29, 2018, notifying BCC that it was in violation of the above statutes and non-compliance would prompt further Board action if remittance of payment was not received within 10 business days.

If BCC fails to respond to the within Order to Show Cause by December 8, 2018, then the authority granted to Respondent to provide telecommunications services throughout New Jersey in the 2006 Order, Docket No. TE06080615 shall be revoked by the Board.

Staff recommended that the Board direct that a certified copy of the Board Order be served upon BCC pursuant to N.J.S.A. 48:2-40.

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

Maria L. Moran, Director, Division of Water, presented these matters.

A. Docket No. WC17030274 – In the Matter of the Petition of Northgate West Condominium Association, Inc., Petitioner v. Town of Clinton, Respondent.

BACKGROUND AND DISCUSSION: On March 20, 2017, the Northgate West Condominium Association, Inc. (Association or Petitioner) filed a Petition with the Board against the Town of Clinton, regarding the Town of Clinton Water Utility’s (a.k.a. Town of Clinton Water Department) failure to inspect, flush, and maintain the 12 fire hydrants (hydrants) located in the Association’s community and keep proper records on these hydrant maintenance activities, per the New Jersey Administrative Code at N.J.A.C. 14:9-2.2 “Inspection of property”.

The Petitioner requested that the Board find the following: (a) the Town of Clinton has failed to comply with the Board’s regulations at N.J.A.C. 14:9-2.2 “Inspection of property” and applicable industry standards; (b) order the Town of Clinton to immediately inspect, flush, and repaint the Association’s hydrants; and (c) supervise the Town of Clinton in the prompt formulation and implementation of a hydrant flushing plan and proper record keeping going forward.

The Association had previously filed an action against the Town of Clinton with the Superior Court of New Jersey, but the claims were dismissed without prejudice, pending the exhaustion of administrative remedies before the Board.

The Association’s community is comprised of 153 condominium units along with common elements and improvements, located in the Township of Clinton, Hunterdon County. The Township of Clinton is a distinct municipality neighboring the Town of Clinton.

The Town of Clinton Water Utility is a municipal water utility serving approximately 3750 customers outside the municipal boundaries of the Town of Clinton in the following municipalities: Clinton Township, Franklin Township, Union Township, and Lebanon Borough. As a municipal utility with levelized customer rates for its entire service territory, the Board only has jurisdiction over service and reliability issues for the municipalities served outside of the Town of Clinton.

On May 15, 2017, the matter was transmitted to the Office of Administrative Law as a contested case, after the Association and the Town of Clinton failed to reach a settlement in the matter. The matter was assigned to Administrative Law Judge Jacob S. Gertsman (ALJ Gertsman).

ALJ Gertsman’s Initial Decision in the matter was received by the Board on September 7, 2018.

Staff recommended that the Board adopt ALJ Gertsman's Initial Decision in its entirety.

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. WE18010008 – In the Matter of the Petition of SUEZ Water NJ, Inc. for the Approval of Municipal Consent to Own and Operate a Water System in the Township of Independence and Approval of the Issuance of Revised Tariff Sheets setting forth SUEZ Water NJ, Inc.'s Expanded Service Area Related to the Transfer of Water Assets from the Township of Independence to SUEZ Water NJ, Inc.

BACKGROUND AND DISCUSSION: Commissioner Gordon recused himself from voting on this matter. This matter involved SUEZ Water New Jersey, Inc. (SWNJ or Petitioner) filing a petition with the Board seeking approval of the following: (1) a Municipal Consent, Ordinance No. 2017-12, adopted October 17, 2017, by the Township of Independence (Township or Seller) to allow the Petitioner to provide water service in two areas of Independence formerly serviced by the Independence Township Municipal Utility Authority (Independence System); (2) the expansion of SWNJ service territory to include customers in the Independence System; (3) to purchase water assets of the Independence System; and (4) to file revised tariff sheets.

SWNJ is engaged in the business of treating and distributing water for retail service to customers located in the northern and western portions of the State. SWNJ serves approximately 200,000 customers located in portions of Bergen, Hudson, Passaic, Morris, Hunterdon and Sussex Counties. SWNJ also supplies water service to municipalities, including the Township of Saddle Brook, the Boroughs of Fairlawn, Saddle River, Allendale, Mahwah and Ramsey and the Village of Ridgewood.

The Independence System is a public body corporate and politic in Warren County that is not subject to the jurisdiction of the Board. The Seller has two separate public water systems. Those systems include Valley View and Highland Properties. The Independence System provides water service to 178 customers through approximately three wells, two storage tanks and a series of related distribution systems.

On September 12, 2017, SWNJ entered into an Agreement of Sale with the Township which provides for SWNJ to purchase the water system assets.

Upon completion of the purchase, the Independence System will be served by SWNJ and the customers in the service territory will continue to be charged current rates until at least SWNJ's next base rate case.

The total purchase price is \$400,000.00.

On May 2, 2018, a municipal consent hearing was held at the Board's Office. William Agee, Esq., Legal Specialist, presided over the hearing at which representatives of the

Company, the New Jersey Division of Rate Counsel and Staff appeared. No members of the public appeared at the hearing.

On September 10, 2018, the Watershed Review Board issued an Order Granting Exemption (WPRB Order) to allow the sale to proceed.

Staff recommended that the Board approve the following: (1) a Municipal Consent, Ordinance No. 2017-12, adopted October 17, 2017, by the Township of Independence, Warren County, granted to SWNJ; (2) the expansion of SWNJ service territory to include customers in the Independence System; (3) the proposed purchase of the water system now owned by the Independence Municipal Utilities Authority; and (4) file revised tariff sheets.

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	recused

C. Docket No. WE17111189 – In the Matter of the Petition of SUEZ Water NJ, Inc. for the Approval of Municipal Consent to Own and Operate Water and Sewer Systems in the Township of West Milford and Approval of the Issuance of Revised Tariff Sheets setting forth SUEZ Water NJ, Inc.’s Expanded Service Area Related to the Transfer of Water and Sewer Assets from the Township of West Milford to SUEZ Water NJ, Inc.

BACKGROUND AND DISCUSSION: Commissioner Gordon recused himself from voting on this matter. This matter involved SUEZ Water New Jersey, Inc. (SWNJ or Petitioner) filing a petition with the Board seeking approval of the following: (1) a Municipal Consent, Ordinance No. 2017-014 adopted on December 20, 2017, by the Township of West Milford (Township) to allow the Petitioner to provide water and wastewater service to the customers in the West Milford Municipal Utilities Authority Systems (WMMUA or West Milford Systems or Seller); (2) the expansion of SWNJ’s service territory to include customers in the WMMUA; (3) to merge the WMMUA into SWNJ and purchase the water and wastewater systems assets of the WMMUA; and (4) to file revised tariff sheets.

