



STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 3rd Floor, Suite 314
Post Office Box 350
Trenton, New Jersey 08625-0350
www.nj.gov/bpu/

**MINUTES OF THE REGULAR MEETING OF THE
BOARD OF PUBLIC UTILITIES**

A Regular Board meeting of the Board of Public Utilities was held on March 18, 2016, at the State House Annex, Committee Room 11, 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 April 27, 2016 at the State House Annex, Committee Room 11, 125 West State Street, Trenton, New Jersey 08625.

CONSENT AGENDA

I. AUDITS

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

EE15091060L	National Auditing Services & Consulting, LLC d/b/a National Energy Discounters	I – EA
EE15101117L	Troy & Banks, Inc.	I – EA
EE16020152L	Affiliated Power Purchasers International, LLC	I – EA/PA
GE16020153L	d/b/a APPI or APPI Energy	
GE15070828L	Long Distance Consultants, LLC d/b/a LD Energy	I – EC

Energy Agent and/or Private Aggregator Renewal Registrations

EE15101105L	Edge Insights, Inc.	R – EA
EE15070827L	Long Distance Consultants, LLC d/b/a LD Energy	R – EA
EE15121435L	NJ Green Energy Consulting, LLC	R – EA/PA
GE15121436L	d/b/a NJGEC	
EE15020252L	Ecova, Inc.	R – EA/PA
GE15020253L		

Electric Power and Natural Gas Supplier Initial Licenses

EE15091058L	Josco Energy USA, LLC	I – EGSL
GE15091059L		

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 and private aggregators, are required to renew timely their licenses in order to continue to do business in New Jersey.

Having reviewed the submitted applications in accord with N.J.A.C. 14:4-5.4, Staff recommended that the Board issue initial registrations as an energy agent, private aggregator and/or energy consultant for one year to:

- National Auditing Services & Consulting, LLC d/b/a National Energy Discounters
- Troy & Banks, Inc.
- Affiliated Power Purchasers International LLC d/b/a APPI or APPI Energy
- Long Distance Consultants LLC d/b/a LD Energy

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

- Edge Insights, Inc.
- Long Distance Consultants LLC d/b/a LD Energy
- NJ Green Energy Consulting LLC d/b/a NJGEC
- Ecova, Inc.

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

- Josco Energy USA, LLC

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

- Edge Insights, Inc.
- Long Distance Consultants LLC d/b/a LD Energy

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

B. Docket No. TE13100988 – In the Matter of the Verified Petition of Time Warner Cable Business, LLC for Authorization to Provide Facilities-Based Interexchange Telecommunications Services in New Jersey.

BACKGROUND: By letters dated October 24, 2013 and August 18, 2014, Time Warner Cable Business LLC (Petitioner or TWCB) filed initial and amended Petition with the Board requesting authorization to provide facilities-based non-voice interexchange telecommunications services in New Jersey.

The Petitioner intends to offer commercial customers High Capacity Transmission Services that provide point-to-point, point-to-multipoint and multipoint-to-multipoint dedicated non-voice connections between one or more customer-designated locations and/or the Petitioner. The Petitioner intends to also provide services by use of the existing hybrid fiber coaxial network facilities of its affiliates and of its ultimate corporate parent, TWC, and by leasing or constructing of additional network facilities on an as-needed basis. Its service may utilize Ethernet interface, optical fiber and/or coaxial cable facilities, is scalable from 1 Millions of Bits per Second to 10 Billions of Bits per Second, and will be designed and provisioned on an Individual Case Basis in accordance with contracts with customers.

TWCB 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 stated, upon written notice from the Board and/or Board Staff, it will provide its 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 February 23, 2016, the New Jersey Division of Rate Counsel (Rate Counsel) submitted comments to the Board stating that, based on its review, “Rate Counsel does not oppose a grant of authority or approval of Petitioner’s request to provide facilities-based interexchange non-voice telecommunications services throughout New Jersey. Rate Counsel also “does not object to a grant of the waivers requested by Petitioner herein.”

After review, Staff recommended that the Board approve the Petitioner's request for authority to provide non-voice interexchange telecommunications services in the State of New Jersey. Staff also recommended the Board approve the request for waivers from its requirements that Petitioner maintain its 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. GR15111304 – In the Matter of the Petition of New Jersey Natural Gas Company for Approval of an Increase in Gas Base Rates and for Changes in Its Tariff for Gas Service for Gas Service, Approval of SAFE Program Extension, and Approval of SAFE Extension and NJ RISE Rate Recovery Mechanisms Pursuant to N.J.S.A. 48:2-21, 48:2-21.1 and for Changes to Depreciation Rates for Gas Property Pursuant to N.J.S.A. 48:2-18.

BACKGROUND: On November 13, 2015, New Jersey Natural Company (Company) filed a petition with the Board seeking authority to (1) increase its base tariff rates and charges for gas service; (2) extend its Safety Acceleration and Facility Enhancement Program; (3) implement its New Jersey Reinvestment in System Enhancements and SAFE extension rate recovery mechanisms; and (4) implement certain other rate and tariff revisions.

The Company sought to implement its proposed rates to become effective on or after December 17, 2015, but in no event later than August 17, 2016.

Since this matter is currently pending before Administrative Law Judge Cookson at the Office of Administrative Law, Staff recommended that the Board issue an order further suspending the proposed rate increase pending further action.

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

III. CABLE TELEVISION

A. Docket No. CE15111307 – 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 Township of Fairfield, County of Essex, State of New Jersey.

BACKGROUND: On July 20, 2015, the Township of Fairfield (Township) granted Comcast of New Jersey II, LLC (Comcast) renewal municipal consent. On August 12, 2015, Comcast accepted the terms and conditions of the ordinance, and on November 16, 2015, Comcast filed a petition with the Board for its Renewal Certificate of Approval for the Township.

After review, Staff recommended approval of the proposed Renewal Certificate of Approval. This Certificate shall expire on October 9, 2030.

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

B. Docket No. CE15121365 – In the Matter of the Petition of Service Electric Cable T.V. of Hunterdon, Inc. for the Renewal of the Certificate of Approval for the Continued Construction, Operation and Maintenance of a Cable Television and Cable Communications System in the Township of Lopatcong, County of Warren, State of New Jersey.

BACKGROUND: On December 2, 2015, the Township of Lopatcong (Township) granted Service Electric Cable T.V. of Hunterdon, Inc. (Service Electric) renewal municipal consent. On December 7, 2015, Service Electric accepted the terms and conditions of the ordinance, and on December 10, 2015, Service Electric filed a petition with the Board for its Renewal Certificate of Approval for the Township.

After review, Staff recommended approval of the proposed Renewal Certificate of Approval. This Certificate shall expire on April 8, 2031.

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

IV. TELECOMMUNICATIONS

A. Docket No. TF16010040 – In the Matter of the Verified Joint Petition of Onvoy, LLC, Broadvox-CLEC, LLC and GTCR Onvoy Holdings, LLC for Approval for Onvoy, LLC and Broadvox-CLEC, LLC to Participate in Certain Financing Arrangements.

BACKGROUND: On January 14, 2016, Onvoy, LLC (Onvoy), Broadvox-CLEC, LLC (BV-CLEC, and together with Onvoy, Licensees), and GTCR Onvoy Holdings LLC (collectively, Petitioners) submitted a verified Petition with the Board requesting approval for Licensees to participate in financing arrangements in an aggregate amount of up to \$150 million (the Financing Arrangements).

