



**STATE OF NEW JERSEY**  
**Board of Public Utilities**  
**44 South Clinton Avenue, 9<sup>th</sup> Floor**  
**Post Office Box 350**  
**Trenton, New Jersey 08625-0350**  
[www.nj.gov/bpu/](http://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 December 17, 2014, 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 Kristi Izzo, Secretary of the Board, carried out the duties of Secretary.

It was announced that the next regular Board Meeting would be held on January 21, 2015 at the State House Annex, Committee Room 11, 125 West State Street, Trenton, New Jersey 08625.

The Board recognized and thanked Board Secretary Kristi Izzo and by unanimous vote, adopted a Resolution commending her for her service to the Board and the State.

## CONSENT AGENDA

### I. AUDITS

#### A. Docket No. TE14111290 – In the Matter of the Verified Petition of Talk America Services, LLC for Authority to Provide Facilities-based Local Exchange and Interexchange Telecommunications Services in the State of New Jersey.

**BACKGROUND:** By letter dated November 10, 2014, Talk America Services, LLC (Petitioner or TAS) filed a Petition with the Board for authority to provide facilities-based local exchange and interexchange telecommunications services in the State of New Jersey.

TAS 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, respectively. The Petitioner also 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.

After review, Staff recommended the Board approve the request for authority to provide local exchange and interexchange telecommunications services in the State of New Jersey. Staff also recommended the Board approve the request for waivers from its requirements that the Petitioner maintains 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.

<b>Roll Call Vote:</b>	<b>President Mroz</b>	<b>Aye</b>
	<b>Commissioner Fiordaliso</b>	<b>Aye</b>
	<b>Commissioner Holden</b>	<b>Aye</b>
	<b>Commissioner Solomon</b>	<b>Aye</b>
	<b>Commissioner Chivukula</b>	<b>Aye</b>

#### B. Docket No. TE14091038 – In the Matter of the Petition of DSCI, LLC for Approval to Provide Resold and Facilities-based Competitive Intrastate Local Exchange and Interexchange Telecommunications Services throughout the State of New Jersey.

**BACKGROUND:** By letter dated September 16, 2014, DSCI, LLC (Petitioner or DSCI) filed a Petition with the Board for approval to provide resold and facilities-based competitive intrastate local exchange and interexchange telecommunications services throughout the State of New Jersey.

By letter dated October 20, 2014, the New Jersey Division of Rate Counsel submitted comments with the Board stating that, based on its review, “Rate Counsel is satisfied that the Petition meets the regulatory requirements and is consistent with the public interest, convenience, and necessity.” Accordingly, Rate Counsel did not oppose a grant of authority or approval of the Petitioner’s request to provide telecommunications services in New Jersey. In addition, Rate Counsel did not object to a grant of the

waivers requested by the Petitioner, nor did Rate Counsel oppose the Petitioner's request to treat its financial information as confidential and placed under seal.

After review, Staff recommended the Board approve the request for authority to provide local exchange and 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.

**Roll Call Vote:**

<b>President Mroz</b>	<b>Aye</b>
<b>Commissioner Fiordaliso</b>	<b>Aye</b>
<b>Commissioner Holden</b>	<b>Aye</b>
<b>Commissioner Solomon</b>	<b>Aye</b>
<b>Commissioner Chivukula</b>	<b>Aye</b>

**C. Energy Agent and/or Energy Consultant Initial Registrations**

<b>EE14070668L</b>	<b>Vantage Etc. Limited</b>	<b>I-EA</b>
<b>EE14080872L</b>	<b>H.P. Technologies, Incorporated</b>	<b>I-EA</b>
<b>EE14060603L</b> <b>GE14060604L</b>	<b>Navigate Power, LLC</b>	<b>I-EA/EC</b>

**Energy Agent and/or Private Aggregator Renewal Registrations**

<b>EE14060558L</b> <b>GE14060567L</b>	<b>Verdigris Energy, LLC</b>	<b>R – EA/PA</b>
<b>EE14070727L</b>	<b>National1 Energy, LLC</b>	<b>R – EA</b>

