STATE OF NEW JERSEY
Board of Public Utilities
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Trenton, New Jersey 08625-0350
www.nj.gov/bpu/

MINUTES OF THE REGULAR MEETING OF THE BOARD OF PUBLIC UTILITIES

A Regular Board meeting of the Board of Public Utilities was held on May 25, 2016, at the State House Annex, Committee Room 4, 125 West State Street, Trenton, New Jersey 08625.

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

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

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

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

President Mroz presided at the meeting and Irene Kim Asbury, Secretary of the Board, carried out the duties of the Secretary.

It was announced that the next regular Board Meeting would be held on June 29, 2016 at the State House Annex, Committee Room 11, 125 West State Street, Trenton, New Jersey 08625.

CONSENT AGENDA

I. AUDITS

A. Non-docketed Matter – In the Matter of Optical Communications Group, Inc. – Request for Extension of Time to File Its 2015 Annual Report with the Board.

BACKGROUND: The matter involved a request by Optical Communications Group, Inc. for a two month extension to file its 2015 annual report. According to the letter dated April 19, 2016, Optical Communications Group, Inc. was unable to meet the statutory filing due date because its outside accountant did not have Optical Communications Group, Inc.; financials completed prior to the deadline.

After review, Staff recommended that the Board grant the extension until May 31, 2016.

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

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

EE15070829L	**Evolution Energy Partners, LLC**	**I – EA**
EE16010081L	**Aaltra Energy, Inc.**	**I – EA/PA**
GE16010082L		
EE15121438L	**Utility Answers, LLC**	**I – EA/PA/EC**
GE15121439L		

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

EE16030203L	**Premier Energy Management, LLC**	**R – EA**
EE15080884L	**Rae of Sunshine, LLC**	**R – EA**
EE15030344L	**Electric Advisors, Inc.**	**R – EA/PA**
GE15030345L		
EE13060508L	**Avion Energy Group, LLC**	**R – EA/PA**
GE13060509L		
EE15030342L	**Precision Group, LLC**	**R – EA/PA/EC**
GE15030343L		
EE15070830L	**Diversegy, LLC**	**R – EA/PA/EC**
GE15070831L		
EE16050397L	**Best Practice Energy, LLC**	**R – EA/PA/EC**
GE16050398L		
EE15091025L	**NORESCO, LLC**	**R – EA/PA/EC**
GE15091026L	**f/k/a Dome Tech, Inc.**	
EE16020154L	**Advisors Energy Group, LLC**	**R – EA/EC**
GE16020155L		
EE16050399L	**Solution Energy, LLC**	**R – EA/EC**
GE16050400L		
EE16050395L	**Better Cost Control, LLC**	**R – EA/EC**
GE16050396L	**d/b/a Ardor Energy**	

Electric Power and/or Natural Gas Supplier Renewal Licenses

EE16040277L	**EnerPenn USA, LLC d/b/a Y.E.P. and YEP Energy**	**R – ESL**
EE15121344L GE15121345L	**Harborside Energy, LLC**	**R – EGSL**
GE15101108L	**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 Board issue initial registrations as an energy agent, private aggregator and/or energy consultant for one year to:

- Evolution Energy Partners LLC
- Aaltra Energy, Inc.
- Utility Answers 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:

- Premier Energy Management LLC
- Rae of Sunshine LLC
- Electric Advisors, Inc.
- Avion Energy Group, LLC
- Precision Group LLC
- Diversegy, LLC
- Best Practice Energy, LLC
- NORESCO, LLC f/k/a Dome Tech, Inc.
- Advisors Energy Group, LLC
- Solution Energy, LLC
- Better Cost Control, LLC d/b/a Ardor Energy

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

- EnerPenn USA, LLC d/b/a Y.E.P. and YEP Energy
- Harborside Energy LLC
- Woodruff Energy US LLC

Finally, Staff recommended approval of the renewal applications of the following energy agents, energy consultants and/or private aggregators under the limited waiver program:

- Avion Energy Group, LLC
- Rae of Sunshine LLC
- Precision Group LLC
- Best Practice Energy, LLC
- NORESCO, LLC d/b/a Dome Tech, Inc.
- Solutions Energy, LLC
- Better Cost Control, LLC

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

II. ENERGY

A. Docket No. ER16050428 – In the Matter of the Verified Petition of Rockland Electric Company for Approval of Changes in Electric Rates, Its Tariff for Electric Service, and Its Depreciation Rates; Approval of an Advanced Metering Program; and for Other Relief.

BACKGROUND: On May 13, 2016, Rockland Electric Company (RECO or Company), filed a petition with the Board for approval of an increase in its current base rates for electric service of approximately $9.644 million, including Sales and Use Tax, to be effective for electric service provided on or after June 12, 2016 (and in no event later than the anticipated conclusion of the Board-ordered suspension period(s) on February 12, 2017). The Company also requested a return on equity of 10.2%. According to the petition, the primary reason for the requested increase was that the Company's current base rates are not adequate to recover the operating, capital and other costs of the company, do not provide an adequate return on investment, and are not just and reasonable.

The Company also sought approval to change its electric and general plant depreciation rates and to deploy Advance Metering Infrastructure and smart meters throughout RECO's service territory from 2017 through 2019. Additionally, RECO requested approval to rely on a Company-sponsored Cost of Service Study (COSS), and be relieved of the obligation to file an alternative COSS Peak and Average Coincident Peak method as required by the Board in the Order issued in connection with Docket No. ER1311135.

After review, Staff recommended the proposed revisions be suspended until October 12, 2016, unless prior to that date the Board makes a determination disposing of the petition or enters an Order further suspending the proposed revisions.

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

III. CABLE TELEVISION

There were no items in this category.

IV. TELECOMMUNICATIONS

A. Docket No. TO16010045 – In the Matter of the Joint Petition of United Telephone Company of New Jersey, Inc. d/b/a CenturyLink and Local Access, LLC for Approval of an Interconnection Agreement; and

Docket No. TO14080933 – In the Matter of the Joint Petition of United Telephone Company of New Jersey, Inc. d/b/a CenturyLink and New Horizons Communications Corporation for Approval of an Interconnection Agreement.

BACKGROUND: By letter dated January 19, 2016, United Telephone Company of New Jersey, Inc. d/b/a CenturyLink and Local Access, LLC and New Horizons Communications Corporation (collectively, Petitioners) filed a petition with the Board for the approval of a negotiated Interconnection Agreement. The Agreements 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.