The Petitioners sought Board approval to increase the Licensees' existing authority for financing arrangements up to an aggregate amount of \$150 million. The Petitioners expect that any long-term indebtedness incurred as part of the financing will mature up to ten years after issuance, depending on the type of debt instrument. Interest rate(s) will be set according to market conditions at issuance and may be fixed or floating, or a combination thereof, depending on the type of debt. Some or all of the Financing Arrangements may be secured facilities, which may include a grant of a security interest in the assets of Onvoy and its current and future subsidiaries. A portion of the Financing Arrangements may be unsecured facilities. For the secured facilities, the equity of Onvoy and its current and future subsidiaries may be pledged as additional security.

Additionally, Onvoy's current and future subsidiaries, including BV-CLEC, may provide a guaranty as security for the full \$150 million in Financing Arrangements. The Financing Arrangements may be used for acquisitions-including the purchase price for the GTCR Transaction and refinancing Onvoy's outstanding indebtedness-refinancing of current balance, working capital requirements and other general corporate purposes of the company.

After review, the Office of the Economist found that the action requested is in accordance with the law and in the public interest, and therefore, recommended

approval of this petition.

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

B. Docket No. TM16010041 – In the Matter of the Verified Joint Petition of Communications Infrastructure Investments, LLC, Transferor, Onvoy, LLC, Broadvox-CLEC, LLC and GTCR Onvoy Holdings, LLC for Approval of the Transfer of Control of Onvoy, LLC and Broadvox-CLEC, LLC to GTCR Onvoy Holdings, LLC.

BACKGROUND: On January 14, 2016, Communications Infrastructure Investments, LLC Onvoy, LLC (Onvoy), Broadvox-CLEC, LLC (BV-CLEC, and together with Onvoy, Licensees), and GTCR Onvoy Holdings LLC (GTCR, LLC or Transferee and collectively, Petitioners) submitted a Petition to the Board requesting approval for the transfer of control of the Licensees to Transferee (the GTCR Transaction) Following the proposed GTCR Transaction, Onvoy and BV-CLEC will continue to offer the same services in New Jersey at the same rates, terms, and conditions.

The Petitioners stated that the GTCR Transaction will be conducted in a manner that will be transparent to Licensees' customers and will not result in any immediate change of carrier for customers or any assignment of authorizations, and in no event will it result in the discontinuance, reduction, loss, or impairment of service to customers.

The Petitioners asserted that the GTCR Transaction is in the public interest. Licensees will continue to be managed and operated by the same officers and personnel, but will be supplemented by management of Transferee and GTCR LLC. The Petitioners also stated that Licensees may have access to additional financial resources through their relationship with Transferee and GTCR LLC, enabling them to better meet the needs of their customers and thus better compete in the telecommunications marketplace. The Petitioners claimed that the Transactions will have no adverse impact on the customers of Licensees since Licensees will continue to provide high-quality services at the same rates and on the same terms and conditions as are currently in effect.

By letter to the Board dated February 22, 2016, the New Jersey Division of Rate Counsel advised that it "has no objection to the Board's grant of Petitioners' request under the Verified Petition."

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

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

C. Docket No. TM16020121 – In the Matter of the Verified Joint Petition of TeleCommunication Systems, Inc. and Comtech Telecommunications, Corp. for Approval to Acquire all Regulated Telecommunications Assets in New Jersey.

BACKGROUND: On February 12, 2016, Comtech Communications Corp. (Comtech), and TeleCommunication Systems, Inc. (TCS), (collectively, the Petitioners) submitted a

joint petition with the Board requesting approval of an Agreement and Plan of Merger in which Comtech will acquire, through a merger of TCS with and into a wholly-owned subsidiary of Comtech, control of all TCS assets including all regulated telecommunications assets in New Jersey and other jurisdictions. Following the proposed transaction, NextGen Communications, Inc. d/b/a Maryland NextGen Communications (NextGen), a wholly-owned subsidiary of TCS, will continue to offer the same services in New Jersey at the same rates, terms, and conditions.

The Petitioners asserted that approval of the proposed transaction will serve the public interest. The transaction will bring together two enterprises that have demonstrated a long standing commitment to excellence in a highly competitive marketplace. Comtech expects that the acquisition will enable the companies to better meet the local, national and global needs of enterprises, wholesale buyers, and other customers. The Petitioners aver that customers of the combined company will benefit from the extensive telecommunications experience and expertise of the combined company. The financial, technical, and managerial resources that Comtech will bring to NextGen are expected to enhance the ability of NextGen to flourish in the enterprise telecommunications marketplace. Further, the complementary networks and services of Comtech and NextGen will enhance their ability to efficiently serve their customers and offer a more competitive set of service offerings.

The Petitioners also noted that the acquisition will be conducted in a manner that will be transparent to customers and will not result in any immediate change of carrier for customers and in no event will result in the discontinuance, reduction, loss, or impairment of service to customers. The Petitioners stated that there are no anticipated economic impacts related to jobs and facilities in New Jersey as a result of the proposed transfer.

By letter to the Board dated February 25, 2016, the New Jersey Division of Rate Counsel submitted comments indicating that it “does not oppose Board approval of the requests contained in the Joint Petition.”

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

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

D. Docket No. TM16030187 – In the Matter of Odyssey/ExteNet Internal Pro Forma Change of Control.

BACKGROUND: On January 7, 2016, Odyssey Acquisition, LLC (Odyssey); ExteNet Holdings, Inc. (ExteNet Holdings) and ExteNet Systems, Inc. (ESI) (collectively, the Parties) filed a letter notifying the Board of a *pro forma* internal change in direct ownership of ESI from ExteNet Holdings to Odyssey, the direct parent of ExteNet Holdings (the *Pro Forma* Change).

In the Notification, the Parties requested that if the Board concludes that approval is required for the *Pro Forma* Change, the Board treat the Notification as a Petition requesting approval of the *Pro Forma* Change.

The Notification stated that the *Pro Forma* Change will not affect the rates, terms and conditions under which ESI operates and ESI will continue to provide high-quality communications services to its customers without interruption.

The Notification also stated that the *Pro Forma* Change will result from the merger of ExteNet Holdings with and into ESI, whereupon the separate existence of ExteNet Holdings will cease and ESI will be the surviving entity as a direct, wholly-owned subsidiary of Odyssey. The Parties asserted that the change in direct ownership of ESI is pro forma in nature because Odyssey, and ultimately Parent, will control ESI both before and after the merger. The Notification included charts depicting the current and post-*Pro Forma* Change entity ownership structure of the Parties.

The New Jersey Division of Rate Counsel reviewed this matter and, by letter dated February 25, 2016, advised that it “does not oppose Board approval of the requests” in the Notification.

After review, Staff found that the *Pro Forma* Change is consistent with the applicable law and 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 *Pro Forma* Change will have no negative impact on the provision of safe, adequate and proper service, and will positively benefit competition. Therefore, Staff recommended the Board authorize the Petitioners to complete the *Pro Forma* Change.

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

V. WATER

A. Docket No. WR15101177 – In the Matter of the Petition for Approval of an Increase in Rates for Water Service and Other Tariff Changes for SUEZ New Jersey, Inc.