**Electric Power and/or Natural Gas Supplier Renewal Licenses**

<b>EE14050523L</b> <b>GE14050524L</b>	<b>Hudson Energy Services, LLC</b>	<b>R – EGSL</b>
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**Electric Power and/or Natural Gas Supplier Renewal Licenses**

<b>EE14060596L</b>	<b>Gerdau Ameristeel Energy, Incorporated</b>	<b>R – ESL</b>
<b>GE14060575L</b>	<b>Woodruff Energy US, LLC</b>	<b>R – GSL</b>
<b>GE14060576L</b>	<b>Woodruff Energy</b>	<b>R – GSL</b>
<b>EE14050452L</b>	<b>Corporate Services Support Corp.</b>	<b>R – ESL</b>
<b>EE14050479L</b>	<b>PPL EnergyPlus, LLC</b>	<b>R – ESL</b>
<b>EE14050520L</b>	<b>ENERPENN USA, LLC</b> <b>d/b/a Y.E.P. and YEP Energy</b>	<b>R – ESL</b>
<b>EE14050482L</b> <b>GE14050483L</b>	<b>Harborside Energy, LLC</b>	<b>R – EGSL</b>

<b>EE14050480L</b>	<b>North Eastern States, Incorporated</b>	<b>R – EGSL</b>
<b>GE14050481L</b>	<b>d/b/a Entrust Energy</b>	
<b>EE14050443L</b>	<b>TransCanada Power Marketing Limited</b>	<b>R – ESL</b>
<b>EE14050522L</b>	<b>Respond Power, LLC</b>	<b>R – ESL</b>
<b>GE14050521L</b>	<b>Major Energy Services, LLC</b>	<b>R – GSL</b>

**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 the Board issue initial registrations as an energy agent and/or energy consultant for one year to:

- Vantage Etc. LTD
- H.P. Technologies, Inc.
- Navigate Power, LLC

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

- Verdigris Energy LLC
- National1 Energy, LLC

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

- Hudson Energy Services, LLC
- Gerdau Ameristeel Energy, Inc.
- Woodruff Energy US LLC
- Woodruff Energy
- Corporate Services Support Corp.
- PPL EnergyPlus, LLC
- ENERPENN USA, LLC d/b/a Y.E.P. and YEP Energy
- Harborside Energy, LLC
- North Eastern States Inc. d/b/a Entrust Energy
- TransCanada Power Marketing Ltd.
- Respond Power LLC
- Major Energy Services LLC

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

<b>Roll Call Vote:</b>	<b>President Mroz</b>	<b>Aye</b>
	<b>Commissioner Fiordaliso</b>	<b>Aye</b>
	<b>Commissioner Holden</b>	<b>Aye</b>
	<b>Commissioner Solomon</b>	<b>Aye</b>
	<b>Commissioner Chivukula</b>	<b>Aye</b>

**D. Electric Power Supplier Renewal License  
EE14070759L Hess Corporation**

**R – ESL**

**BACKGROUND:** President Mroz and Commissioner Chivukula recused themselves from this matter. 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. 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 application in accordance with N.J.A.C. 14:4-5.4, Staff recommended the Board issue a renewal license as an electric power supplier for one year to:

- Hess Corporation

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

<b>Roll Call Vote:</b>	<b>Commissioner Fiordaliso</b>	<b>Aye</b>
	<b>Commissioner Holden</b>	<b>Aye</b>
	<b>Commissioner Solomon</b>	<b>Aye</b>

**II. ENERGY**

**A. Docket Nos. BPU EO14020185 and OAL PUC 04056-14 – In the Matter of the Petition of Public Service Electric and Gas Company Pursuant to N.J.S.A. 40:55D-19 from a Decision of the City of Newark Zoning Board of Adjustment Denying an Application for Preliminary and Final Site Plan Approval and Variances Necessary for the Construction of a 260/26/13kV Switching Station (McCarter Switching Station) – Request for Extension.**

**BACKGROUND:** Commissioner Chivukula recused himself from this matter. The Initial Decision of the Administrative Law Judge was received by the Board on December 4, 2014; therefore, the 45-day statutory period for review and the issuing of a Final Decision will expire on January 18, 2015. Prior to that date, the Board requested an additional 45-day extension of time for issuing the Final Decision to provide sufficient time to adequately review the voluminous 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 the time limit for the Board to render a Final Decision be extended until March 4, 2015.