The Petitioners asserted that the Agreement will become effective on the date of Board approval and thereafter, as noted in the Agreement. The Agreement shall continue for a period of 3 years after execution by both Parties. The Agreement provides for post-termination interim services arrangements.

By letter dated April 1, 2016, the New Jersey Division of Rate Counsel submitted comments to the Board stating that it did not object to the Board approval of the Agreement, subject to consideration of "specific issues, conditions and recommendations."

After review, Staff recommended approval of the Agreements.

B. Docket No. TM16030254 – In the Matter of the Verified Petition of West Telecom Services, LLC for Approval of Pro Forma Intra-Company Changes.

BACKGROUND: On March 23, 2016, West Telecom Services, LLC (West Telecom or Petitioner) (f/k/a Hypercube Telecom, LLC), filed a petition with the Board requesting approval of pro forma intra-company changes that will result in the elimination of Rubik Acquisition Company, LLC and Annex Holdings HC LLC as intermediate holding companies in West Telecom's chain of ownership.

West Telecom's direct parent, West Telecom Services Holdings, LLC (West Telecom Holdings) (f/k/a HyperCube, LLC and previous to that, KMC Data, LLC), will not change as a result of this internal reorganization and neither will West Telecom's ultimate parent, West Corporation. Following the reorganization, West Telecom will continue to offer the same services in New Jersey at the same rates, terms, and conditions.

The New Jersey Division of Rate Counsel reviewed this matter and, by letter dated April 1, 2016, advised that it "does not oppose Board approval of the request under the Verified Petition.

After review, Staff found that the proposed transaction is consistent with the applicable law, is not contrary to the public interest and will have no material impact on the rates of

current customers, or on New Jersey employees. Staff also found that the proposed transaction will have no impact on the provision of safe, adequate and proper service, and will positively benefit competition. Therefore, Staff recommended the Board approve the Petitioner's request.

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

V. WATER

A. Docket No. WE16010046 – In the Matter of the Petition of Atlantic City Sewerage Company for Approval of a Municipal Consent in the City of Atlantic City, Atlantic County.

BACKGROUND: On January 20, 2016, Atlantic City Sewerage Company (ACSC or Company) filed a petition with the Board for approval of a municipal consent granted on December 20, 2015, by Atlantic City, Ordinance No. 84 (Ordinance), which granted ACSC renewed permission to use of the streets in Atlantic City for the purpose of providing sewerage collection services for fifty years.

On December 30, 1905, Atlantic City consented to allow the Company to furnish sewerage collection service in Atlantic City and the use of the streets. However, the Company's consent to use the streets within Atlantic City expired on December 30, 1955 pursuant to the fifty (50) year statutory limitation.

On December 10, 2015, Atlantic City adopted the Ordinance which acknowledges the Original Consent and renews its consent further allowing ACSC continued permission to lay and construct its pipes and mains and related appurtenances and facilities within the streets, alleys, squares and public places within Atlantic City for a period of fifty years. A letter submitted to the Atlantic City clerk dated January 8, 2016, indicated that ACSC accepted and agreed to the terms and conditions of such consent.

After the review of the record, Staff recommended approval of the renewed municipal consent granted by Atlantic City for the use of the streets for the purpose of providing sewerage collection and subject to a fifty year (50) limitation.

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

VI. RELIABILITY & SECURITY

A. Docket Nos. GS16040314K, et al. – In the Matter of Alleged Violations of the Underground Facility Protection Act, N.J.S.A. 48:2-73 et seq.

BACKGROUND: This matter involved settlements of alleged violations of the Underground Facility Protection Act (the Act) by both excavators and operators of underground facilities. The categories of infraction include failure to provide proper notice, failure to use reasonable care and mismarking of facilities. The cases have been settled in accordance with a penalty strategy which escalates the penalty ranges in relationship to the aggravating factors such as injury, property damage, fire, evacuation, road closure, and other public safety concerns. Moreover, the strategy seeks 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 41 and total penalty of $119,000.00.

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. GS16040296K – In the Matter of Alleged Violations of the Underground Facility Protection Act, N.J.S.A. 48:2-73 et seq. by Kimball Landscaping.

BACKGROUND: This matter involved settlements of alleged violations of the Underground Facility Protection Act (the Act) by both excavators and operators of underground facilities. The categories of infraction include failure to provide proper notice, failure to use reasonable care and mismarking of facilities. The cases have been settled in accordance with a penalty strategy which escalates the penalty ranges in relationship to the aggravating factors such as injury, property damage, fire, evacuation, road closure, and other public safety concerns. Moreover, the strategy seeks 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. N.J.S.A. 48:2-86(c).

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

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.

C. Docket No. GS16040294K – In the Matter of Alleged Violations of the Underground Facility Protection Act, N.J.S.A. 48:2-73 et seq. by AIM Contractors.

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

Following 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 had been sent a Notice of Probable Violation, an Offer of Settlement, and an Answering Certification deadline from the Board. These were sent by regular and certified mail in accordance with the Administrative Procedure Rules. The alleged violator failed to submit the Answering Certification. The certified mail was returned to the Board as Accepted, and the regular mail was not returned to the Board as undeliverable.

By non-acceptance of the various Offers of Settlement and the timely payment thereof, the excavator or operator has waived any rights to a hearing.

Staff requested the Board issue an order evoking the Board's rights to bring an action for civil penalties as permitted by the Act in connection with the above-referenced alleged violations of 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.

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

Staff employed a single order to issue the FOPA in order to create a more streamlined and effective enforcement process.

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

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

D. Docket No. GS16040300K – In the Matter of Alleged Violations of the Underground Facility Protection Act, N.J.S.A. 48:2-73 et seq. by Shea Electric.

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

Following 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 had been sent a Notice of Probable Violation, an Offer of Settlement, and an Answering Certification deadline from the Board. These were sent by regular and certified mail in accordance with the Administrative Procedure Rules. The alleged violator failed to submit the Answering Certification. The certified mail was returned to the Board as Accepted, and the regular mail was not returned to the Board as undeliverable.

By non-acceptance of the various Offers of Settlement and the timely payment thereof, the excavator or operator has waived any rights to a hearing.

Staff requested the Board issue an order evoking the Board's rights to bring an action for civil penalties as permitted by the Act in connection with the above-referenced alleged violations of 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.