SWNJ is engaged in the business of collecting, treating and distributing water for retail service to customers located in the northern and western portions of the State. SWNJ serves approximately 200,000 customers located in portions of Bergen, Hudson, Passaic, Morris, Hunterdon and Sussex Counties. SWNJ also supplies water service to municipalities, including the Township of Saddle Brook, the Boroughs of Fairlawn, Saddle River, Allendale, Mahwah and Ramsey and the Village of Ridgewood. SWNJ also provides water service to 509 homes in the Bald Eagle Commons subdivision where SUEZ Water West Milford Sewer, Inc. provides wastewater service.

The WMMUA is a public body corporate and politic in Passaic County and is not subject to the jurisdiction of the Board. The WMMUA provides water services to 1,727 homes through approximately 25 wells, eight storage tanks and a series of related distribution systems and wastewater services to approximately 1,496 homes through a series of collection systems in

six separate wastewater systems. The WMMUA serves approximately 20% of the Township. The balance of the Township residents obtain water from private wells and these residents dispose of their wastes through on-lot disposal systems.

On September 6, 2017, SWNJ entered into an Agreement of Sale (Agreement) with the Township, which provides SWNJ to purchase the water and wastewater systems assets.

SWNJ sought approval to acquire the water and wastewater systems assets now owned by the WMMUA and for Board approval of Ordinance No. 2017-014, adopted on December 20, 2017.

Upon completion of the purchase, the WMMUA system will be served by SWNJ and the customers in the service territory will continue to be charged current rates until at least SWNJ's next base rate case.

The total purchase price is \$11,300,000.00 which is a reduction from the bid price of \$12,500,000.00.

The Petitioner agreed to pay up to \$250,000.00 in seller transaction costs.

Customers of the former WMMUA will be billed on a monthly basis, instead of on a quarterly basis.

On May 2, 2018, a municipal consent hearing was held at the Board's Office. William Agree, Esq., Legal Specialist, presided over the hearing at which representatives of the Company, the New Jersey Division of Rate Counsel and Staff appeared. No members of the public appeared at the hearing.

Staff recommended that the Board approve the following: (1) Municipal Consent, Ordinance No. 2017-014, adopted on December 20, 2017, by the Township of West Milford, County of Passaic, granted to SWNJ; (2) the expansion of SWNJ's service territory to include customers in the WMMUA; (3) to merge the WMMUA into SWNJ and the proposed purchase of the water and wastewater systems now owned by the WMMUA; and (4) to file revised tariff sheets.

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	recused

D. Docket No. WO18060672 – In the Matter of the Amendment to the Services Agreement for the Operation, Management, Maintenance and Repair of the City of Camden's Water Supply and Sewer Collection Systems.

BACKGROUND AND DISCUSSION: On October 6, 2015, pursuant to the New Jersey Water Supply Public-Private Contracting Act, and the New Jersey Wastewater Treatment Public-Private Contracting Act, (Wastewater Act) (collectively, Acts), the City of Camden (Petitioner or Camden) filed a petition with the Board, which was subsequently certified, for approval of a private-public contract (Services Agreement) with American Water Operations

and Maintenance, Inc., (American Water) for the operation, management, maintenance, and repair of the City of Camden's water supply and sewer collection systems.

Camden also made the application to the New Jersey Department of Community Affairs, Division of Local Government Services, Local Finance Board and the New Jersey Department of Environmental Protection. On December 16, 2015, the Board approved the Services Agreement in BPU Docket No.WO15101178, with an effective date of December 26, 2015.

Subsequent to the Board's approval of the Services Agreement, Camden and American Water have implemented the terms and conditions of the Services Agreement, now in contract year three of an initial 10 year term. During these first three years of operation, Camden and American Water have identified multiple provisions in the Services Agreement that require revision, correction or amendment. Following negotiations, the Petitioner and American Water agreed to an amendment (Amendment No. 1) to the Services Agreement. Resolution No. MC-18:6405 was adopted on June 12, 2018 by the Camden City Council authorizing the filing of an application with the Local Finance Board (LFB) for approval of Amendment No. 1 to the Services Contract pursuant to the Acts and on June 25, 2018, Camden filed a subsequent petition (Petition) with the Board for approval of Amendment No. 1 to the Services Agreement. The LFB thereafter advised the Petitioner that a public hearing would be necessary with regard to Amendment No. 1, as it was under the impression that the proposed changes were substantial in nature.

After proper notice, the Petitioner conducted a public hearing on September 7, 2018, regarding the Services Agreement at Camden City Hall in Camden. No members of the public attended the hearing. Subsequent to the public hearing, by letter dated September 18, 2018 (September 18, 2018 Submission), Camden submitted the following:

- Notice of Public Hearing;
- A copy of the presentation that was prepared for the public hearing (Public Hearing Presentation); and
- A copy of the transcript of the public hearing.

As required under the Water Act, the public comment was held open for seven additional days beyond the public hearing to allow the public to provide written comments. Immediately following the public hearing, the public hearing presentation was posted on Camden's website. No written comments were received.

The Petitioner, in its September 18, 2018 Submission, stated that it was not proposing any changes to the Service Agreement and respectfully requested that its application be considered by the LFB at its October 10, 2018 meeting and by the Board at its October 29, 2018 public agenda meeting.

The Petitioner is located in Camden County and is a municipal corporation within the County of Camden. As the owner and operator of a water supply, transmission and distribution system, pursuant to the County and Municipal Water Supply Act, Camden provides services to its residents.

Camden has absolute jurisdiction, to determine the terms and conditions under which it supplies water to customers within its municipal limits. Camden determined to enter into the Services Agreement and Amendment No. 1 for services pursuant to the Acts.

By letter dated October 17, 2018, the New Jersey Division of Rate Counsel stated that it would defer to the Board in rendering a final decision in this matter.

Staff recommended that the Board approve the Amendment to the Services Agreement between the City of Camden and American Water Operations and Maintenance, Inc.

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

E. Docket No. WR17090985 – In the Matter of the Petition of New Jersey-American Water Company, Inc. for Approval of Increased Tariff Rates and Charges for Water and Wastewater Service, Change in Depreciation Rates, and Other Tariff Modifications.

BACKGROUND AND DISCUSSION: On September 14, 2017, New Jersey-American Water Company (NJAWC, Company, or Petitioner) filed a petition with the Board requesting an increase in operating revenues of \$129.3 million, or approximately 17.54% over projected pro-forma rate revenues.