BACKGROUND: On October 7, 2015, United Water New Jersey, Inc. (now known as SUEZ, Company, or Petitioner) filed a petition with the Board seeking to increase its rate for water service amounting to approximately \$29,485,322 or 13.51% above its annual revenues. The Petitioner did not seek interim rate relief pending final determination on the petition.

The Company 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. Specifically, SUEZ serves approximately 200,000 customers located in portions of Bergen, Hudson, Passaic, Morris, Hunterdon and Sussex Counties. SUEZ 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.

According to the petition, the rate increase is required to enable the Petitioner to maintain a satisfactory credit position; preserve its financial integrity; permit proper maintenance and improvement of the utility facilities required to furnish safe, adequate

and proper service; encourage continued effective management; provide incentives for efficiency; prevent confiscation or diminution of its property; and earn a reasonable return upon the fair value of its property used and useful in the public service.

This matter was transmitted to the Office of Administrative Law (OAL) for hearings. On November 16, 2015, the Board issued an Order suspending the Company's proposed rate increase until March 30, 2016.

Staff found that the proposed revisions will increase existing rates and change or alter existing classifications in the Petitioner's tariff, Staff recommended that the Board issue an Order:

- (1) Suspending the proposed revisions until July 30, 2016, unless the Board prior to that date, makes a determination disposing of the petition;
- (2) The Petitioner shall, at least ten days prior to the date set for hearing on the petition by the OAL, file with the Board and with the Office of Administrative Law proof of compliance; and
- (3) The Petitioner shall serve copies of this Order upon the OAL, the New Jersey Division of Rate Counsel, the clerk of each affected municipality, the clerk of the Boards of Chosen Freeholders of each affected county, and where appropriate, the executive officer of each affected county within its service area. Service of the petition, notice of hearings and this Order may be made simultaneously. Proof of service of this Order shall be filed with the Board within fifteen days of the date of this Order.

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

B. Docket Nos. BPU WR15101200 and OAL PUC 17708-15 – In the Matter of the Petition of Pinelands Water Company for Approval of an Increase in Its Rates for Water Service and Other Tariff Changes.

BACKGROUND: On October 21, 2015, Pinelands Water Company (Petitioner, Pinelands), filed a petition with the Board seeking to increase its water rates in the amount \$306,366.00 or 48.49% above the annual revenues.

Pinelands serve approximately 2,400 retail water customers in Southampton Township, Burlington County, NJ.

Pinelands sought the increase to support capital improvement programs. The additional revenues are requested to enable the Petitioner to preserve its financial integrity, to permit proper maintenance, development and improvement of the utility plant required to furnish safe, adequate and proper service and to earn a reasonable return upon the fair value of its property used and useful in the public service.

This matter was transmitted to the Office of Administrative Law for hearings. On December 16, 2015, the Board issued an Order suspending the Company's proposed rate increase until March 30, 2016.

Since this proceeding will not be resolved before March 23, 2016 and the proposed revisions will increase existing rates and change or alter existing classifications in the

Petitioners tariff, Staff recommended that the Board issue an Order further suspending the proposed rates until July 30, 2016.

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

C. Docket Nos. BPU WR15101202 and OAL PUC 17726-15 – In the Matter of the Petition of Pinelands Wastewater Company for Approval of an Increase in Its Rates for Wastewater Service and Other Tariff Changes.

BACKGROUND: On October 21, 2015, Pinelands Wastewater Company, Inc. (Pinelands Wastewater or Petitioner), filed a petition with the Board seeking to increase its rate for wastewater service amounting to approximately \$180,930 or 16.73% above its annual revenues.

By letter dated October 28, 2015, the Petitioner notified the Board that it will not implement the proposed rates on an interim basis prior to the effective date of the Board's Suspension Order resulting from the Board's December 16, 2015 meeting. While the Petitioner did not seek interim rate relief pending final determination of the petition, the Petitioner notified the Board of its intention to implement the proposed rate increase, on an interim basis on July 23, 2016 if the Board has not made a determination prior to that date.

This matter was transmitted to the Office of Administrative Law for hearings and on December 16, 2015 the Board issued an Order suspending the Company's proposed rate increase until March 23, 2016.

In view of the fact that this proceeding will not be completed by March 23, 2016, a Further Suspension Order suspending the rates until July 23, 2016 is warranted.

After review, Staff recommended that the Board issue a Further Suspension Order suspending the rates until July 23, 2016.

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

VI. RELIABILITY & SECURITY

A. Docket Nos. GS16020186K, 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. N.J.S.A. 48:2-88. 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 25 with a total penalty of \$70,000.00.

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. ES16020149K – In the Matter of Alleged Violations of the Underground Facility Protection Act, N.J.S.A. 48:2-73 et seq. by Avi Ribakovski, Pro Skill 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. N.J.S.A. 48:2-88. 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.

C. Docket No. CS16020150K – In the Matter of Alleged Violations of the Underground Facility Protection Act, N.J.S.A. 48:2-73 et seq. by Eril Stansilawczyk, Doyle Brothers Contracting.

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. N.J.S.A. 48:2-88. 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. GS16020160K – In the Matter of Alleged Violations of the Underground Facility Protection Act, N.J.S.A. 48:2-73 et seq. by Richard George, R&G Paving.

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. N.J.S.A. 48:2-88. 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. GS16020165K – In the Matter of Alleged Violations of the Underground Facility Protection Act, N.J.S.A. 48:2-73 et seq. by Victor Rose, Rose Excavating, 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. N.J.S.A. 48:2-88. 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. GS16020163K – In the Matter of Alleged Violations of the Underground Facility Protection Act, N.J.S.A. 48:2-73 et seq. by Tiago Domingues, Lamegos.

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. N.J.S.A. 48:2-88. 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.

G. Docket No. GS16020164K – In the Matter of Alleged Violations of the Underground Facility Protection Act, N.J.S.A. 48:2-73 et seq. by David Herzog, Star Developers, 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. N.J.S.A. 48:2-88. 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 EC15060750U and OAL PUC 15154-15 – In the Matter of Mario and Ana Valladares, Petitioners v. Public Service Electric and Gas Company, Respondent – Billing Dispute.

BACKGROUND: This matter involved a billing dispute between Mario and Ana Valladares (Petitioners) and Public Service Electric and Gas Company (PSE&G). The petition was transmitted to the Office of Administrative Law on September 17, 2015, as a contested case. Administrative Law Judge (ALJ) Thomas R. Betancourt filed an Initial Decision in this matter with the Board on February 23, 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 Petitioners' account the amount of \$4,196.29, leaving an outstanding balance of \$6,000.00. As for the remaining balance, the Petitioners agreed to pay \$1,000.00 by no later than February 17, 2016, and \$500.00 per month plus the current bill for ten months. The Petitioners are not foreclosed from paying more than \$500.00 per month or from paying off the \$6,000.00 settlement amount due prior to the 10-month deferred payment period allotted. The Petitioners agreed to timely pay their PSE&G monthly bills for electric and gas service. On February 26, 2016, Staff was advised by PSE&G that the credit had been applied and the Petitioners made the required payment.

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 EC15091085U and OAL PUC 18201-15 – In the Matter of Maria Panzarella, Petitioner v. Public Service Electric and Gas Company, Respondent – Billing Dispute.