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

Staff employed a single order to issue the FOPA in order to create a more streamlined and effective enforcement process.

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

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

E. Docket No. GS16040297K – In the Matter of Alleged Violations of the Underground Facility Protection Act, N.J.S.A. 48:2-73 et seq. by Carmen Viola, Viola Construction.

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

Following 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 had been sent a Notice of Probable Violation, an Offer of Settlement, and an Answering Certification deadline from

the Board. These were sent by regular and certified mail in accordance with the Administrative Procedure Rules. The alleged violator failed to submit the Answering Certification. The certified mail was returned to the Board as Accepted, and the regular mail was not returned to the Board as undeliverable.

By non-acceptance of the various Offers of Settlement and the timely payment thereof, the excavator or operator has waived any rights to a hearing.

Staff requested the Board issue an order evoking the Board's rights to bring an action for civil penalties as permitted by the Act in connection with the above-referenced alleged violations of 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.

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

Staff employed a single order to issue the FOPA in order to create a more streamlined and effective enforcement process.

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

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

F. Docket No. GS16040298K – In the Matter of Alleged Violations of the Underground Facility Protection Act, N.J.S.A. 48:2-73 et seq. by Fortress Fence, LLC.

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

Following 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 had been sent a Notice of Probable Violation, an Offer of Settlement, and an Answering Certification deadline from the Board. These were sent by regular and certified mail in accordance with the Administrative Procedure Rules. The alleged violator failed to submit the Answering Certification. The certified mail was returned to the Board as Accepted, and the regular mail was not returned to the Board as undeliverable.

By non-acceptance of the various Offers of Settlement and the timely payment thereof,

the excavator or operator has waived any rights to a hearing.

Staff requested the Board issue an order evoking the Board's rights to bring an action for civil penalties as permitted by the Act in connection with the above-referenced alleged violations of 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.

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

Staff employed a single order to issue the FOPA in order to create a more streamlined and effective enforcement process.

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 EC15101245U and OAL PUC 00019-16 – In the Matter of Dorothy Rose Forgione, Petitioner v. Public Service Electric and Gas Company, Respondent – Billing Dispute.

BACKGROUND: This matter involved a billing dispute between Dorothy Rose Forgione (Petitioner) and Public Service Electric & Gas Company (PSE&G). The petition was transmitted to the Office of Administrative Law on December 17, 2015, as a contested case. Administrative Law Judge (ALJ) Thomas R. Betancourt filed an Initial Decision in this matter with the Board on April 26, 2016, approving a Stipulation of Settlement (Settlement) of the parties.

Pursuant to the terms of the Settlement, and in order to fully resolve this matter, PSE&G agreed to credit the Petitioner a total of $695.79. The Petitioner agreed to pay her March 2016 bill to PSE&G, in the amount of $339.54, on or before April 15, 2016. In addition, the Petitioner agreed to timely pay her PSE&G bills for electric and gas service, and to enter into a thirty-month Deferred Payment Arrangement (DPA) of $79 per month with PSE&G, to pay off the $2,354.00 settlement amount that the Petitioner and PSE&G agreed upon on April 6, 2016. The Petitioner agreed to make the first supplemental payment of $79.00 by May 30, 2016. The Petitioner may elect to pay off the $2,354.00 settlement amount before the end of the thirty-month deferred payment period.

The Petitioner further agreed that under the DPA, she must make timely payment of PSE&G monthly utility bills for utility service associated with her utility account so long as she remains a PSE&G customer.

The Board, at its discretion, has the option of accepting, modifying or rejecting the Initial Decision of ALJ Betancourt. Staff recommended that the Board adopt the Initial Decision of ALJ Betancourt.

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

B. Docket Nos. BPU WC14030248U and OAL PUC 11838-14 – In the Matter of Bianca Cortes, Petitioner v. SUEZ Water New Jersey, Inc., Respondent – Request for Extension.

BACKGROUND: The Initial Decision of the Administrative Law Judge was received by the Board on May 4, 2016, therefore, the 45-day statutory period for review and the issuing of a Final Decision will expire on June 18, 2016. Prior to that date, the Board requested an additional 45-day extension of time for issuing the Final Decision.

Good cause having been shown, pursuant to N.J.S.A. 52:14B-10(c) and N.J.A.C. 1:1-18.8, Staff recommended that the time limit for the Board to render a Final Decision be extended until August 2, 2016.

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

VIII. CLEAN ENERGY

There were no items in this category.

IX. MISCELLANEOUS

Approval of the Minutes for the April 27, 2016 Agenda Meeting.

BACKGROUND: Staff presented the minutes of Board meeting of April 27, 2016 and recommended that they be accepted.

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

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

After appropriate motion, the consent agenda was approved.

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

AGENDA

1. AUDITS

There were no items in this category.

2. ENERGY

Jerome May, Director, Division of Energy, presented these matters.

A. Docket No. GR15060645 – In the Matter of the Petition of Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas to Review Its Periodic Basic Gas Supply Service Rate.

BACKGROUND AND DISCUSSION: On May 29, 2015, Elizabethtown Gas (Company or Elizabethtown) filed its annual petition with the Board requesting approval of its Periodic Basic Gas Supply Service (BGSS) Rate. The Company requested a decrease in its per therm BGSS rate from $0.5045 inclusive of all applicable taxes to $0.4203 for the period October 1, 2015 through September 30, 2016.

On September 11, 2015, the Board approved a Provisional Rates.

The Company, New Jersey Division of Rate Counsel and Staff (collectively, the Parties) executed a Stipulation on May 4, 2016, recommending that Elizabethtown's BGSS provisional rate be made final, subject to refund with interest on any net over-recovered BGSS balance.

After review, Staff recommended that the Board approve the Stipulation of the Parties.

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

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

B. Docket No. ER16040337 - In the Matter of the Provision of Basic Generation Service for the Period Beginning June 1, 2017.

BACKGROUND AND DISCUSSION: Two-thirds of the State's Basic Generation Service (BGS) requirements for residential and small commercial pricing (RSCP) customers are under contract for periods extending to May 31, 2019.

This matter involved the Board determining how the remaining one-third of the State's BGS requirements for RSCP customers, as well as the State's annual BGS requirements for Commercial and Industrial Energy Pricing (CIEP) customers should be procured beginning June 1, 2017.