On September 27, 2017, this matter was transmitted to the Office of Administrative Law as a contested case and on October 20, 2017, the Board issued an Order suspending NJAWC's proposed rate increase until February 15, 2018. By a second suspension order dated January 31, 2018, the proposed rate increase was suspended until June 15, 2018. This matter was assigned to Administrative Law Judge (ALJ) Jacob S. Gertsman. On December 18, 2017, ALJ Gertsman issued a Prehearing Order establishing procedures and hearing dates for the conduct of this case. ALJ Gertsman issued an Order Establishing Revised Prehearing Submission Deadlines on May 23, 2018.

Motions to intervene were filed by the following parties (collectively, Intervenors) and were unopposed: Rutgers, the State University (Rutgers), Princeton University, Phillips 66 Company, Johanna Foods, Inc., and Cogen Technologies Linden Venture, LP (collectively, OIW); Middlesex Water Company (Middlesex); Mount Laurel Township Municipal Utilities Authority (Mount Laurel); Aqua New Jersey, Inc. (Aqua); and City of Elizabeth. The motions to intervene filed by the OIW, with the exception of Rutgers, Middlesex, Aqua, and the City of Elizabeth, were granted by Orders dated December 18, 2017, which were subsequently amended on January 16, 2018. Rutgers and Mount Laurel were granted intervenor status by Orders dated January 16, 2018 and February 28, 2018, respectively. On May 31, 2018, American Association of Retired Persons (AARP) filed a motion to participate, which was unopposed. ALJ Gertsman granted AARP leave to participate on June 8, 2018. On July 2, 2018, the New Jersey Utility Shareholders Association (NJUSA) filed a motion to participate. On August 1, 2018, ALJ Gertsman entered an Order granting NJUSA's motion to participate, which Order was amended on August 3, 2018 to correct a typographical error.

After proper notice to the general public in newspapers of general circulation and after service of notice upon affected municipalities and counties within NJAWC's service area, four public hearings were held. One public hearing was held on January 8, 2018 at 1:00 p.m. in Westfield; two public hearings were held on January 10, 2018 at 1:00 p.m. in Ocean City, New Jersey and at 6:00 p.m. in Howell Township; and one public hearing was held on

January 16, 2018 at 6:00 p.m. in Haddonfield. A representative of NJUSA attended the hearing in Haddonfield and entered a statement on the record that requested that the process for granting NJAWC new rates be fair and balanced, taking into account the interests of New Jersey utility shareholders and ratepayers. Members of the public also attended and spoke at the Howell Township hearing in general opposition to the proposed rate increase. No members of the public attended the Westfield or Ocean City hearings. In addition, the Board received over 100 written comments in opposition to the Petition.

On February 8, 2018, NJAWC filed supplemental direct testimony related to the Tax Cuts and Jobs Act of 2017. On April 13, 2018, the New Jersey Division of Rate Counsel (Rate Counsel) and certain Intervenor filed direct testimony and on May 11, 2018, NJAWC filed rebuttal testimony. Evidentiary hearings took place on June 11, 13, 14, and 18, 2018. Prior to the expiration of the second suspension period, NJAWC provided notice that it would implement interim rates. On May 18, 2018, the Rate Counsel filed a motion requesting the Board to issue an Order rejecting the Company's proposed provisional Rates. The motion was opposed by the Company. The Board issued an Order denying the Rate Counsel's request on June 22, 2018. The Company implemented interim rates, subject to refund, that included a \$75 million increase, effective June 15, 2018, in accordance with N.J.A.C. 14:1-5.12(f). This resulted in a 12.323% increase applied equally to all rate classes using the existing rate design for the utility approved by the Board, pursuant to N.J.A.C. 14:1-5.12(e)(2).

On July 3, 2018, the Rate Counsel submitted a letter to ALJ Gertsman alerting him of a report that the Staff of the New York Public Service Commission (PSC), Department of Public Service (DPS) had issued (Staff Report) regarding certain oral testimony and discovery responses that employees of American Water Works Service Company, Inc. (Service Company) submitted to the PSC in connection with the base rate case of New York-American Water Company, Inc. (NYAWC). One Service Company employee had submitted pre-filed testimony, answered discovery, and testified at the evidentiary hearings in this case. Another had submitted pre-filed testimony and answered discovery, and his pre-filed testimony was adopted by a different witness in this case. Both such employees separated from the Service Company before the conclusion of the evidentiary hearings here. In its letter, the Rate Counsel requested that, as a result of the Staff Report, ALJ Gertsman order NJAWC to review the testimonies of the two witnesses and provide a certification that their testimonies were complete and free of errors or omissions. Board Staff sent a separate letter on July 10, 2018 requesting that ALJ Gertsman order NJAWC to verify all testimony and discovery responses submitted in evidence in this case (collectively, Board Staff and Rate Counsel letters are referenced as Letters).

On July 25, 2018, the Board held its regularly scheduled Board meeting at which time President Joseph L. Fiordaliso ordered NJAWC to conduct an independent certification of the numbers that NJAWC had submitted in support of its Petition.

ALJ Gertsman held a limited-purpose hearing on August 1, 2018, regarding the issues raised by the Rate Counsel and Board Staff in the Letters. At the August 1, 2018 hearing, NJAWC moved additional exhibits into evidence, including a certification of the accuracy of the record by NJAWC President Deborah A. Degillio, which appended supporting certifications. Ms. Degillio also provided direct testimony and was cross-examined. Thereafter, NJAWC retained its auditor, Price Waterhouse Coopers (PwC), to perform an Agreed Upon Procedures Engagement regarding the Schedules, applicable Standard Information Requests, and utility plant asset records in Power Plant for the Haddonfield and Shorelands acquisitions for which NJAWC claimed recognition in connection with the Petition. PwC

subsequently agreed to include in its engagement those discovery responses received in evidence in this proceeding. PwC agreed to reconcile all of these items to NJAWC's general ledger to the extent applicable. It also determined the extent to which NJAWC's proposed post-test year plant additions were recorded on NJAWC's books and records. As to Haddonfield and Shorelands, PwC agreed to verify that correct amounts were transposed when entered into NJAWC's books and records. On August 31, 2018, PwC issued a Report of Independent Accountants, which was subsequently admitted into the record.

After discovery and comprehensive settlement discussions, on October 16, 2018, the Company, Board Staff, Rate Counsel, and OIW (collectively, Parties) reached a stipulation of settlement with regard to the revenue requirement and rate and tariff design (Partial Stipulation), among other items. The Parties were unable to reach an agreement with regard to certain plant acquisition adjustments and agreed to brief the issue before ALJ Gertsman.

ALJ Gertsman issued his Initial Decision in this matter recommending adoption of the Partial Stipulation executed by the Parties, finding that they had voluntarily agreed to the Partial Stipulation and that the Partial Stipulation fully disposes of all issues, except for the acquisition adjustments, and is consistent with the law.

Staff recommended that the Board issue an Order adopting ALJ Gertsman's Initial Decision.