BACKGROUND: This matter involved a billing dispute between Maria Panzarella (Petitioner) and Public Service Electric & Gas Company (PSE&G or Company). The petition was transmitted to the Office of Administrative Law on November 5, 2015, as a contested case. Administrative Law Judge (ALJ) Joseph A. Ascione filed an Initial Decision in this matter with the Board on January 21, 2016, dismissing the petition.

At the February 24, 2016, Board meeting Staff requested and was granted a 45-day extension of time for issuing a final decision. No exceptions to the Initial Decision have been received by the Board.

ALJ Ascione, in his Initial Decision, concluded that the Petitioner denied access to the premises for PSE&G to test or replace the meter to determine if the billing was proper. ALJ Ascione also concluded that PSE&G properly billed the Petitioner and she has failed to pay her billing obligations to PSE&G in at least the amount of \$1,298.00. Therefore, ALJ Ascione ruled that the petition of the Petitioner be dismissed.

The Board, at its discretion, has the option of accepting, modifying or rejecting the Initial Decision of ALJ Ascione. It is important to note that N.J.A.C. 1:1-14.4(a) require that the

judge hold the matter for one day before taking any action. In this matter however, the record was closed on December 7, 2015, the same day that the Petitioner was scheduled to appear at the hearing, rather than one day later. That being said, Staff is confident that this oversight should not impact this case. Staff recommended that the Board adopt the Initial Decision.

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

C. Docket Nos. BPU WC15091087U and OAL PUC 18213-15 – In the Matter of Paul F. Coppola, Petitioner v. Ridgewood Water Company, Respondent – Request for Extension.

BACKGROUND: The Initial Decision of the Administrative Law Judge was received by the Board on March 4, 2016; therefore, the 45-day statutory period for review and the issuing of a Final Decision will expire on April 18, 2016. Prior to that date, the Board requested an additional 45-day extension of time in order to adequately review the record in this matter, and 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 June 2, 2016.

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

D. Docket Nos. BPU EC14060549U and OAL PUC 14564-14 – In the Matter of Shamika Harper, Petitioner v. Atlantic City Electric Company, Respondent – Request for Extension.

BACKGROUND: The Initial Decision of the Administrative Law Judge was received by the Board on March 8, 2016; therefore, the 45-day statutory period for review and the issuing of a Final Decision will expire on April 22, 2016. Prior to that date, the Board requested an additional 45-day extension of time in order to adequately review the record in this matter, and 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 June 06, 2015.

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

E. Docket Nos. BPU EC15101179U and OAL PUC 116-16 – In the Matter of Joseph M. Dolan, Petitioner v. Atlantic City Electric Company, Respondent – Request for Extension.

BACKGROUND: The Initial Decision of the Administrative Law Judge was received by the Board on March 9, 2016, therefore, the 45-day statutory period for review and the issuing of a Final Decision will expire on April 23, 2016. Prior to that date, the Board requested an additional 45-day extension of time in order to adequately review the record in this matter, and 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 June 07, 2015.

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

VIII. CLEAN ENERGY

There were no items in this category.

IX. MISCELLANEOUS

A. Approval of the Minutes for the February 24, 2016 Agenda Meeting.

BACKGROUND: Staff presented the minutes of February 24, 2016 Board meeting and recommended they be accepted.

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

After appropriate motion, the consent agenda was approved.

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

AGENDA

1. AUDITS

There were no items in this category.

2. ENERGY

A. Docket No. GF15121424 – In the Matter of the Petition of South Jersey Gas Company to Authorize through December 31, 2018: (I) to Make, Execute and Deliver Pursuant to N.J.S.A. 48:3-7, N.J.S.A. 48:3-9, and N.J.A.C. 14:1-5.9 a Twenty-Sixth Supplemental Mortgage Indenture and Additional Supplemental Mortgage Indentures Providing for the Issuance of a First Mortgage Bond or Bonds with a Maturity or Maturities of Not More Than Forty Years in Aggregate Principal Amount of Not More than \$400,000,000.00, Less the Aggregate Principal Amount of any Other Evidence of Indebtedness Payable in More Than Twelve Months from the Date or Dates thereof that is Issued Pursuant to (iii) Below; (ii) to Make, Execute and Deliver Pursuant to N.J.S.A. 48:3-7, N.J.S.A. 48:3-9, and N.J.A.C. 14:1-5.9, Such Other Supplemental Indentures, and to Issue Such First Mortgage Bonds Thereunder, as Shall be Necessary to Complete the Transactions Contemplated in this Petition; (iii) to Issue Other Evidence of Indebtedness Payable More than Twelve Months from the Date or Dates thereof; (iv) to Issue and Sell Medium Term Notes with a Maturity of Not More than Forty Years in an Aggregate Principal Amount of Not More than \$400,000,000.00, Less the Aggregate Principal Amount of any Other Evidence of Indebtedness Payable in More Than Twelve Months from the Date or Dates thereof that is Issued Pursuant to (iii) Above; (v) To Make, Execute and Deliver a Trust Indenture, Trust Indentures or Supplements Thereto Providing for the Issuance of Medium Term Notes; and (vi) to Redeem, Refinance or Defeasance any or all of Its Outstanding Long-Term Debt Securities as Long as the Redemption, Refinancing or Defeasance is Accomplished on a Cost-Saving Basis.

Mark C. Beyer, Chief Economist, presented this matter.

BACKGROUND AND DISCUSSION: On December 15, 2015, South Jersey Gas Company (Company), filed a petition with the Board, and as amended by letter dated January 15, 2016, requesting the authority (i) to make, execute and deliver a Twenty-Sixth Supplemental Mortgage Indenture and any additional supplemental mortgage indentures providing for the issuance of a first mortgage bond or bonds, with a maturity or maturities of not more than forty years from the respective dates of issuance, in an aggregate principal amount of not more than \$400,000,000.00, less the aggregate principal amount of any other indebtedness payable in more than twelve months from the date or dates issued; (ii) to make, execute and deliver such other supplemental indentures, and to issue such first mortgage bonds thereunder, as shall be necessary to complete the transactions contemplated in the Petition; (iii) to issue other evidence of indebtedness payable more than twelve months from the date or dates thereof; (iv) to issue and sell medium term notes, with a maturity of not more than forty years from the respective dates of issuance, in an aggregate principal amount of not more than \$400,000,000.00, less the aggregate principal amount of any other indebtedness payable in more than twelve months from the date or dates issued; (v) to make, execute

and deliver a trust indenture, trust indentures or supplements thereto or to previous trust indentures providing for the issuance of any such medium term notes; and (vi) to redeem, refinance or defease any or all of its outstanding long-term indebtedness or long-term debt securities as long as the redemption, refinancing or defeasance is financially advantageous to the Petitioner.

The net proceeds of this transaction or series of transactions will primarily be utilized to retire short-term debt; to fund capital expenditure requirements; to fund gas supply acquisitions; other general corporate purposes; and, potentially, to redeem, refinance or defease any or all of the Company's long-term indebtedness or long-term debt securities as long as such redemption, refinancing or defeasance is financially advantageous to the Petitioner. The Company's construction program has been financed, in part, by short-term debt, and periodically the Petitioner is required to retire such debt.

After review, the Office of the Economist found that the action requested is in accordance with the law and in the public interest and therefore recommended approval of this petition.