Staff recommended that the Board initiate a transparent and public proceeding,

consistent with that employed for the past fifteen years, to determine what type of process should be used for the procurement of BGS RSCP and BGS CIEP supply, and the capacity needs of Rockland's non-PJM service area within New Jersey. To initiate this proceeding, Staff recommended that the Board approve the preliminary procedural schedule that would result in a Board decision on the process in November 2016, and would permit a BGS procurement process in February 2017, and also a Rockland Electric Company procurement process for its non-PJM service area's capacity needs.

Staff further recommended that the Board direct the electric distribution companies to make a BGS filing by July 1, 2016, describing how they intend to procure the remaining BGS RSCP and the BGS CIEP requirements. This shall include, Rockland filing a proposal as part of its July 1, 2016 BGS filing for procuring the capacity requirements for its non-PJM service area within New Jersey. Staff also recommended that the Board invite all other interested stakeholders to file any alternative BGS procurement processes with the Board by July 1, 2016.

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

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

C. Docket No. ER16050401 – 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.

BACKGROUND AND DISCUSSION: On May 4, 2016, Atlantic City Electric Company, Jersey Central Power & Light Company, Public Service Electric and Gas Company (PSE&G) and Rockland Electric Company (collectively, the EDCs) filed a joint petition with the Board requesting recovery of Federal Energy Regulatory Commission (FERC) approved changes in firm transmission service related charges. (May 2016 Petition)

The EDCs' proposed tariff changes reflect changes to the Basic Generation Service (BGS) Residential/Small Commercial Pricing (BGS-RSCP) and Commercial and Industrial Energy Pricing (BGS-CIEP) rates to customers resulting from changes to the PJM Open Access Transmission Tariff (OATT) made in response to the annual formula rate update filing made by PSE&G in FERC Docket No. ER08-1233. Pursuant to FERC's Order, PSE&G submitted its annual update compliance filing with FERC in October 2015. Due to cost allocation protests and complaints at FERC regarding the PSE&G Project, a November 24, 2015 FERC Order suspended the cost allocations of a reconfigured portion of one of the PSE&G projects through April 25, 2016 (November 2015 FERC Order).

Subsequently, in December 2015, the EDCs submitted their annual filing to the Board in response to the annual formula rate update filings made by Potomac-Appalachian Transmission Highline, LLC in FERC Docket No. ER08-386-000, Virginia Electric and Power Company in Docket No. ER-08-92-000 and by PSE&G in Docket No. ER09-1257-000. (December 2015 Filing) Pursuant to the November 2015 FERC Order, the EDCs

excluded allocation of the costs associated with the reconfigured portion of one of PSE&G's projects.

By Order dated January 28, 2016, the Board authorized the EDCs to modify their BGS-RSCP and BGS-CIEP rates to reflect the changes in their transmission charges resulting from the FERC-approved changes to the Transmission Enhancement Charges effective as of March 1, 2016. (January 2016 Order). The EDCs also received authorization to compensate the BGS suppliers for this transmission rate adjustment(s) subject to the terms and conditions of the Supplier Master Agreements (SMAs).

By Order dated April 22, 2016, FERC lifted the suspension initiated by the November 2015 FERC Order and allowed the cost allocations for the reconfigured portion of one of PSE&G's projects to flow through as filed by PSE&G in its October 2015 filing effective as of April 25, 2016. (April 2016 FERC Order).

The EDCs also requested authorization to compensate BGS suppliers for the changes to the OATT resulting from the implementation of the PSE&G project annual formula updates subject to the terms and conditions of the applicable SMAs. Any difference between the payments to BGS Suppliers and charges to customers would flow through each EDC's BGS Reconciliation Charge. 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 April 25, 2016 pursuant to the April 22 FERC Order.

No comments were received from Rate Counsel or any other party.

Staff recommended that the Board issue an order approving the proposed tariff changes and implementation of changes to the EDCs' retail transmission rates to be consistent with OATT tariff changes as filed with and approved by FERC, effective for service as of June 1, 2016. Staff further recommended approval of the EDCs' request that the affected BGS suppliers receive the appropriate compensation for the rate adjustment(s) subject to the terms and conditions of the appropriate BGS-RSCP and BGS-CIEP SMAs. In addition, Staff recommended the Board grant the waiver of the 30 day filing requirement that would otherwise apply to this type of filing.

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

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

D. Docket No. ER16010092 – In the Matter of the Petition of the Borough of Butler Electric Utility for an Order Approving a Levelized Energy Adjustment Clause (LEAC) from April 1, 2016 to June 30, 2016.

BACKGROUND AND DISCUSSION: On January 29, 2016, the Borough of Butler Electric Utility (Butler Electric) filed with the Board a verified petition for approval of a Levelized Energy Adjustment Clause (LEAC) for the period April 1, 2016 to June 30, 2016 (2016 LEAC Petition). Specifically, Butler Electric requested approval to: (1) adjust the LEAC rate from $0.082562 per kilowatt hour (kWh) to $0.058098 per kWh to be effective for services rendered on and after April 1, 2016; (2) continue the cap level of $0.151718 per kWh on the quarterly LEAC adjustment that had been approved on September 17, 2010 by the State of New Jersey, Department of Community Affairs, Division of Local Government Services, and Local Finance Board; and (3) continue to implement the LEAC quarterly adjustment rate mechanism as authorized by Board Order dated April 23, 1987, in Docket No. ER86040390.

Staff and the New Jersey Division of Rate Counsel (Rate Counsel) propounded numerous discovery requests, which were responded to by Butler Electric. Butler Electric, Staff and Rate Counsel (collectively the Parties) engaged in discussions to resolve all issues in this matter. As a result, on May 9, 2016, the Parties entered into a Stipulation of Settlement (Stipulation) intended to resolve the 2016 LEAC Petition. The Stipulation allows for Butler Electric to implement a LEAC rate of $0.058098 per kWh for usage effective after April 1, 2016 and continue the cap level at $0.151718 per kWh.

As a result of the Stipulation, the total decrease on the monthly bill to the average residential customer of 1,000 kWh is $26.18 or a 19.95% decrease.

Staff recommended that the Board adopt the Stipulation of the Parties. Staff further recommended that the Board order Butler Electric to file revised tariffs consistent with the Stipulation within five days of service of the Board Order.