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

F. Docket No. WR17111183 – In the Matter of the Petition of New Jersey-American Water Company, Inc. for Authorization to Implement a Distribution System Improvement Charge Foundational Filing.

BACKGROUND AND DISCUSSION: On November 17, 2017, New Jersey-American Water Company, Inc. (Company or Petitioner), filed a petition (the Foundational Filing) with the Board for approval to file and implement an adjustment clause tariff that would establish a Distribution System Improvement Charge (DSIC) for the renewal of water distribution system assets for the period of 2018 through 2020.

The Company's initial DSIC Foundational Filing was approved by the Board on October 23, 2012 in BPU Docket No. WR12070669. The Company filed its base rate filing on January 9, 2015, which base rate increase incorporated the entirety of the Company's first DSIC recovery period (October 23, 2012 through April 30, 2013), second DSIC recovery period (May 1, 2013 through October 31, 2013), third DSIC recovery period (November 1, 2013 through April 30, 2014) and fourth DSIC recovery period (May 1, 2014 through October 31, 2014). The base rate increase also incorporated the entirety of the DSIC-eligible projects in a test-year ending July 31, 2015.

The Company's second DSIC Foundational Filing was approved by the Board on September 11, 2015. The Company filed its base rate filing on September 14, 2017, which base rate increase incorporated the entirety of the Company's first DSIC recovery period (September

21, 2015 through March 31, 2016), second DSIC recovery period (April 1, 2016 through September 30, 2016), third DSIC recovery period (October 1, 2016 through March 31, 2017) and fourth DSIC recovery period (April 1, 2017 through September 30, 2017). The base rate increase also incorporated the entirety of the DSIC-eligible projects in a test-year ending March 31, 2018.

The Petitioner ultimately filed its third Foundational Filing on November 17, 2017, as a separately docketed matter from the base rate case. The Petitioner responded to all discovery requested from both the New Jersey Division of Rate Counsel (Rate Counsel) and Staff. A discovery conference was held on August 14, 2018, with representatives from the Company, the Rate Counsel, and Staff (collectively, the Parties) in attendance. At that conference, representatives of the Company responded to questions from Staff and the Rate Counsel in an effort to resolve any outstanding concerns, which would permit this matter to be acted upon by the Board within the 120 day period. However, since the rate case matter was delayed and the foundational filing is contingent upon the base rate case, the third foundational filing had not been acted upon.

After proper notice, a public hearing was held at the Howell Municipal Building on March 14, 2018, at 5:30 pm. Seven members of the public appeared at the hearing and only two provided comments. The public comment hearing was transcribed and made a part of the record.

As a result of an analysis of the Petitioner's Foundational Filing, which included a review of the discovery and a public hearing held in the service territory, the Parties reached an agreement on this matter. The Parties executed a Stipulation of Settlement (Stipulation). The Stipulation contains the terms of the settlement. In part, the Stipulation recommended that the Board approve the Company's Foundational Filing that requires an annual bases pending amount of \$28,019,927.00 and a maximum amount (5%) of annual DSIC revenues that may be collected of \$41,394,000.00.

Staff recommended that the Board adopt the Stipulation of the Parties in this matter.

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

G. BPU Docket No. WR16060510, OAL Docket No. PUC 09261-2016 and Appellate Docket No. A-001832-17T3 – 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.

BACKGROUND AND DISCUSSION: Commissioner Gordon recused himself from voting on this matter. On June 15, 2016, SUEZ Water Arlington Hills Inc. (SUEZ or Company) filed a petition with the Board seeking to increase its rates for wastewater service amounting to approximately \$1,404,396.00 or 118% above the annual level of test year revenues as of April 30, 2016. To mitigate the effects of the proposed rate increase on its customers, the Company also proposed that the rate increase be implemented in four installments and increase rates annually over the course of the next four years.

On June 20, 2016, the Board transmitted this matter to the Office of Administrative Law (OAL) for hearings. Administrative Law Judge (ALJ) Danielle Pasquale was originally assigned to hear the matter, but on October 21, 2016, the matter was reassigned to ALJ Irene Jones.

Evidentiary hearings were held before ALJ Jones on March 13 and March 16, 2017. Both SUEZ and the New Jersey Division of Rate Counsel (Rate Counsel) provided pre-filed and live testimony of witnesses addressing, among other things, the appropriate consolidated tax adjustment (CTA) methodology and resulting calculation to be utilized in determining SUEZ's rate base. Rate Counsel's expert recommended its own CTA methodology, which was different from the methodology in the Generic Order and the SUEZ's expert used the CTA methodology provided in the Generic Order to calculate a CTA of \$79,381.00.

ALJ Jones issued her written Initial Decision August 16, 2017. In the Initial Decision, ALJ Jones recommended a rate base of \$13,051,761.00, a return on common equity of 9.75%, an overall rate of return of 7.61%, and a rate increase of \$1,310,114.00 or 115.19%. ALJ Jones also recommended a CTA of \$79,381.00, as proposed by SUEZ and Board Staff. She noted that the Generic Order was currently under appeal, but stated that it was still Board policy and had precedential value unless and until it was overturned by the court.

On August 28, 2017, the Board and the OAL executed an Order of Extension allowing the Board to issue a final agency decision by November 14, 2017. Following the Appellate Division's reversal of a the Generic Order relating to the CTA, the Rate Counsel requested that the Board re-open the evidentiary record to allow for the submission of additional evidence on the appropriate CTA to be utilized in this matter.

Thereafter, the Board issued its Decision and Order in this matter, which adopted ALJ's Jones's Initial Decision with certain modifications and clarifications. With regard to the CTA, the Board adopted ALJ Jones's recommendation that a five year review period and an allocation to ratepayers of 25% of the benefits of consolidated tax savings should be utilized, and therefore found a rate base adjustment of \$79,381.00 was appropriate. In addition, the November 2017 Order denied SUEZ's request for oral argument and Rate Counsel's request to reopen the record.

The Rate Counsel filed a Notice of Appeal with regard to the November 2017 Order on December 18, 2017. An Order was entered by the Appellate Division on February 21, 2018, that established the briefing schedule with regard to the issues on appeal. Amended briefing schedules were issued on March 13, 2018 and March 27, 2018 that extended the time period for the filing of briefs. The Rate Counsel filed its corrected initial brief on May 11, 2018 and SUEZ filed its initial brief on August 10, 2018.

Additionally, on August 10, 2018, the Board filed a motion to remand the case for further proceedings on the matter with regard to the appropriate methodology the Board is to apply in determining the CTA applicable to SUEZ's rate case. The Rate Counsel filed a response to the motion requesting that, should the court grant the Board's motion, the order include a provision that SUEZ's current rates are provisional, subject to refund, until the Board renders a new decision. SUEZ opposed the motion, arguing, amongst other things, that it was unnecessary to reconsider any additional issues or evidence with regard to the CTA.