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

<b>Roll Call Vote:</b>	<b>President Mroz</b>	<b>Aye</b>
	<b>Commissioner Fiordaliso</b>	<b>Aye</b>
	<b>Commissioner Holden</b>	<b>Aye</b>
	<b>Commissioner Solomon</b>	<b>Aye</b>

### III. CABLE TELEVISION

**A. Docket No. CE14091036 – In the Matter of the Petition of CSC TKR, LLC d/b/a Cablevision of Raritan Valley for a Renewal Certificate of Approval to Continue to Operate and Maintain a Cable Television System in the Borough of Middlesex, County of Middlesex, State of New Jersey.**

**BACKGROUND:** Commissioner Chivukula recused himself from this matter. On November 12, 2013, the Borough of Middlesex (Borough) granted CSC TKR, LLC d/b/a Cablevision of Raritan Valley (Cablevision) renewal municipal consent for a term of ten years from the date of issuance of the Renewal Certificate of Approval. On March 3, 2014, Cablevision accepted the ordinance, and on September 22, 2014, Cablevision filed a petition with the Board.

After review, Staff recommended approval of the proposed Renewal Certificate of Approval for the Borough. This Certificate shall expire on December 29, 2024.

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

<b>Roll Call Vote:</b>	<b>President Mroz</b>	<b>Aye</b>
	<b>Commissioner Fiordaliso</b>	<b>Aye</b>
	<b>Commissioner Holden</b>	<b>Aye</b>
	<b>Commissioner Solomon</b>	<b>Aye</b>

**B. Docket No. CE14091035 – 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 Borough of Fanwood, County of Union, State of New Jersey.**

**BACKGROUND:** Commissioner Chivukula recused himself from this matter. On July 15, 2014, the Borough of Fanwood (Borough) granted Comcast of New Jersey II, LLC (Comcast) renewal municipal consent for a term of 15 years. On July 30, 2014, Comcast accepted the terms and conditions of the ordinance, and on September 18, 2014, Comcast filed a petition with the Board for a renewal of its Certificate of Approval for the Borough.

After review, Staff recommended approval of the proposed Renewal Certificate of Approval for the Borough. This Certificate shall expire on August 24, 2029.

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

**Roll Call Vote:**

<b>President Mroz</b>	<b>Aye</b>
<b>Commissioner Fiordaliso</b>	<b>Aye</b>
<b>Commissioner Holden</b>	<b>Aye</b>
<b>Commissioner Solomon</b>	<b>Aye</b>

**C. Docket No. CE14010089 – In the Matter of the Petition of Comcast of Lawrence, LLC for a Renewal Certificate of Approval to Continue to Construct, Operate and Maintain a Cable Television System in and for the Township of Lawrence, County of Mercer, State of New Jersey.**

**BACKGROUND:** Commissioner Chivukula recused himself from this matter. On December 3, 2013, the Township of Lawrence (Township) adopted an ordinance granting renewal municipal consent to Comcast of Burlington County, LLC (Comcast). On December 13, 2013, Comcast formally accepted the terms and conditions of the ordinance, and on January 28, 2014, Comcast filed with the Board for a renewal of its Certificate of Approval for the Township.

After review, Staff recommended approval of the proposed Renewal Certificate of Approval for the Township. This Certificate shall expire July 30, 2027.