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

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

E. Docket No. ER16010003 – In the Matter of the Federal Energy Items for 2016 – FERC Docket No. EL05-121-009 – In the Matter of the Settlement Proceedings Regarding FERC Order 494 Remand – <u>See Executive Session</u>.

This matter was discussed in executive session pursuant to attorney-client privilege and pending litigation exception to the Open Public Meetings Act. The Board will make the contents of its discussion of the above matter public at the earliest appropriate time.

3. CABLE TELEVISION

Lawanda R. Gilbert, Director, Office of Cable Television & Telecommunications, presented these matters.

A. Docket No. CE10010024 – In the Matter of CSC TKR, LLC Application for a System-wide Cable Television Franchise – Franchise Renewal/Ascertainment Report of the Office of Cable Television and Telecommunications.

BACKGROUND AND DISCUSSION: On January 11, 2010, CSC TKR, LLC (CSC TKR, LLC) converted the Borough of Allentown into a system-wide cable television franchise as provided in the New Jersey Cable Television Act. The amendments to the State Act provided the ability for existing cable television operators to automatically convert any or all of their existing cable television franchises to a system-wide cable television franchise, by providing notice to the Board and the affected municipality. Since that time, CSC TKR, LLC has converted an additional 32 municipalities in its New Jersey system. CSC TKR, LLC's system-wide cable television franchise is valid for seven years from the date of its first conversion and is set to expire on January 11, 2017.

Franchise renewal in New Jersey is governed by the Federal Communications Policy Act of 1934, as amended (Federal Act), the State Act, and the New Jersey Administrative Code. Ascertainment is the term utilized to explain the fact-finding process described in the Federal Act. The purpose of ascertainment is to examine the past performance of the cable operator and identify the future cable-related needs of the community.

At least seven months prior to the expiration of the franchise, the Office of Cable Television & Telecommunications (OCT&T) must issue an ascertainment report to the Board, which must be made available for public inspection. The Board's review of CSC TKR, LLC's performance is limited to: 1) any statewide needs and requirements established under the Act; 2) the extent to which it has met its franchise commitments under the State Cable Act and the Board's rules, and 3) performance and substantial compliance with material terms and conditions of the franchise based on notice and opportunity to cure as placed on the record per Federal law.

The Board notified CSC TKR, LLC on February 18, 2014, of its intention to review its performance under its franchise. On November 12, 2015, the Board invited CSC TKR, LLC to file comments on its performance under its system-wide cable television franchise and to assess how to meet the future needs of communities served by its system-wide franchise. CSC TKR, LLC filed its initial response with the Board on January 29, 2016.

The ascertainment report provides a review of the past performance of CSC TKR, LLC and of the future cable-related needs of the communities served, taking into account the limitations established by the State Cable Act. CSC TKR, LLC must file an application for renewal of its system-wide cable television franchise within 90 days of receipt of the ascertainment report.

The OCT&T found that CSC TKR, LLC is in compliance with its system-wide cable television franchise and is prepared to meet the future cable television-related needs of

the communities. The OCT&T recommended approval of the report for publication.

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

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

B. Docket No. CE10010023 – In the Matter of Cablevision of Monmouth, LLC Application for a System-wide Cable Television Franchise – Franchise Renewal/Ascertainment Report of the Office of Cable Television and Telecommunications.

BACKGROUND AND DISCUSSION: On January 11, 2010, Cablevision of Monmouth, LLC (Cablevision) converted the Borough of Interlaken into a system-wide cable television franchise as provided in the New Jersey Cable Television Act (State Act). The amendments to the State Act provided the ability for existing cable television operators to automatically convert any or all of their existing cable television franchises to a system-wide cable television franchise, by providing notice to the Board and the affected municipality. Since the initial order, Cablevision has converted an additional 19 municipalities. Cablevision's franchise is valid for seven years from the date its first conversion, and expires on January 11, 2017.

Franchise renewal in New Jersey is governed by the Federal Communications Policy Act of 1934, as amended (Federal Act), the State Act, and the New Jersey Administrative Code. Ascertainment is the term utilized to explain the fact-finding process described in the Federal Act. The purpose of ascertainment is to examine the past performance of the cable operator and identify the future cable-related needs of the community.

At least seven months prior to the expiration of the franchise, the Office of Cable Television & Telecommunications (OCT&T) must issue an ascertainment report to the Board, which must be made available for public inspection. Pursuant to the State Cable Act and the Board's rules, the Board's review of Cablevision's performance is limited to: 1) any statewide needs and requirements established under the Act; 2) the extent to which it has met its franchise commitments under the State Cable Act and the Board's rules, and 3) performance and substantial compliance with material terms and conditions of the franchise based on notice and opportunity to cure as placed on the record per Federal law.

The Board notified Cablevision on May 21, 2014, of its intention to review its performance under its system-wide franchise. On November 16, 2015, the OCT&T invited Cablevision to file comments on its performance under its system-wide cable television franchise and to assess how it will meet the future needs of the communities served by its system-wide franchise. Cablevision filed its Initial Comments with the OCT&T on January 29, 2016.

The ascertainment report provides a review of the past performance of Cablevision and of the future cable-related needs of communities served, taking into account the

limitations established by the State Cable Ace. Cablevision must file an application for renewal of its system-wide cable television franchise within 90 days of receipt of the ascertainment report.

The OCT&T found that Cablevision is in compliance with its system-wide cable television franchise, and recommended approval of the report for publication.

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

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

C. Docket No. CO16050416 – In the Matter of the Alleged Failure of CSC TKR, LLC to Comply with Certain Provisions of the New Jersey Cable Television Act, N.J.S.A. 48:5A-1 et seq. and the New Jersey Administrative Code, N.J.A.C. 14:18-1.1 et seq.

BACKGROUND AND DISCUSSION: CSC TKR, LLC, itself and through the Cablevision Cable Entities, (referred to collectively as Cablevision), owns and operates certain cable television systems in the State of New Jersey. Cablevision's cable systems provide cable television services in municipalities in Bergen, Essex, Hudson, Mercer, Middlesex, Monmouth, Morris, Ocean, Passaic, Somerset, Sussex, Union and Warren counties.

The Office of Cable Television & Telecommunications (OCT&T), uncovered a number of apparent deficiencies during the course of a compliance review conducted as part of its review of a pending petition; wherein Altice N.V. (Altice), Cablevision Systems Corporation and Cablevision Cable Entities sought approval of the transfer of control of the Cablevision Cable Entities to Altice. The OCT&T served notice of its allegations that Cablevision did not conform to certain provisions of the New Jersey State Cable Television Act, and the New Jersey Administrative Code.