On September 10, 2018, the Appellate Division granted the Board's motion for remand, and required the Board complete the proceeding on remand within 90 days or by December 5, 2018. The Appellate Division further ordered that the Company's current rates shall be considered provisional, subject to refund, pending the remand. The Appellate Division did not retain jurisdiction.

Following the Appellate Division's remand of this proceeding, the Parties (SUEZ, the Rate Counsel, and Board Staff) agreed upon an accelerated procedural schedule, which provided for additional discovery, an evidentiary hearing and a briefing schedule following the evidentiary hearing.

Staff recommended that the Board retain this matter for hearing and designate Commissioner Mary-Anna Holden as the presiding officer for this proceeding.

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	recused

6. RELIABILITY & SECURITY

There were no items in this category.

7. CUSTOMER ASSISTANCE

There were no items in this category.

8. CLEAN ENERGY

A. Docket No. QO18090994 – In the Matter of the Clean Energy Program Authorization of Commercial and Industrial Program Energy Efficiency Incentives Exceeding \$500,000.00 – AtlantiCare Regional Medical Center.

Benjamin Goldstein, Program Specialist, Division of Clean Energy, presented this matter.

BACKGROUND AND DISCUSSION: AtlantiCare Regional Medical Center (the Company) is a health system based in Atlantic County, serving the medical needs of southeastern New Jersey. The Company submitted an application under the Fiscal Year 2018 Pay for Performance requesting Board approval of a financial incentive of \$559,338.60 for the installation of a variety of energy efficiency upgrades at the AtlantiCare Regional Medical Center Mainland Campus, 65 West Jimmie Leeds Road, Pomona that has a total cost of \$4,649,799.00.

This application covers chiller plant optimization, including installing new Variable Frequency Drives (VFDs) on water pumps that allow for partial load sequencing, as well as replacing existing fluorescent lights with LED lighting. VFDs control the speed of the HVAC's

equipment's motors to ensure the most efficient amount of energy is being used based on demand. The Company also wants to install a number of Heating Ventilation and Air Conditioning (HVAC) upgrades, including adding Energy Recovery Ventilation to the Variable Air Volume (VAV) HVAC system and adding VFD to the kitchen HVAC system. This application further covers reconfiguring existing Constant Volume HVAC units to more efficient VAV HVAC units with dampers and VFDs that will schedule energy usage based on the hospital's occupancy.

The project is estimated to save 1,485,492 kWh of electricity and 79,361 therms of natural gas annually. The proposed project will have an estimated annual energy cost savings of \$247,695.00. The payback period without incentives is 18.8 years; when factoring in the incentives, the payback period is reduced to 16.5 years.

Based on the certifications and the information provided by the Program Manager and Program Administrator, Staff recommended approval of the application for the total estimated incentive amount of \$559,338.60 and issuance of a standard commitment letter to the applicant, setting forth the terms and conditions of this commitment.

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

Scott Hunter, Manager, Division of Clean Energy, presented these matters.

B. Docket No. QO18090995 – In the Matter of the Clean Energy Program Authorization of Commercial and Industrial Program Energy Efficiency Incentives Exceeding \$500,000.00 – Bristol Myers Squibb.

BACKGROUND AND DISCUSSION: Commissioner Gordon recused himself from voting on this matter. Bristol-Myers Squibb (Company) is an American-based pharmaceutical company with several locations across New Jersey. The Company submitted an application under the fiscal year 2017 Large Energy Users Program requesting Board approval of a financial incentive of \$1,087,545.97 for installation of energy efficiency measures at one location at 3551 Lawrenceville Road, Princeton and another at 1 Squibb Drive, New Brunswick that have a total cost of \$2,543,185.00.

The measures covered by this application vary by location. At the Lawrenceville location, the Company wishes to replace their outdated room controllers with Honeywell CP-IPC controllers that will allow their L-Module offices and lab rooms to achieve lower, more efficient air flow. At the New Brunswick location, Bristol-Myers Squibb aims to install Variable Frequency Drives on their two air handling units (AHUs) that are not currently equipped with this technology, as well as replace their pneumatic thermostats with wireless Direct Digital Control technology. These measures will provide the Company with greater control over their Heating Ventilation and Air Conditioning systems, as well as make their AHUs more efficient overall. This application also covers chiller optimizations at the New Brunswick location that will realize savings by integrating aspects of the chilled plant and pond water systems that currently operate independently, as well as updating the systems' technology to include

greater automation. Additionally, the Company plans to replace much of their current fluorescent lighting fixtures and tubes with new LED lighting systems at both locations.

The project is anticipated to save 3,211,032 kWh of electricity and 64,876 therms of natural gas annually. The proposed project will have an estimated annual energy cost savings of \$396,371.61. The payback period without incentives is 5.67 years; when factoring in the incentives, the payback period is reduced to 1.66 years.

Based on the certifications and the information provided by the Program Manager and Program Administrator, Staff recommended approval of the application for the total estimated incentive amount of \$1,087,545.97 and issuance of a standard commitment letter to the applicant, setting forth the terms and conditions of this commitment.

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	recused

C. 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 – Motion for Reconsideration.

BACKGROUND AND DISCUSSION: On October 31, 2016, Crius Energy (Petitioner or Crius) submitted New Jersey Renewable Portfolio Standard compliance reports for their three subsidiary companies Public Power, TriEagle Energy, and Viridian Energy (Companies). On November 4, 2016, Crius submitted corrected reports using the higher PJM-EIS GATS supplied load numbers but Crius did not retire the additional Renewable Energy Certificate (REC or SREC/solar renewable energy certificates (SRECs)) nor pay the Alternative Compliance Payments (ACP or SACP/solar alternative compliance payments (SACPs)) required as a result of the higher retail sales amounts.

On April 21, 2017, the Board issued an Order ruling that Crius' RPS obligation was correctly calculated on the basis of the Generastor Attribute Tracking System numbers and directing Crius to satisfy its obligation with S/RECs within 5 days of the effective date of the Order. On May 4, 2017, Crius filed a motion for reconsideration on the sole issue of the directive to satisfy the higher RPS obligation with S/ACPs rather than by retiring additional S/RECs.

The Renewable Portfolio Standards (RPS) requires each Third Party Supplier (TPS) and Basic Generation Service (BGS) provider of retail electricity (together TPS/BGS provider) to include electricity generated from renewable energy sources in its electricity portfolio. In lieu of supplying electricity generated by eligible renewable energy sources, the law authorizes the Board to implement a REC trading platform to facilitate compliance with the RPS by TPS/BGS Providers and further the State policy of developing renewable energy.