DECISION: After discussion, 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. ER15080971 – In the Matter of Atlantic City Electric Company's Verified Petition to Reconcile Costs Associated with Its Residential Controllable Smart Thermostat Program for the Period from June 1, 2014 through May 31, 2015 and to Maintain Its Rider RGGI Recovery Charge for the Period October 1, 2015 through May 31, 2016.

Jerome May, Director, Division of Energy, presented this matter.

BACKGROUND AND DISCUSSION: On August 19, 2015, Atlantic City Electric Company (Company, ACE) filed a petition with the Board to reconcile the results for the period June 1, 2014 through May 31, 2015 and to seek approval to maintain the current Residential Controllable Small Thermostat Program (RCSTP) component of its Rider Regional Greenhouse Gas Initiative Recovery Charge of \$0.00 per kWh for the period October 1, 2015 through May 31, 2016. (August 2015 Petition). On October 15, 2015, ACE amended its August 2015 Petition seeking to extend the RCSTP for an additional 12 month period, commencing on June 1, 2019 and terminating on May 31, 2020 to allow ACE to submit bids into the Base Residual Auction for May 2016.

The RCSTP is a demand response program in which residential customers with central air conditioner units or heat pumps voluntarily allow ACE to cycle such systems during periods of peak electricity demand, thereby helping to increase reliability of the electric distribution system.

Because the August 2015 Petition requested no change in the rate, no public hearings were required. After several discovery and settlement conferences, the Parties that included the Company and Board Staff reached a settlement in this matter. On February

29, 2016, the Parties executed a Stipulation.

Staff recommended that the Board approve the Stipulation of the Parties.

DECISION: After discussion, 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. GO15040403 – In the Matter of the Petition of New Jersey Natural Gas Company for a Determination Concerning the Southern Reliability Link Pursuant to N.J.S.A. 40:55D-19 and N.J.S.A. 48:9-25.4.

Paul Flanagan, Executive Director, presented this matter.

BACKGROUND AND DISCUSSION: On April 2, 2015, and as amended on June 5, 2016, New Jersey Natural Gas Company (NJN or Company) filed a petition requesting that the Board determine that the Company’s proposed Southern Reliability Link pipeline is “reasonably necessary for the service, convenience or welfare of the public.”

The proposed pipeline is approximately 30 miles in length and will be a 30-inch diameter steel natural gas pipeline with a maximum allowable operating pressure of 722 pounds per square inch. The pipeline’s alignment is through the Townships of Chesterfield and North Hanover in Burlington County; the Township of Upper Freehold in Monmouth County; and the Townships of Plumsted, Jackson and Manchester in Ocean County.

The matter before the Board was limited to action on the New Jersey Municipal Land Use Law (MLUL) section that allows the Board to override local zoning. This is not a usurpation of home rule, but a recognition in the MLUL that the larger public interest may require the Board to review a utility’s petition and make a determination that the public interest requires the override of local zoning as “reasonably necessary for the service, convenience or welfare of the public.”

The parties engaged in extensive discovery in this matter as well as the filing of pre-filed direct and rebuttal testimony. An evidentiary hearing was held before Commissioner Solomon on December 7, 2015. Opening statements were made by counsel for the Company, Chesterfield, North Hanover, Plumsted, Burlington County and the Pinelands Preservation Alliance (PPA). Staff and Rate Counsel waived openings. The Company witnesses affirmed their pre-filed testimonies and appeared for cross-examination as a panel. Mayor Liedtka and Mayor Durr also testified and were subject to cross-examination. At the close of the hearing the Petition and Testimonies were moved into evidence. After the hearings Commissioner Solomon set a briefing schedule for initial briefs and reply briefs.

As set forth in the schedule approved by Commissioner Solomon, the parties filed initial and reply briefs. NJN argued that it had met the legal standard to show that the proposed pipeline is “reasonably necessary for the service, convenience or welfare of /the public.” The Company cited its testimony regarding the necessity of the project for

reliability and resiliency, its process for the selection of the route and its efforts to minimize the pipeline's impact on the towns.

New Jersey Division of Rate Counsel (Rate Counsel) argued that the Company has not provided sufficient evidence to determine the reasonableness of the costs, and that the pipeline is oversized at 30". Burlington County stated that it did not oppose the project but had concerns regarding the route and NJN's compliance with the County's road opening permit regulations.

Reply briefs were filed by NJN, Chesterfield, North Hanover and PPA. NJN asserted that it had met its burden of proof, that Rate Counsel's concerns could be addressed in a rate case and that PPA arguments regarding the Pinelands are incorrect. Chesterfield raised an objection to the pipeline because NJN does not have a franchise to operate in Chesterfield. North Hanover adopted the arguments of PPA, Chesterfield and Burlington and stated that NJN did not fully evaluate the impact of the project on structures in Arneytown. PPA reiterated its objections and assertions regarding NJN's analysis, compliance with the Pinelands Comprehensive Management Plan and the Joint Base.

Based on the Certificate of Filing dated December 9, 2015, and review of the additional information submitted to the Board as part of its public and evidentiary hearings, the findings in the December 9, 2015 Certificate of Filing issued for the proposed project continues to be valid. The only new issue raised as part of the Board process pertained to whether the proposed project was associated with a function of Joint Base McGuire Dix Lakehurst. The application record for the proposed project aptly supports the Joint Base's need for the proposed project. Thus, "the applicant has demonstrate that the proposed gas main is a permitted land use in a Military and Federal Installation Area [N.J.A.C.] 7:50-5.29(a)2.

Staff recommended that the Board ratify the decisions and order issued by Commissioner Solomon, and that the Board approve the Petition as "reasonably necessary for the service, convenience or welfare of the public."

DECISION: After discussion, 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. GW15121450 – In the Matter of Blue Stone Holdings I, LLC Request for a Waiver of B.P.U.N.J. No 15 Gas, Original Sheet No. 22 Standard Terms and Conditions No. 8.3.2.

Paul Flanagan, Executive Director and Maureen Wagner, Legal Specialist, Office of Chief Counsel, presented this matter.

BACKGROUND AND DISCUSSION: On December 11, 2015, the Board received a

petition from Blue Stone Holdings I, LLC (Blue Stone) requesting a waiver regarding the provision of master metered service to a newly constructed building in Jersey City. Blue Stone is constructing a mixed use residential project (the Project). The Project contains 232 residential units and 17,000 square feet of retail space. The initial project design was for the residential units to be owned as condominiums. With this design, Blue Stone contemplated that gas would be supplied through a single master meter for the condominium units, which was permissible under Public Service Electric and Gas's (PSE&G) tariff.

On April 25, 2014, the Project received written approval from PSE&G for utility service and a single gas meter installation.

During construction of the Project in 2014, the Project Owner determined the Project should be converted from residential condominiums to rental units due to their current market analysis. During October or November of 2015, Blue Stone advised PSE&G that the units would not be condominiums, but would instead be residential apartments.

On February 22, 2016, Blue Stone submitted a supplemental certification reaffirming that all sub-metering equipment has been removed from the subject premises. Blue Stone further certified that at the time it requested service from PSE&G and at the time the service plan was approved, it intended to construct a condominium property and did not intend to rent to individuals.