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

**Roll Call Vote:**

<b>President Mroz</b>	<b>Aye</b>
<b>Commissioner Fiordaliso</b>	<b>Aye</b>
<b>Commissioner Holden</b>	<b>Aye</b>
<b>Commissioner Solomon</b>	<b>Aye</b>

#### **IV. TELECOMMUNICATIONS**

**A. Docket No. TF14111285 – In the Matter of the Verified Petition of Network Billing Systems, LLC, for Approval to Participate in Additional Financing Arrangements of Fusion NBS Acquisition Corp.**

**BACKGROUND:** On November 10, 2014, Network Billing Systems, L.L.C. submitted a Petition to the Board requesting approval to participate in additional financing arrangements of its parent company, Fusion NBS Acquisition Corp.

The Office of the Economist after review of the information submitted in this proceeding, 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.

**Roll Call Vote:**

<b>President Mroz</b>	<b>Aye</b>
<b>Commissioner Fiordaliso</b>	<b>Aye</b>
<b>Commissioner Holden</b>	<b>Aye</b>
<b>Commissioner Solomon</b>	<b>Aye</b>
<b>Commissioner Chivukula</b>	<b>Aye</b>

**B. Docket No. TM14030237 – In the Matter of the Petition of DSCI Corporation for Approval of a Transfer of Assets and Related Transactions.**

**BACKGROUND:** On March 10, 2014, DSCI Corporation (DSCI), filed a petition with the Board detailing DSCI's participation in a series of proposed pro forma transactions whereby DSCI intended to (1) create a wholly-owned subsidiary, DSCI, LLC; (2) assign all of DSCI's assets and certain liabilities to DSCI, LLC; and (3) sell a minority interest in DSCI, LLC to one or more commonly owned and managed private investment funds.

On September 23, 2014, DSCI Holdings Corporation (f/k/a DSCI Corporation) submitted a revised Petition by a licensed New Jersey attorney for the approval of the transfer and simultaneously DSCI, LLC filed a petition for the approval of a Certificate of Authority to provide telecommunications services in New Jersey.

By letter dated April 16, 2014, Rate Counsel submitted its first comments on this matter. Rate Counsel acknowledged that the proposed pro forma transactions contemplated by DSCI are consistent with the public interest, convenience, and necessity. However, Rate Counsel recommended that the Board deny DSCI's petition, for failure to meet the regulatory requirements. On October 20, 2014, Rate Counsel submitted its second comments stating that it did not oppose Board approval of the requests contained in the Petition, subject to certain recommendations and conditions.

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 the Petitioners be allowed to proceed with the transaction.

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

<b>Roll Call Vote:</b>	<b>President Mroz</b>	<b>Aye</b>
	<b>Commissioner Fiordaliso</b>	<b>Aye</b>
	<b>Commissioner Holden</b>	<b>Aye</b>
	<b>Commissioner Solomon</b>	<b>Aye</b>
	<b>Commissioner Chivukula</b>	<b>Aye</b>

**C. Docket No. TM14091065 – In the Matter of the Verified Petition of Hudson Fiber Network, Inc. for Authority to Complete a Transfer of Control of a Regulated Telecommunications Entity Pursuant to N.J.S.A. 48:2-51.1.**

**BACKGROUND:** On September 25, 2014, Hudson Fiber Network, Inc. (Hudson Fiber or Petitioner) filed a petition with the Board requesting approval of a change in control as the result of a Stock Purchase Agreement (Transaction). The Petitioners also requested that the Board determine that Mass Migration Rules do not apply to this Transaction. Following the proposed transfer, the Petitioner will continue to offer the same services in New Jersey at the same rates, terms, and conditions.

The New Jersey Division of Rate Counsel, by letter dated November 13, 2014, stated that it did not oppose Board approval of the requests contained in the Petition.



After review, Staff recommended approval of the transaction. Staff also agreed with Petitioner that the Mass Migration rules do not apply to this Transaction as customers will not be migrating and therefore the waiver request for customer notification is justified.