The TPS/BGS providers must submit an annual report by October 1 of each year, demonstrating how compliance with the RPS was achieved by reporting the total number of megawatt-hours of electricity sold to retail customers, the number of RECS and SRECs retired, and the number of ACPs and SACPs paid.

Following extensive settlement discussions, Staff and Crius stipulated to a settlement (Stipulation) under which Crius will retire the appropriate number of Class I RECs, Class II RECs, and SRECs, as well as pay a penalty of \$25,000.00 for each of the three TPS. Staff recommended that the Board approve the Stipulation.

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

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

Sherri Jones, Assistant Director, Division of Clean Energy, presented these matters.

D. Docket Nos. GO18101112 and EO18101113 – In the Matter of the Petition of Public Service Electric and Gas Company for Approval of its Clean Energy Future Energy Efficiency Program on a Regulated Basis.

BACKGROUND AND DISCUSSION: Commissioner Gordon recused himself from voting on this matter. On October 11, 2018, Public Service Electric & Gas Company (PSE&G or Company) filed a petition with the Board seeking approval to implement 22 sub-programs, including seven residential subprograms, seven commercial and industrial subprograms, and eight pilot subprograms (collectively, 2018 Energy Efficiency Programs (EE)). The total proposed investment for the 2018 EE Programs is approximately \$2.8 billion (\$2.5 billion for investment and approximately \$283 million in operating and expenses over the proposed 6-year term of the program.) PSE&G proposed to recover costs associated with the program through Cost recovery would be made and tracked via a new Clean Energy Future Efficiency Program component (CEF-EEC) of the Company's electric and gas Green Programs Recovery Charge, which would be filed annually after the proposed initial period. In addition, the Company proposes a mechanism for recovering lost revenues and asks the Board to approve this mechanism

As a background, on July 16, 2009, the Board issued an Order authorizing PSE&G to implement eight energy efficiency programs: 1) Residential Whole House Efficiency Sub-Program; 2) Residential Multi-Family Housing Sub-Program; 3) Small Business Direct Install Sub-Program; 4) Municipal/Local/State Government Direct Install Sub-Program; 5) Hospital Efficiency Sub-Program; 6) Data Center Efficiency Sub-Program; 7) Building Commissioning/Operations and Maintenance Sub-Program; and 8) Technology Demonstration Sub-Program.

By Order dated July 14, 2011, the Board authorized PSE&G to extend three of its eight Sub-Programs: Residential Multi-Family Housing, Industrial and Commercial Municipal/Local/State Government Direct Install and Hospital Efficiency. By Order dated April 15, 2016, the Board authorized PSE&G to further extend the three sub-programs approved in the July 2011 Order (EEE Extension II).

By Order dated August 23, 2017, the Board authorized PSE&G to extend the Hospital Efficiency and Residential Multi-Family Housing subprograms and to extend the Industrial

and Commercial Municipal/Local/State Government Direct Install subprogram for a period of two years. The Board further authorized the Company to implement a Smart Thermostat subprogram and a Residential Data Analytics Smart Pilot Sub-Program.

Staff recommended that the Board retain this matter for hearing and designated Commissioner Diane Solomon as the presiding officer for this proceeding.

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	recused

E. Docket Nos. GO15050504 – In the Matter of the Petition of Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas for Authority to Extend the Term of Energy Efficiency Programs with Certain Modifications and Approval of Associated Cost Recovery;

GO18070682 - In the Matter of the Petition of Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas Company for Authority to Extend the Term of Energy Efficiency Programs and Approval of Associated Cost Recovery Mechanism.

BACKGROUND AND DISCUSSION: On July 2, 2018, Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas (Company) filed a petition with the Board, seeking approval to continue the programs approved by the Board in April 2017 for a one-year period commencing January 1, 2019. On August 28, 2018, the Board designated Commissioner Gordon as the presiding officer in this matter. On September 20, 2018, Public Service Electric and Gas moved to participate in the matter, and Commissioner Gordon, in consultation with Counsel's Office, determined that there could be the appearance of a conflict of interest were he to continue to preside over the matter.

On September 20, 2018, the Company, the New Jersey Division of Rate Counsel, and Staff (the Parties) entered into a Stipulation of Settlement (Stipulation) to extend the 180-day review period by two months until February 28, 2019, and authorized the Company to expend approximately \$138,000.00 for operating the programs during those two months.

Staff recommended that the Board approve the Stipulation of the Parties. Staff also recommended that the Board withdraws the delegation of authority to Commissioner Gordon to preside over this matter as memorialized in the August 29, 2018 Order, and appointed Commissioner Dianne Solomon as the presiding Commissioner for this proceeding.

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

F. Docket No. QO18070698 – In the Matter of the Modification of the Solar Renewable Portfolio Standard and Solar Alternative Compliance Payment Schedules and the Reduction of the Qualification Life for Solar Renewable Energy Certificates for Solar Facilities.

Kenneth J. Sheehan, Esq., Director, Division of Clean Energy, presented this matter.

BACKGROUND AND DISCUSSION: On May 23, 2018, Governor Murphy signed P.L.2018, c.17 into law (2018 Clean Energy Bill or Act). The Act requires that:

For all applications for designation as connected to the distribution system of a solar electric power generation facility filed with the board after the date of enactment of P.L.2018, c.17 (C.48:3-87.8 et al.), the SREC term shall be 10 years.

[N.J.S.A. 48:3-87(d).]

The current rules of the Board governing the Solar Renewable Energy Certificates (SRECs) term are found in Chapter 8 of Title 14 of the New Jersey Administrative Code. Specifically, N.J.A.C. 14:8-2.2 defines the SREC “Qualification Life,” for all SRECs at 15 years. In keeping with what the Staff perceives to have been the intent of the Act, we now propose to modify this rule and instead impose a SREC qualification life of 10 years. This modification is designed to affect all SREC systems, and will go into effect immediately.

Staff believed that the most reasonable interpretation of the intent of the Act was to set the Qualification Life of all SRECs to 10 years, not merely those that require Board determination of being “connected to the distribution system.” The solar projects that require the Board to designate them as “connected to the distribution system” only represent approximately 1% of the total solar applications that are received and processed by the Board. In fact, since the Governor signed the Act on May 23, 2018, more than 1,100 applications for solar energy projects have been received, but only a handful of these applications seek designation as being connected to the distributions system. Moreover, the Legislative Statement explains that the bill impacts “any new applications,” without further qualification.

In addition, the Staff believed that the reduction to 10 years will provide a direct savings to ratepayers without instituting significant financial hardship on developers. Therefore, Staff recommended that the Qualification Life of all SRECs projects moving forward should no longer be 15 years, but instead be 10 years. All applications submitted before this Memorandum’s accompanying Board Order’s effective date should have a 15-year SREC Qualification Life, while all applications submitted after this date should have a 10-year SREC Qualification Life.