As a result of correspondence, telephone conversations and settlement conferences between Cablevision and the OCT&T, on May 12, 2016, Cablevision submitted an Offer of Settlement (Offer) concerning the alleged non-conforming practices including a monetary payment in the amount of $90,000.00 in order to resolve all issues concerning the violations alleged by the OCT&T.

Staff found that the Offer represented a reasonable settlement, and recommended that the Board accept the Offer of Settlement proffered by Cablevision subject to certain provisions, conditions and/or limitations.

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

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

D. Docket No. CM15111255 – In the Matter of the Verified Joint Petition of Altice N.V., Cablevision Systems Corporation and Cablevision Cable Entities for Approval to Transfer Control of Cablevision Cable Entities; and

Docket No. TM15111256 – In the Matter of the Verified Joint Petition of Altice N.V., Cablevision Systems Corporation, Cablevision Lightpath-NJ, LLC, and 4Connections, LLC for Approval to Transfer Control of Cablevision Lightpath-NJ, LLC and 4Connections, LLC and for Certain Financing Arrangements.

BACKGROUND AND DISCUSSION: On November 5, 2015, Altice N.V. (Altice), Cablevision Systems Corporation (Cablevision), and the Cablevision Cable Entities (CCE) (collectively, the Petitioners), filed a petition with the Board seeking approval for Altice to acquire control of the CCE. Altice, Cablevision, Cablevision Lightpath-NJ, LLC (Lightpath), and 4Connections, LLC (4Connections) (Telecom Petitioners) concurrently also filed a separate verified Petition, requesting approval of the proposed transfer of control to Altice of Lightpath and 4Connections, both indirect wholly-owned subsidiaries of Cablevision, and approval for Lightpath to participate in the financing related to the Telecom Petitioners' proposed transfer of control (Transaction Financing).

Altice is a publicly-traded holding company with limited liability (naamloze vennootschap) incorporated under the laws of the Netherlands that is headquartered at Prins Bernhardplein 200, 1097 JB Amsterdam, the Netherlands. Altice is a multinational cable and telecommunications company operating in Western Europe (including France, Portugal, Benelux and Switzerland), the United States, Israel, the Dominican Republic and the French Overseas Territories, providing cable and fiber-based fixed services, including, but not limited to, pay TV, broadband internet access, fixed-line telephony, and mobile telephony services (other than in the United States) in all of the geographies in which it operates. Altice serves approximately 36 million subscribers worldwide. Altice does not have operations or customers in New Jersey.

Cablevision, a publicly traded Delaware corporation that is headquartered at 1111 Stewart Avenue, Bethpage, NY 11714, is a connectivity, telecommunications and media company offering digital television, high-speed Internet services, and Voice over Internet Protocol (VoIP) service to approximately 3.12 million customers in New York, New Jersey, and Connecticut.

The CCE provide cable television service pursuant to cable television franchises to approximately 783,058 subscribers (Form F99) in one hundred and seventy-six municipalities in twelve New Jersey counties. (CCE Systems). The CCE are wholly owned indirect subsidiaries of Cablevision with states of incorporation or organization in Delaware and New York.

Lightpath is a Delaware limited liability company (LLC) that is a wholly owned subsidiary of Cablevision Lightpath, Inc., which in turn is a wholly-owned subsidiary of Cablevision. 4Connections is a New Jersey LLC and is a wholly-owned subsidiary of Lightpath. Their principal place of business is also 1111 Stewart Avenue, Bethpage, NY 11714. Both Lightpath and 4Connections are authorized in New Jersey to provide local and interexchange telecommunications services pursuant to the Board's order in Docket No. TE02010035 issued March 26, 1998 and, in Docket No. TE04091033 issued January 28, 2009, respectively.

Following submission of the Petitions, discovery commenced and several rounds of discovery were exchanged in the within matters, propounded by Board Staff (Staff) and the New Jersey Division of Rate Counsel (Rate Counsel). The Petitioners provided written responses to both routine and extended discovery requests dealing with the details of the transaction, its impact on New Jersey consumers, and the ability of the CCE, Lightpath and 4Connections to continue to provide safe, adequate and proper service subsequent to the transfer.

Rate Counsel submitted comments to the Board on March 17, 2016 regarding the Transaction, raising various concerns, including the substantial new debt and pressure to achieve the level of annual savings proposed by Altice without resulting in service quality deterioration, price hikes, and employee layoffs. Based on these concerns, Rate Counsel recommended that any approval of the Transaction should include conditions addressing the following areas: (a) Affordable broadband Internet access; (b) Affordable stand-alone voice service; (c) No data caps; (d) Commitment, without an expiration date, to not block or throttle Internet traffic and to abide by the Federal Communications Commission 's net neutrality rules; (e) Commitment for broadband upgrade; (f) Unlimited flat rate broadband option; (g) Opt-out option for Wi-Fi hotspots; (h) Network reliability and public safety, including back-up batteries for VoIP customers and customer education (i) Service Quality metrics; (j) Billing and termination procedures, i.e., increase the billing payment period and reduce late payment charges; (k) Protection of public, education, and government channels; and (l) Open customer premises equipment.

After numerous meetings and extensive negotiations, a Stipulation of Settlement (Stipulation) was entered into by the Petitioners, Rate Counsel and Staff (collectively, the Parties), which was filed with the Board on or about May 19, 2016, addressing issues including matters beyond the terms contained in the Petitions.

Key elements of the Stipulation are as follows:

- For two years, Cablevision commits to no reductions in customer-facing jobs, including customer service centers and call centers located in Newark, and it will maintain at least 13 of its 16 existing local customer service offices.
- Cablevision will deploy a network upgrade, increasing service to 300 megabits per second to all existing customer locations no later than December 31, 2017.
- Cablevision will increase the speed on its existing $24.95 low-cost broadband service offering from five to one megabits per second to ten to one megabits per second and will continue the offering for two years for new customers, while current customers may maintain the service for up to three years.

- Cablevision will also implement a low income broadband program within 15 months which will provide service up to 30 megabits per second at $14.99 a month, including a free modem for eligible households with children in the National School Lunch Program or seniors 65 or older eligible for Supplemental Security Income.