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

<b>Roll Call Vote:</b>	<b>President Mroz</b>	<b>Aye</b>
	<b>Commissioner Fiordaliso</b>	<b>Aye</b>
	<b>Commissioner Holden</b>	<b>Aye</b>
	<b>Commissioner Solomon</b>	<b>Aye</b>
	<b>Commissioner Chivukula</b>	<b>Aye</b>

**D. Docket No. TM14091077 – In the Matter of the Verified Joint Petition of Megapath Corporation and GC Pivotal, LLC d/b/a Global Capacity for Approval to Participate in an Asset Transfer Transaction and for GC Pivotal, LLC d/b/a Global Capacity to Participate in Certain Financing Arrangements.**

**BACKGROUND:** On September 30, 2014, MegaPath Corporation (Assignor or MegaPath) and GC Pivotal, LLC (Assignee) (Collectively, Petitioners) filed a petition with the Board for approval to transfer certain assets, data customers and certain financing arrangements from Assignor to Assignee. GC Pivotal will acquire certain assets, data customers and participate in certain financing arrangements. All transferred customers to GC Pivotal will continue to receive telecommunications services under the same rates, terms and conditions of service.

The Division of Rate Counsel, by letter dated October 20, 2014, did not oppose the asset transfer to Assignee or the financial arrangements involving the transaction.

After review, Staff did not find any reason to believe that there will be an adverse impact on rates, competition or in the provision of safe, adequate and proper service to New Jersey subscribers. Moreover, a positive benefit may be expected from the strengthening of the Petitioners' competitive posture in the telecommunications market. Staff recommended the Petitioners' be allowed to proceed with the proposed transactions and financing.

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

<b>Roll Call Vote:</b>	<b>President Mroz</b>	<b>Aye</b>
	<b>Commissioner Fiordaliso</b>	<b>Aye</b>
	<b>Commissioner Holden</b>	<b>Aye</b>
	<b>Commissioner Solomon</b>	<b>Aye</b>
	<b>Commissioner Chivukula</b>	<b>Aye</b>

**V. WATER**

**A. Docket No. WR14080905 – In the Matter of the Petition of Shorelands Water Company for an Increase in Rates for Water Service and Other Tariff Modifications.**

**BACKGROUND:** On August 13, 2014, Shorelands Water Company, Inc. filed a petition seeking to increase its rate for water service amounting to approximately \$1,017,052 or 9.86% above the annual revenues.

On September 9, 2014, this matter was transmitted to the Office of Administrative Law for hearing(s) and on September 30, 2014, the Board issued an Order suspending the Company's proposed rate increase until January 15, 2015.

Because this proceeding will not be completed by January 15, 2015. Staff recommended the Board issue an Order further suspending the rates until May 15, 2015.

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

<b>Roll Call Vote:</b>	<b>President Mroz</b>	<b>Aye</b>
	<b>Commissioner Fiordaliso</b>	<b>Aye</b>
	<b>Commissioner Holden</b>	<b>Aye</b>
	<b>Commissioner Solomon</b>	<b>Aye</b>
	<b>Commissioner Chivukula</b>	<b>Aye</b>

**B. Docket No. WR14101263 – In the Matter of the Petition of the Atlantic City Sewerage Company for Authorization to Increase Tariff Rates and Charges for Sewerage Service.**

**BACKGROUND:** Atlantic City Sewerage Company filed a petition for a rate increase on October 31, 2014. The rate increase was proposed to become effective on or after December 2, 2014. The petition was transmitted to the Office of Administrative Law on November 12, 2014.

Because this proceeding will not be completed by December 2, 2014, Staff recommended the Board issue an Order Suspending the proposed rate increase until April 2, 2014.

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

<b>Roll Call Vote:</b>	<b>President Mroz</b>	<b>Aye</b>
	<b>Commissioner Fiordaliso</b>	<b>Aye</b>
	<b>Commissioner Holden</b>	<b>Aye</b>
	<b>Commissioner Solomon</b>	<b>Aye</b>
	<b>Commissioner Chivukula</b>	<b>Aye</b>

**VI. RELIABILITY & SECURITY**

**A. Docket Nos. GS14111300K et al. – In the Matter of Alleged Violations of the Underground Facility Protection Act, N.J.S.A. 48:2-73 et seq.**

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

After review, Staff recommended the Board approve all those cases in which offers of settlement and payment were received.