Since the building is currently completed, Staff recommended that the Board approve the proposed waiver. Staff also recommended that the Board authorize it to request copies of each Electric Distribution Companies' (EDC) tariffs regarding use of a single master meter, and that staff meet with the EDC to develop appropriate language to be provided to entities proposing to construct residential property. In addition, the Board directed the Staff to undertake a level of engagement with the developer and PSE&G to determine what energy efficiency or system controls, including thermostats could be introduced into this facility.

DECISION: After discussion, the Board adopted the recommendation of Staff as amended from the bench.

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

3. CABLE TELEVISION

Lawanda R. Gilbert, Esq., Director, Office of Cable Television and the Office of Telecommunications, presented these matters.

A. Docket No. CE15111317 – In the Matter of the Application of Cablevision of Oakland, LLC for the Renewal of Its System-Wide Cable Television Franchise.

BACKGROUND AND DISCUSSION: On November 19, 2015, Cablevision of Oakland,

LLC (Cablevision of Oakland or Cablevision) filed an application for renewal of its System-wide Cable Television Franchise for a term of seven years.

On July 1, 2009, the Board issued an order memorializing the conversion by Cablevision of Oakland of its municipal consent-based franchise in the Township of Cedar Grove to a System-wide Franchise in Docket No. CE09030231, for a term of seven years to expire on March 20, 2016. Cablevision of Oakland has added an additional 37 municipalities to its System-wide Cable Television Franchise. The addition of these municipalities was memorialized by seven Orders of Amendment issued by the Board.

Prior to Cablevision of Oakland's System-wide Cable Television Franchise application filing, staff of the Office of Cable Television & Telecommunications (OCTV&T) reviewed Cablevision of Oakland's performance under its system-wide franchise. On May 31, 2013, the OCTV&T notified Cablevision of Oakland of its intention to review its performance under its system-wide franchise pursuant to Federal and state guidelines. On October 23, 2014, the OCTV&T invited Cablevision of Oakland to file comments on its performance under its System-wide Cable Television Franchise and to assess how it will meet the future needs of the communities listed in its franchise application.

Cablevision filed its Initial comments with the OCTV&T on January 30, 2015. On August 19, 2015, the Board issued a report on Cablevision of Oakland's performance under its System-wide Cable Television Franchise and the future system-wide cable television franchise needs of the State and the municipalities under the system-wide franchise.

The Office of Cable Television and Telecommunications recommended that the Board approve issuance of an order for a Renewal System-wide Cable Television Franchise to Cablevision of Oakland for a term of seven years.

DECISION: After discussion, 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. CE15111316 – In the Matter of the Application of Cablevision of New Jersey, LLC for the Renewal of Its System-Wide Cable Television Franchise.

BACKGROUND AND DISCUSSION: On November 19, 2015, Cablevision of New Jersey, LLC (Cablevision of New Jersey or Cablevision) filed an application for renewal of its System-wide Cable Television Franchise for a term of seven years.

On July 1, 2009, the Board issued an order memorializing the conversion by Cablevision of New Jersey of its municipal consent-based franchise in the Borough of Fair Lawn to a System-wide Franchise in Docket No. CE09030230, for a term of seven years to expire

on March 20, 2016. Cablevision of New Jersey has added an additional 20 municipalities to its System-wide Cable Television Franchise. The addition of these municipalities was memorialized by six Orders of Amendment issued by the Board.

Prior to Cablevision of New Jersey's System-wide Cable Television Franchise application filing, staff of the Office of Cable Television & Telecommunications (OCTV&T) reviewed Cablevision of New Jersey's performance under its system-wide franchise. On May 31, 2013, the OCTV&T notified Cablevision of New Jersey of its intention to review its performance under its system-wide franchise pursuant to Federal and state guidelines. On October 23, 2014, the OCTV&T invited Cablevision of New Jersey to file comments on its performance under its System-wide Cable Television Franchise and to assess how it will meet the future needs of the communities listed in its franchise application.

Cablevision filed its Initial comments with the OCTV&T on January 30, 2015. On August 19, 2015, the Board issued a report on Cablevision of New Jersey's performance under its System-wide Cable Television Franchise and the future system-wide cable television franchise needs of the State and the municipalities under the system-wide franchise.

The Office of Cable Television and Telecommunications recommended that the Board approve issuance of an order for a Renewal System-wide Cable Television Franchise to Cablevision of New Jersey for a term of seven years.

DECISION: After discussion, 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

A. Docket No. WF16010038 – In the Matter of the Application of Middlesex Water Company for Authority to Borrow Up to \$16.0 Million and to Issue Evidences of Indebtedness Pursuant to the Environmental Infrastructure Trust Financing Program.

Mark C. Beyer, Chief Economist, presented this matter.

BACKGROUND AND DISCUSSION: On January 12, 2016, Middlesex Water Company (Company) filed a petition with the Board requesting authority to borrow up to \$16 million (the Loans) from the New Jersey Environmental Infrastructure Trust, a public body corporate and politic constituting an instrumentality of the State of New Jersey (the

Trust), and the State of New Jersey, acting by and through the New Jersey Department of Environmental Protection, and to secure the Loans by issuing and delivering to the Trust and State the Company's First Mortgage Bonds and/or other evidences of indebtedness in like amount.

The proceeds of the Loans will be used by the Company to finance a project for rehabilitating its cast-iron transmission and distribution mains, referred to as "Cleaning and Lining", under the Company's RENEW program. The Cleaning and Lining project is an annual program and the proceeds of the Loans will be used for the project work for the calendar year 2016.

After review, the Office of the Economist found that the action requested is in accordance with the law and in the public interest and therefore recommended approval of this petition.

DECISION: After discussion, 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 WR15111289 and OAL PUC 18503-15 – In the Matter of the Petition of New Jersey American Water Company, Inc. for Authorization to Change the Level of Its Purchased Water Adjustment Clause and Purchase Wastewater (Sewerage) Treatment Adjustment Clause.

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

BACKGROUND AND DISCUSSION: On November 7, 2014, New Jersey American Water (NJAW) filed a petition with the Board for approval to change the levels of its existing Purchased Water Adjustment Clause and Purchased Sewerage Treatment Adjustment Clause charges. As a result of settlement discussions, the Signatory Parties have agreed to a total overall stipulated increase of \$3,079,763.00 or 0.49% above total Company revenues of \$626,257,040.00.

NJAW purchases water on a routine basis from 11 separate entities and purchases wastewater treatment services from 3 separate entities, each of which adjusts its rates for service, and, in the case of wastewater treatment service providers, issues sewerage deficit/credit adjustments, at different times throughout the year.

Water customers will see an increase of approximately \$0.18 to \$0.19 per month in their average bill; while sewer customers in Lakewood will see an average increase of \$2.08 per month; in Ocean City an average increase of \$0.14 per month; and in Adelphia an average increase of \$1.71 per month.

This matter was transmitted to the Office of Administrative Law and assigned to Administrative Law Judge Pelios. Middlesex Water Company filed a motion to intervene with Administrative Law Judge Pelios, and no party opposed the motion.

After proper notice, 2 public hearings were held in NJAW's service territory. No members of the public attended the Ocean City public hearing and only one person attended the Howell Township public hearing but chose not to speak on the record.