Furthermore, Staff requested authority to initiate the necessary rulemaking process as soon as practicable to reflect, among other provisions, the Qualification Life for all SRECs as 10 years in order to codify and implement the intent of the 2018 Clean Energy Bill.

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

G. Docket No. EO18101111 – In the Matter of Public Service Electric and Gas Company for Approval of its Clean Energy Future Electric Vehicle and Energy Storage Program on a Regulated Basis.

Sherri Jones, Assistant Director, Division of Clean Energy, presented this matter.

BACKGROUND AND DISCUSSION: Commissioner Gordon recused himself from voting on this matter. On October 11, 2018, Public Service Electric and Gas Company (Company) filed a petition with the Board seeking approval for its Clean Energy Future -Electric Vehicle and Energy Storage Program (CEF-EVES Program or Program). The Company asserted that the Program furthers the State’s goals by reducing greenhouse gas emissions, creating “green jobs”, launching the electric vehicle industry and energy storage technologies in New Jersey and making the electric grid more reliable, resilient and safe.

The Company requested that the proposed CEF-EVES Program be approved on an expedited basis through a new Technology Innovation Charge.

The Company divided its petition into two parts-an electric vehicle (EV) program and an energy storage (ES) program.

EV Program—\$261 million of investment over a period of six years and approximately \$103 million in expenses. The EV program includes a combination of incentives and/or infrastructure for residential Level 2 chargers¹, mixed-used Level 2 chargers, public DC fast charging² and vehicle innovation.

ES Program—\$109 million of investment over a period of six years, with approximately \$70 million in expenses. The ES program will install 35 MW of energy storage capacity across the Company’s distribution system. This program includes solar smoothing, distribution deferral, outage management, microgrid development and peak reduction for public sector facilities.

Staff recommended that the Board retain this matter for hearing and designated Commissioner Upendra Chivukula as the presiding officer for this proceeding.

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	recused

H. 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 SRECs to Certified Brownfield, Historic Fill and Landfill Facilities; and

Docket No. QO18040431 – Public Service Electric and Gas Company National Freight Pennsauken Brownfield.

B. Scott Hunter, Manager, Division of Clean Energy, presented these matters.

BACKGROUND AND DISCUSSION: Commissioner Gordon recused himself from voting on

this matter. On April 12, 2018, Public Service Electric & Gas Company (PSE&G or Applicant) submitted its application to the Board to have its project certified as being located on a brownfield pursuant to N.J.S.A. 48:3-87(t) (Subsection (t)) of the Solar Act. PSE&G's 15.7926 MWdc project is proposed to be located on 32 acres of Block 201, Lots 8 & 17, owned by Vineland Construction Company, at 3905 River Road in Pennsauken, New Jersey.

Subsection (t) of the Solar Act of 2012, L. 2012, c. 24, enacted July 23, 2012, codified in part at N.J.S.A. 48:3-87 (t), provides for Board establishment of a certification program for approval of certain grid supply solar electric power generation facilities located on properly closed landfills, brownfields, and areas of historic fill that seek eligibility for Solar Renewable Energy Certificates (SRECs). On January 23, 2013, after conducting a public proceeding that the Board commenced on October 4, 2012, the Board established a certification program and directed staff to work with New Jersey Department of Environmental Protection (NJDEP) to develop an application.

Staff issued an application for developers seeking Board approval pursuant to Subsection (t) on April 10, 2013. On November 19, 2015, Vineland Construction Company submitted an application to the Board for a proposed 12.8 MWdc solar electric generation facility at the National Freight Pennsauken site, 3905 River Road, at Block 201, Lots 8 & 17, in Pennsauken Township, Camden County. On the basis of NJDEP's determination that the 39.2 acre area on which the project was to be located constituted a "brownfield" as defined by the Solar Act and required remediation, the Board granted conditional certification of the proposed project in an Order dated May 25, 2016. Due to an increase in system size proposed, it was determined that a new application would be submitted. The project is now proposed to be a 15.7296 MWdc solar electric power generation facility on 32 acres.

Staff received advisory recommendations from NJDEP for the application described below and recommended that the Board grant conditional certification of PSE&G's proposed solar electric generation facility, to be located at the National Freight Pennsauken site at Block 201, Lots 8 and 17, in Pennsauken Township, Camden County, New Jersey, with an array size not to exceed 15.7296 MWdc.

Staff consulted with NJDEP on PSE&G'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 "brownfield" 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.

Staff recommended that the Board conditionally certify the applicant's project as a "brownfield" pursuant to Subsection (t). NJDEP determined that the 32 acre area on which the solar electric power generation facility will be located constitutes a "brownfield" pursuant to the Solar Act. Staff also recommended that the Board direct the applicant to file its SREC registration within 14 days of the date of the Order and explicitly grant conditional certification.

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	recused

I. Docket No. QO17101024 – In the Matter of the New Jersey Board of Public Utilities – Natural Gas Vehicle Incremental Cost Grant Program Modifications.

Michael Winka, Director, Senior Policy Advisor, presented this matter.

BACKGROUND AND DISCUSSION: The Board allocated \$200,000.00 of its 2017–2018 State Energy Program funds to an Alternative Fuel Vehicles Compressed Natural Gas Vehicle Incremental Cost Grant Program. On October 20, 2017, the Board approved the program, the primary goal of which is to improve New Jersey’s air quality and reduce reliance on and consumption of foreign oil through the use of domestic natural gas as a transportation fuel.

The Board accepted applications for the program from November 20 to December 20, 2017 and January 2 to April 2, 2018. Between July and September of 2018, the Board awarded grants on a first-come, first-served basis to Voorhees Township, Cape May County Municipal Utility Authority, Atlantic County Utility Authority, and One Way Enterprises, LLC. The application form indicated that the timeframe for purchase, as recorded by a dealer’s invoice, was October 20, 2017 to September 30, 2018. Three out of four of the grant recipients have submitted written requests for no-cost extensions to complete purchase of vehicles.

Staff recommended that the Board approve contract modifications that allow for no-cost extensions of the vehicle purchase deadline per each recipient’s written request.

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

J. Docket No. QX18101098 – In the Matter of N.J.A.C. N.J.A.C. 14:8 Rulemaking Regarding Amendments to Certain Solar Energy Provisions Pursuant to P.L. 2018, c17.

Kenneth J. Sheehan, Esq., Director, Division of Clean Energy, presented this matter.

BACKGROUND AND DISCUSSION: This matter involved the Board approval of Rule Proposal for submittal to the Office of Administrative Law to be published in the N.J. Register and to open the required 60-day public comment period.