- Cablevision will assist in network resiliency/recovery efforts by providing certain services in the event of a declaration of an active, qualifying state of emergency, including emergency Wi-Fi for everyone, hyper local news and weather for all residents, partnering with utilities to speed power restoration, backup customer support, enhanced network resiliency, backup powering, and a storm readiness communications plan.

- Cablevision will offer a broadband product without a data cap. Cablevision commits to a repair and service metric in which it will provide the Board with repair and service calls per customer for the Calendar Year 2015, establishing a service quality benchmark, and quarterly reports. Should Cablevision fail to meet that established benchmark, they will invest up to $250,000.00 per quarter to improve customer service.

Based upon the Stipulation and the Board's independent review of the record in this matter, as well as consideration of the applicable statutes and regulations, Staff recommended the Board accept the Stipulation of the Parties subject to certain conditions.

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

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

4. TELECOMMUNICATIONS

There were no items in this category.

5. WATER

There were no items in this category.

6. RELIABILITY & SECURITY

There were no items in this category.

7. CUSTOMER ASSISTANCE

Eric Hartsfield, Director, Division of Customer Assistance, presented these matters.

A. Docket Nos. BPU WC15091087U and OAL PUC 18213-15 – In the Matter of Paul F. Coppola, Petitioner v. Ridgewood Water Company, Respondent – Billing Dispute.

BACKGROUND AND DISCUSSION: This matter involved a billing dispute between Paul F. Coppola (Petitioner) and Ridgewood Water Company (RWC or Company). The petition was filed on September 17, 2015, and thereafter transmitted to the Office of Administrative Law as a contested case. Administrative Law Judge (ALJ) Joann Lasala Candido filed an Initial Decision in this matter on March 4, 2016, ordering the Petitioner to pay RWC $975.52, amortized without interest over four years. On April 1, 2016, the Petitioner filed exceptions with the Board and on April 14, 2016, RWC replied to the exceptions.

The Petitioner claimed that in April 2015, he received a bill from RWC in the amount of $1,071.44 reflecting back fees of $975.52. He claimed the back fees represented a shortfall in quarterly estimated bills. The Petitioner also questioned the validity of the methodology used by RWC in determining back fees.

ALJ Candido stated that the meter was tested and found to be operable and accurate. ALJ Candido also concluded that each quarterly bill was clearly marked estimate and the Petitioner did not contact the Company to inquire about the ongoing estimation. ALJ Candido concluded that the Petitioner has an outstanding balance of $975.52 for consumption not billed. ALJ Candido ruled that the petition be dismissed.

Staff recommended that the Board adopt the Initial Decision of ALJ Candido.

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

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

B. Docket Nos. BPU EC15070820U and OAL PUC 15081-15 – In the Matter of Edward J. Nesmith, Petitioner v. Atlantic City Electric Company, Respondent – Billing Dispute.

BACKGROUND AND DISCUSSION: This matter involved a billing dispute between Edward J. Nesmith (Petitioner) and Atlantic City Electric Company (ACE). The petition was transmitted to the Office of Administrative Law on September 17, 2015, as a contested case. Administrative Law Judge (ALJ) Joseph F. Martone filed an Initial Decision in this matter with the Board on April 19, 2016, dismissing the petition. No exceptions to the Initial Decision have been received by the Board.

The Petitioner claimed that from January to March 2015, ACE incorrectly billed his account in the amount of $7,295.03. He further stated that ACE's method of testing the

meter was unwitnessed and not corroborated by an impartial third party of expertise. The Petitioner claimed that his calculations indicated that the bill in question should be $2,768.71.

ALJ Martone stated that the meter test result did not support a finding that the meter in question was reporting more usage than what was actually being delivered. ALJ Martone further stated that the meter was actually measuring or reporting less usage than what was delivered. ALJ Martone concluded that the Petitioner did not present any expert testimony and there was insufficient evidence in the record to support a reduction of the bill, and ruled that the petition be dismissed.

Staff recommended that the Board adopt the Initial Decision of ALJ Martone.

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

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

8. CLEAN ENERGY

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

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

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

Docket No. QO15111315 – Vineland Construction Company National Freight Pennsauken.

BACKGROUND AND DISCUSSION: Commissioner Solomon recused herself from this matter. On November 19, 2015, Vineland Construction Company (Vineland or Applicant) submitted its application to the Board to have its project certified as located on a brownfield. Vineland's 12.8 MW dc project referred to as "National Freight Pennsauken" is located at 3905 River Road in Pennsauken, New Jersey.

On January 23, 2013, after conducting a public proceeding which the Board commenced on October 4, 2012, the Board established a certification program and directed Staff to work with the NJDEP to develop an application. Staff forwards all applications to NJDEP for their review and assessment.

Following review of the application and the advisory memorandum provided by the New Jersey Department of Environmental Protection (NJDEP), Staff recommended the Board

grant conditional certification to Vineland for its proposal to build a 12.8 MWdc solar facility project proposed to be located at the National Freight Pennsauken site located in Pennsauken, New Jersey. On the basis of NJDEP's determination, information contained in the application, and other relevant factors, Staff recommended that the Board conditionally grant the Applicant's request for certification as a "brownfield". NJDEP determined that the 39.2-acre area on which the solar electric power generation facility will be located constitutes a brownfield.

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

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

B. Docket Nos. QG16040309 and EO09030210 – In the Matter of the 2009 State Energy Program American Recovery and Reinvestment Act Funding Plan – Request for Reallocation – LED Lighting Upgrade Program – Atlantic City Street Lighting Project and the Battleship NJ Retrofit Project.

BACKGROUND AND DISCUSSION: On February 29, 2016, Office of Clean Energy (OCE) Staff proposed to reallocate the balance of $2,383,420.61 in unspent American Recovery and Reinvestment Act (ARRA) funds from the proposed Revolving Loan Fund (RLF) into a direct grant program, 'LED Lighting Upgrade Program" (the Program). The Program will be a direct grant program that will focus on two projects, The Atlantic City Street Lighting project and the Battleship New Jersey.

By letter dated March 28, 2016, the Department of Energy (DOE) approved OCE's request to reallocate the unspent ARRA funds and to create the Program.