Subsequent to the public hearings and prior to evidentiary hearings, a Stipulation of Settlement was entered into by the Company, New Jersey Division of Rate Counsel and Staff which comprise the Signatory Parties. Middlesex Water Company, an intervener, did not sign the Stipulation, but, instead, submitted a no objection letter to the Judge.

Administrative Law Judge Pelios submitted an Initial Decision which recommended that the Board adopt the Stipulation of Settlement of the Signatory Parties.

Staff recommended that the Board adopt the Initial Decision which adopts the Settlement of the Signatory Parties for rates to become effective on April 1, 2016.

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

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

6. RELIABILITY & SECURITY

A. Docket No. AO16030196 – In the Matter of Utility Cyber Security Program Requirements.

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

BACKGROUND AND DISCUSSION: The mission of the New Jersey Board of Public Utilities is to ensure that utilities provide safe and reliable service at reasonable rates. Safety and reliability are increasingly dependent on cyber security. Breaches can negatively impact system safety and service reliability, as well as customer privacy. Setting cyber security requirements represents an important progressive step to securing critical infrastructure in New Jersey.

According to the New Jersey Cybersecurity and Communications Integration Cell, critical infrastructure in New Jersey has a uniquely high risk profile. This is attributed to the dense population and the significant amount of critical infrastructure throughout the state. In the utility sector, only bulk electric power assets are subject to mandatory cybersecurity requirements, promulgated by North American Electric Reliability Corporation with jurisdictional oversight by the Federal Energy Regulatory Commission. Thus, a substantial amount of utility infrastructure is outside the scope of federal regulation. This regulatory gap provides the impetus for Board consideration of cyber security requirements for electric, natural gas, and jurisdictional water/wastewater utilities in New Jersey.

The national scope of telecommunications utilities' operations as well as their unique

infrastructure profile present distinct cyber security challenges. Therefore, Staff was not in a position to recommend that telecommunication utilities be subject to these requirements at this time. This industry sector is working closely with its federal regulators to identify those actions necessary to mitigate cyber security risk and safeguard public safety and service reliability across their networks. Staff proposed to continue to work closely with utilities in these sectors, as well as with the Federal Communications Commission and other appropriate organizations, to ensure the interests of New Jersey's residents are considered in those deliberations. Staff may return to the Board to address telecommunication utilities' cyber security in the future.

Staff recommended that the Board direct electric, natural gas, and water/wastewater utilities to meet certain cyber security program requirements to reduce cyber security risk to industrial control systems and computer systems that contain customers' personally identifiable information. These requirements are summarized as follows:

Implement a Cyber Security Program that defines and implements organizational accountabilities and responsibilities for cyber risk management activities, and that establishes policies, plans, processes, and procedures for identifying and mitigating cyber risk to critical systems:

1. Conduct risk assessments and implement appropriate controls to mitigate identified risk;
2. Maintain situational awareness of cyber threats and vulnerabilities;
3. Report cyber incidents and suspicious activity to Board Staff via the NJCCIC;
4. Create and exercise Incident Response and Recovery Plans; and
5. Provide cyber security awareness and training programs.

Staff also recommended that telecommunications utilities be exempt from these cyber security requirements at this time, subject to further review.

Furthermore, Staff recommended the Board direct Staff to develop and the President to execute on behalf of the Board a Memorandum of Understanding with the New Jersey Cybersecurity Communications and Integration Cell (NJCCIC) that details how cybersecurity information submitted to NJCCIC will be handled and shared with the Board.

DECISION: After discussion, 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. AO16030196 – In the Matter of the Memorandum of Understanding between the New Jersey Board of Public Utilities and the New Jersey Cybersecurity Communications and Integrations Cell.

Please see item 6A above.

7. CUSTOMER ASSISTANCE

A. Docket Number EX15121427 – In the Matter of the Proposed Readoption of Special Adopted Amendments: N.J.A.C. 14:47.2, 7.3 and 7.4 and the Proposed Readoption of Special Adopted New Rule: N.J.A.C. 14:4-7.13 – Third Party Suppliers Advertising and Marketing Standards.

Jake Gertsman, Legal Specialist, Office of Chief Counsel, presented this matter.

BACKGROUND AND DISCUSSION: This matter involved the readoption without amendments of Special Adopted Amendments: N.J.A.C. 14:47.2, 7.3, and 7.4 and of Special Adopted New Rule: N.J.A.C. 14:4-7.13 which concern Third Party Suppliers Advertising and Marketing Standards.

The rules prohibit electric power suppliers, gas suppliers, brokers, energy agents, marketers, private aggregators, sales representatives, and telemarketers from making false or misleading advertising claims to a potential residential customer.

Additionally, the rules prohibit suppliers' calls to customers where no business relationship exists if those individuals are on the Do Not Call list and state that the Board will forward complaints related to the violation of these provisions to the Division of Consumer Affairs.

Violations of the specially adopted new rules and amendments make the Third Party Suppliers: 1) liable to the residential customer in an amount equal to all charges paid by the residential customer after such violation occurs; 2) liable for a civil penalty pursuant to N.J.S.A. 48:3-83; and 3) subject to license revocation, after notice and opportunity to be heard.

Staff recommended the Board approve the proposed readoption extending the expiration date 180 days to September 26, 2016. The proposed readoption will be published in the New Jersey Register and there will be a 60 day comment period to solicit further public comment on the proposal.

DECISION: After discussion, 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. EO14070702U – In the Matter of John J. Hoffman, Acting Attorney General of the State of New Jersey, et al. v. Palmco Power New Jersey, LLC, et al., – Docket No. MER-C-33-14 – See Executive Session.

This matter was deferred

8. CLEAN ENERGY

A. Docket No. QG16020129 – In the Matter of the Clean Energy Program Authorization of Commercial and Industrial Program Energy Efficiency Incentives Exceeding \$500,000.00 – The Goldman Sachs Group, Inc.

Seçil Uztetik Onat, Executive Director, Economic Development & Emerging Issues, presented this matter.

BACKGROUND AND DISCUSSION: The Board administers the New Jersey Clean Energy Program (NJCEP). The Large Energy Users Program (LEUP) of the NJCEP fosters self-investment in energy efficiency and combined heat and power projects, while providing necessary financial support to large commercial and industrial utility customers in the State of New Jersey. Incentives are awarded to customers that satisfy the program's eligibility and program requirements to invest in self-directed energy projects customized to meet the requirements of the customer's existing facilities, while also advancing the State's energy efficiency, conservation, and greenhouse gas reduction goals.

The Goldman Sachs Group, Inc. submitted an application with a financial incentive in the amount of \$599,684.41 for a LEUP project located among various sites in Jersey City, Carteret, and Bridgewater. The scope of the project includes chiller plant optimization, installation of outside air economizer controls, kitchen ventilation system upgrades, and cold aisle containment in a data center. Installing these measures will reduce the annual electric usage by an estimated 2,482,047 kWh and will reduce the annual electric demand by 305 kW. The proposed project will have an estimated annual energy cost savings of \$287,422.00 at a total project cost of \$1,604,789.00. The simple payback period without incentive is 5.6 years, which is reduced to 3.5 years with incentive.

Based on Staff's review and the certifications of Program Coordinator Applied Energy Group and Market Manager TRC Solutions, Staff determined that the application meets the eligibility criteria for the LEUP and recommended that the Board approve the application.