This Rule Proposal contains amendments to N.J.A.C. 14:8-2.2, -3, -4 and N.J.A.C. 14:8-2.10

to conform portions of the current rules to certain provisions of P.L. 2018, c. 17 (Clean Energy Act). There are several provisions in the Clean Energy Act that require rulemaking proceedings, among them are modifications to the existing solar Renewable Portfolio Standard and Solar Alternative Compliance Payment schedules and those reducing the qualification life of a solar facility for generating energy on which a Solar Renewable Energy Certificate can be created.

Furthermore, the Clean Energy Act requires that certain solar energy project applications must post notice escrow and must be approved, conditionally approved, or disapproved by the Board no later than 90 days from the date that the application was properly filed with the Board.

Staff recommended that the Board approve this rule proposal for submittal to the Office of Administrative Law to be published in the New Jersey Registry.

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

K. Docket No. EO12090832V – In the Matter of the Implementation of L. 2012, C. 24, The Solar Act of 2012; and

Docket No. EO12090880V – In the Matter of the Implementation of L. 2012, C. 24, N.J.S.A. 48:3-87(Q)(R) and (S) – Proceedings to Establish the Processes for Designating Certain Grid-Supply Projects as Connected to the Distribution System.

Docket Nos. EO12121108V, EO12121112V and EO12121120V – EffiSolar Development, LLC

Docket No. EO12121138V – Quakertown Farms

Docket No. EO12121095V – RenewTricity

Docket No. EO12121124V – EAI Investments, LLC.

This matter was deferred.

L. Docket No. QO18091058 – In the Matter of the Petition of Oakstreet Landfill Solar Renewable Energy Project Request for Extension/Waiver for SRP Registration Number NJSRRE1534224371 – Whitman Project No. 15-04-23T.

Kenneth J. Sheehan, Esq., Director, Division of Clean Energy, presented this matter.

BACKGROUND AND DISCUSSION: This matter involved a request by Whitman Developers (Developer) for the extension of a solar registration based upon a problem with the underlying Feasibility Study, conducted on behalf of PJM. Based upon the lack of fault buy the developer, and the nature of the mistake on the feasibility study, a 20 month extension is justified.

On August 16, 2018, the Developer submitted a request for an extension of the timeframe for a solar registration program (SRP), based upon an issue, outside of the control of the Developer, on the interconnection study.

The Oak Street Landfill is owned and was operated by the Township of Galloway. The Developer was designated the Redeveloper of the landfill property by Galloway Township to develop, construct and finance the solar energy project to be constructed on the subject property.

This solar project received approval to generate Solar Renewable Energy Credits under Subsection (t) of the solar legislation. The Board authorized this under Subsection (t) in April 3, 2017. The SRP Program Acceptance Letter was issued on May 31, 2017. This Acceptance Letter provided a two year window, until May 31, 2019, to complete the installation of the proposed project and provide as-built diagrams.

The Developer requested from PJM for the local utility, Atlantic City Electric to perform a Feasibility Study of the interconnection of the proposed system. In June 2017, the Developer was advised by PJM that, through no fault of the Developer, the Study did not accurately account for all of the generation on the utility lines to be used for our project, and thus a new interconnection point was designed. This change required the system size to be reduced by more than 20% to 2.8 MWdc and had to initiate a new Facilities Study.

The new Facilities Study was not issued until the first quarter of 2018 (more than a 9 month delay) and included an estimated schedule to complete the system interconnection of 18-24 months, or a completion date of on or about March to September 2020. The delay and increased schedule to interconnect the system now exceeds the expiration date of the SRP Registration referenced above.

Staff recommended the Board to allow the Developer to build under subchapter (s) at the level previously authorized by statute and in the manner provided by the initial applications.

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

A. Docket No. EO18101123 – In the Matter of Approval of Contract between Rutgers University and the New Jersey Board of Public Utilities Regarding an Energy Storage Analysis Pursuant to L. 2018, c. 17.

Michael Winka, Director, Senior Policy Advisor, presented this matter.

BACKGROUND AND DISCUSSION: The Clean Energy Act of 2018 (Act) requires that by May 23, 2019, the Board prepare and submit to the Governor and Legislature an energy storage analysis and report concerning energy storage (ES) needs and opportunities in the State.

Treasury Circular Letter No 14-07-DPP/OMB/OIT, Section II. B states an express preference to employ state universities, whenever feasible, when considering procurement. Also, under Section II.G, (Office of Management and Budget (OMB)) approval is required for professional service contracts exceeding \$250,000.00. The attached contract between the Board and Rutgers University exceeds \$250,000.00. Accordingly, Staff requested Board approval to enter into a six-month contract to conduct a study and prepare a written report concerning ES needs and opportunities, pursuant to the established standard contract for Rutgers issued by Treasury and per the State's Standard Terms & Conditions.

The proposed new contract between the Board and the Rutgers Laboratory for Energy Smart Systems (RU LESS) will have a contract period of November 1, 2018 to May 23, 2019, contingent upon annual funding. The proposed budget is \$300,000.00, with funding for the contract to be allocated from Board industry assessment funds, on the basis that the results of the assessment will primarily provide information pertaining to the electric grid.

The Act requires that, in conducting the energy storage analysis, the Board shall consult with RU LESS in the Center for Advanced Infrastructure and Transportation at Rutgers; PJM Interconnection, LLC; public and private entities in the state and in other states that have conducted studies concerning, or are implementing technologies for, ES and distributed energy resources; and other stakeholders, including but not limited to third party suppliers and electric public utilities.

Board Staff consulted with RU LESS and others at Rutgers University in June 2018. Staff received initial input from them, which Staff circulated for comments and used to develop the attached Request for Services.

No later than six months after the energy storage analysis and report, the Board is required to initiate a proceeding to establish a process and mechanism for achieving the goal of 600 MW of energy storage by 2021 and 2,000 MW of energy storage by 2030.

The energy storage analysis shall inform the 2019 Energy Master Plan (EMP) and assist in the development of the 2019 EMP regarding ES needs in New Jersey. As set forth in Governor Murphy's Executive Order 28 (EO 28), dated May 23, 2018, in addition to establishing the President of the Board as the chair of the EMP Committee and requiring that the 2019 EMP be completed by June 1, 2019, EO28 required the 2019 EMP to provide specific proposals to be implemented over the next ten years in order to achieve the January 1, 2030 energy storage goal of 2,000 MW.

Staff recommended that the Board approve the contract between the Board and RU LESS, in accordance with the established OMB requirements and per the State's Standard Terms & Conditions, and authorize President Fiordaliso to execute the contract on behalf of the Board.

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

After appropriate motion, the Board reconvened to Open Session.

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



AIDA CAMACHO-WELCH
SECRETARY OF THE BOARD

Date: December 18, 2018