The DOE approved program allocates $2.0 million from the remaining ARRA State Energy Program funds to provide Atlantic City with the necessary seed money for an Outdoor Street Lighting pilot program. The funds will be used to convert over 2,000 streetlights to LED technology, resulting in an annual savings of over $250,000. Energy use will be reduced by over 1.728 Mw annually. CO2 emissions will be reduced by 2.56 M lbs. annually. Given the fact that LED Street lighting is guaranteed for at least ten years, there will be no operations and maintenance cost for the first decade.

The DOE approved program also allocates $383,420.61- for the Alliance to convert 2,500 overhead T-12 fixtures to high-performance LEDs and will convert the existing outdoor lighting with a newer LED technology. As a result, the Battleship will realize both improved lighting quality and annual energy cost savings of $30,000 for the lighting.

This matter addresses the need for the Board to approve the reallocation of $2,383,420.61 in unspent ARRA funds from the proposed Revolving Loan Fund (RLF) into a direct grant program, the Program which will fund two projects, The Atlantic City Street Lighting Project and the Battleship New Jersey Retrofit Project.

Staff recommended that the Board approve the reallocation of $2,383,420.61 in unspent ARRA funds from the proposed RLF into a direct grant program, the Program which will

fund two projects, the Atlantic City Street Lighting Project and the Battleship New Jersey Retrofit Project.

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

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

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

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

Docket No. QO13101020 – Brickyard, LLC.

BACKGROUND AND DISCUSSION: On August 21, 2013, Brickyard, LLC (Brickyard) received approval of a 2MWdc solar system (Phase I) under Subsection q of the Solar Act. Brickyard then applied for approval of a .362 MWdc system (Phase II), to be constructed as a second phase of the first system. The Board denied this application and Brickyard's motion for reconsideration. Brickyard then filed an appeal, but Staff and Brickyard reached a settlement agreement which the Board approved on April 15, 2015, with the condition that Brickyard comply with all the requirements of Subsection q.

Brickyard has now filed a petition seeking an extension of time to complete construction. However, pursuant to Subsection q, if a solar project does not achieve commercial operations within two years of its date of designation by the Board, that designation becomes null and void and the project "shall not be considered connected to the distribution system thereafter. Brickyard, represented by counsel, voluntarily entered into the settlement and has alleged no valid reason (such as fraud or deceit) for the Board to vacate any of the settlement's terms, Staff recommended that the Board deny the petition.

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

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

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

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

Docket No. QO16020130 – In the Matter of the Implementation of N.J.S.A. 48:3-87(R) Designating Grid-Supply Projects as Connected to the Distribution System.

BACKGROUND AND DISCUSSION: The Solar Act Subsection r mandates that the Board evaluate all proposed "grid supply" projects (other than those eligible for certification as a brownfield, landfill or area of historic fill) for which applications are submitted on or after June 1, 2016 according to a number of criteria.

Staff recommended that the Board issue an interim order setting forth approval for a specific process to govern the submittal of grid supply applications for projects seeking approval during Energy Year 17 (EY17). Specifically, Staff recommended that:

- The Board instructs all entities that are considering filing an application in the coming energy year to file an Expression of Interest (EOI), and submit the EOI within the specified period.
- The Board initiates a public stakeholder process following the EOI deadline to request comments on the optimal number of megawatts that the Board should not exceed for approval of grid supply projects seeking two year designation periods in EY17.

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

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

E. Docket Nos. QG16050440 and EO09030210 – In the Matter of the 2009 State Energy Program (SEP) American Recovery and Reinvestment Act (ARRA) Funding Plan – Request for Reallocation – LED Lighting Upgrade Program – Atlantic City Street Lighting Project.

BACKGROUND AND DISCUSSION: On February 29, 2016, Staff proposed to reallocate the balance of $2,383,420.61 in unspent American Recovery and Reinvestment Act (ARRA) funds from the proposed Revolving Loan Fund (RLF) into a direct grant program, 'LED Lighting Upgrade Program" (the Program). A portion of the Program will be a direct grant program for the Atlantic City Street Lighting project.

By letter dated March 28, 2016, the Department of Energy (DOE) approved Staff's request to reallocate the unspent ARRA funds and create the Program. This portion of

the DOE approved program allocates $2.0 million from the remaining ARRA State Energy Program funds to provide Atlantic City with the necessary seed money for an Outdoor Street Lighting pilot program. The funds will be used to convert over 2,000 streetlights to LED technology, resulting in an annual savings of over $250,000.00. Energy use will be reduced by over 1.728 Mw annually. CO2 emissions will be reduced by 2.56 M lbs. annually. Given the fact that LED Street lighting is guaranteed for at least ten years, there will be no Operations & Maintenance cost for the first decade.

Staff recommended that the Board approve the reallocation of $2.0 million from a portion of unspent ARRA funds from the proposed RLF into a direct grant program, 'LED Lighting Upgrade Program" for the Atlantic City Street Lighting project.

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

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

9. MISCELLANEOUS

A. Docket No. AX15111248 – In the Matter of Adopted Amendments to N.J.A.C. 14:3.5(d) and N.J.A.C. 14:3-8.14(c)(6) (Main Extension).

William P. Agee, Legal Specialist, Office of the Chief Counsel, presented these matters.

BACKGROUND AND DISCUSSION: This matter involved a proposed adoption with amendments of the Main Extension Rules. The proposed rules were approved by the Board on November 16, 2015, and were published in the New Jersey Register on December 21, 2015.

These amendments were in response to the New Jersey Division of Rate Counsel's (Rate Counsel) comment recommending that the Board require each applicant to agree to hold harmless and indemnify the utility against any competing claim for the refund by a third party, consistent with the Board's prior order establishing the refund process.

The Board agreed with Rate Counsel's comment. These changes are also consistent with the requirements previously set forth by Board Order, requiring applicants seeking refunds to similarly hold the utility harmless.

In response, the Board stated that because this change is substantive, it will have to be made through a separate rulemaking. The Board noted that its July 19, 2013 order requiring a party requesting a refund to hold harmless and indemnify the utility remains in effect.

Staff recommended that the Board approve the adoption of the amendments for N.J.A.C. 14:3.

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

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

EXECUTIVE SESSION

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

2. ENERGY

E. Docket No. ER16010003 – In the Matter of the Federal Energy Items for 2016 – FERC Docket No. EL05-121-009 – In the Matter of the Settlement Proceedings Regarding FERC Order 494 Remand.

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

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

IRENE KIM ASBURY
BOARD SECRETARY

DATE: June 29, 2016