DECISION: After discussion, 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. QG16020127 – In the Matter of the Clean Energy Program Authorization of Commercial and Industrial Program Energy Efficiency Incentives Exceeding \$500,000.00 – AT&T Services, Inc. (Trenton).

Marisa Slaten, Assistant Director, Division of Economic Development and Energy Policy, presented this matter.

BACKGROUND AND DISCUSSION: The Board administers the New Jersey Clean Energy Program. The Combined Heat & Power/Fuel Cell (CHP/FC) Program is open to all Commercial and Industrial customers paying into the Societal Benefits Charge who

install combined heat and power or fuel cell systems to further enhance energy efficiency in their buildings through on-site power generation with recovery and productive use of waste heat, thereby reducing existing and new demands to the electric power grid. AT&T Services, Inc. has submitted an application for a fuel cell project at its Trenton location. Staff has determined that this application meets the eligibility criteria for the CHP/FC Program and recommends that the Board approve this project.

The AT&T Services, Inc. 2015 CHP/FC project, for a 700 kW fuel cell system to be installed at 1300 White Horse Hamilton Square, in Trenton, Mercer County, will have the following annual estimated energy and cost savings (through production):

- annual estimated electric production of 5,825,400 kWh;
- an estimated average annual energy cost savings of \$557,218.66

The CHP rebate is for a total of \$1,972,775.00, of which:

- An estimated \$591,832.50 will be paid upon proof of purchase of equipment;
- An estimated \$1,183,665.00 will be paid upon project completion, review and acceptance of documentation, and successful inspection; and
- An estimated \$197,277.50 will be paid one year after project inspection and acceptance, upon confirmation that the project is achieving its minimum efficiency threshold.

The application has an estimated project cost of \$8,356,040.00. The project has a 12.44 year payback without incentives, which is reduced to 9.5 years with incentive.

Based on Staff's review and the certifications of Program Coordinator Applied Energy Group and Market Manager TRC Solutions, Staff determined the application meets the eligibility criteria for the LEUP and recommended that the Board approve the application.

DECISION: After discussion, 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. 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;

**Docket No. QO15080988 – Ecoplexus, Incorporated
Burlington City Landfill (1.5 MW)**

**Docket No. QO15080989 – Ecoplexus, Incorporated
Burlington City Landfill (3 MW)**

**Docket No. QO15080990 – Ecoplexus, Incorporated
Burlington City Landfill (1.7 MW).**

This matter was withdrawn.

Seçil Uztetik Onat, Executive Director, Economic Development & Emerging Issues, presented these matters.

D. Docket No. QO15040477 – In the Matter of the Clean Energy Programs and Budget for Fiscal Year 2016 – Local Government Energy Audit Program Revisions.

BACKGROUND AND DISCUSSION: Under the new Program Administrator contract, which was awarded to Applied Energy Group (AEG), on December 1, 2015, the Local Government Energy Audit (LGEA) Program audits will be performed by TRC (the Commercial and Industrial Market Manager and part of the AEG team). Staff issued a public notice concerning this change on March 16, 2016. This matter sought authority for Staff to update the compliance filing to reflect that the LGEA audits will be conducted by the AEG team, pursuant to the new contract.

The LGEA program provides financial incentives to cover the cost of having an energy audit performed on eligible facilities owned by municipalities, school districts, 501(c)(3) nonprofits, and other local and state government entities (Applicants).

Through December 31, 2015 LGEA program energy audits were performed by five audit firms that had been awarded contracts by the Department of Treasury, following a competitive Request for Proposals process. Those contracts expired on December 31, 2015 and the New Jersey Clean Energy Program temporarily suspended processing new applications into the program.

The old LGEA process relied heavily on the Applicants' time and resources. The proposed new process is designed to reduce program costs and streamline both the application and auditing processes to help alleviate some of the Applicants' administrative burden. This should also allow for more participation in the program. The LGEA program will continue to provide energy audits at no-cost to the list of eligible entities (not to exceed \$100,000.00 per entity, per fiscal year).

Staff recommended that the Board approve the updated compliance filing so that Staff can set a date to re-open the LGEA program.

DECISION: After discussion, 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. QO15040477 – In the Matter of the Clean Energy Programs and Budget for Fiscal Year 2016 – Fiscal Year 2016 Third Revised Budget and

Changes to the Residential New Construction Program.

BACKGROUND AND DISCUSSION: The Office of Clean Energy requested public comments on proposed changes to the New Jersey Clean Energy Programs and budgets, specifically to the Residential Energy Efficiency (EE) program budgets and Residential New Construction (RNC) programs. Several Residential EE programs had higher than anticipated participation levels since the beginning of FY16. To address this, Staff proposed:

- **Residential New Construction:** Transfer \$2,845,000.00 into RNC program budget. The program received a large number of applications in August 2015 which exhausted the current rebate budget. This transfer will allow the program to continue to accept applications and remain open under the revised enrollment requirements also being proposed.
- **Home Performance with ENERGY STAR® (HPwES):** Transfer \$813,620.47 into HPwES program budget. This program received a large volume of applications during the first half of FY16 as a result of incentive level reductions that were set to be implemented.
- **Energy Efficient Products (EEP):** Transfer \$3,658,620.47 out of EEP and into the residential programs above. This funding is available due to lighting markdown promotions ending mid fiscal year (December 31, 2015) in anticipation of the transition to the Program Administrator. Sufficient funds remain in EEP to cover expenses through the remainder of the fiscal year.

Additionally, Staff proposed changes to the RNC program in such areas as enrollment requirements, processes for committing funds, increased energy efficiency levels required by the International Energy Construction Code and the U.S. Environmental Protection Agency’s ENERGY STAR by March 21, 2016, and new financial incentives for Single-Family, Multi-Single and Multi-family Units. Staff recommended that the Board approve the proposed changes.

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

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

F. Docket Nos. BPU EC13111051 and OAL PUC 02807-14 – In the Matter of Mark Napier, Petitioner v. Public Service Electric and Gas Company, Respondent – Request for Extension.

Marisa Slaten, Assistant Director, Division of Economic Development and Energy Policy, presented this matter.

BACKGROUND AND DISCUSSION: The Initial Decision of the Administrative Law Judge was received by the Board on February 3, 2016; therefore, the 45-day statutory period for review and the issuing of a Final Decision will expire on March 21, 2016. Prior to that date, the Board requested an additional 45-day extension of time for issuing the

Final Decision in order to adequately review the record in this matter.

Good cause having been shown, pursuant to N.J.S.A. 52:14B-10(c) and N.J.A.C. 1:1-18.8, Staff recommended that the time limit for the Board to render a Final Decision be extended until May 5, 2016.

DECISION: After discussion, 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

There were no items in this category.

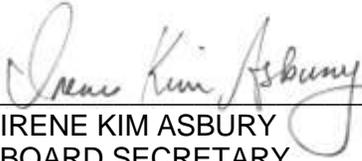
EXECUTIVE SESSION

7. CUSTOMER ASSISTANCE

B. Docket No. EO14070702U – In the Matter of John J. Hoffman, Acting Attorney General of the State of New Jersey, et al. v. Palmco Power New Jersey, LLC, et al., – Docket No. MER-C-33-14.

This matter was deferred.

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



IRENE KIM ASBURY
BOARD SECRETARY

DATE: April 27, 2016