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

<b>Roll Call Vote:</b>	<b>President Mroz</b>	<b>Aye</b>
	<b>Commissioner Fiordaliso</b>	<b>Aye</b>
	<b>Commissioner Holden</b>	<b>Aye</b>
	<b>Commissioner Solomon</b>	<b>Aye</b>
	<b>Commissioner Chivukula</b>	<b>Aye</b>

**B. Docket Nos. GS14111309K et al. – In the Matter of Alleged Violations of the Underground Facility Protection Act, N.J.S.A. 48:2-73 et seq.**

**BACKGROUND:** Commissioner Chivukula recused himself from this matter. This matter involved settlements of alleged violations of the Underground Facility Protection Act (the Act) by both excavators and operators of underground facilities. The categories of infraction include failure to provide proper notice, failure to use reasonable care and mismarking of facilities. The cases were settled in accordance with a penalty strategy which escalates the penalty ranges in relationship to the aggravating factors such as injury, property damage, fire, evacuation, road closure, and other public safety concerns. Moreover, the strategy sought to establish appropriate disincentives for actions which violate the Act.

After review, Staff recommended the Board approve all those cases in which offers of settlement and payment were received.

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

<b>Roll Call Vote:</b>	<b>President Mroz</b>	<b>Aye</b>
	<b>Commissioner Fiordaliso</b>	<b>Aye</b>
	<b>Commissioner Holden</b>	<b>Aye</b>
	<b>Commissioner Solomon</b>	<b>Aye</b>

**VII. CUSTOMER ASSISTANCE**

**A. Docket Nos. BPU GC13070633U and OAL PUC 12615-13 – In the Matter of Frank and Barbara Grazioli, Petitioners v. Public Service Electric and Gas Company, Respondent – Request for Extension.**

**BACKGROUND:** Commissioner Chivukula recused himself from this matter. The Initial Decision of the Administrative Law Judge was received by the Board on November 25, 2014; therefore, the 45-day statutory period for review and the issuing of a Final Decision will expire on January 9, 2015. 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 the time limit for the Board to render a Final Decision be extended until February 23, 2015.

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

<b>Roll Call Vote:</b>	<b>President Mroz</b>	<b>Aye</b>
	<b>Commissioner Fiordaliso</b>	<b>Aye</b>
	<b>Commissioner Holden</b>	<b>Aye</b>
	<b>Commissioner Solomon</b>	<b>Aye</b>

**B. Docket Nos. BPU GC08100906U and OAL PUC 12746-08 and 01407-13 – In the Matter of Washington Commons LLC, Petitioner v. Public Service Electric and Gas Company, Respondent – Request for Extension.**

**BACKGROUND:** Commissioner Chivukula recused himself from this matter. The Initial Decision of the Administrative Law Judge was received by the Board on November 5, 2014; therefore, the 45-day statutory period for review and the issuing of a Final Decision will expire on December 22, 2014. 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 and request the submission of additional information from the Parties.

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 the time limit for the Board to render a Final Decision be extended until February 5, 2015.

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

<b>Roll Call Vote:</b>	<b>President Mroz</b>	<b>Aye</b>
	<b>Commissioner Fiordaliso</b>	<b>Aye</b>
	<b>Commissioner Holden</b>	<b>Aye</b>
	<b>Commissioner Solomon</b>	<b>Aye</b>

**C. Docket Nos. BPU GC13070636U and OAL PUC 13471-13 – In the Matter of Dianne Argila, Petitioner v. New Jersey Natural Gas Company, Respondent – OAL Request for Extension.**

**BACKGROUND:** By previous order of extension, the due date for issuing an initial decision was extended until November 28, 2014. Administrative Law Judge Elia A. Pelios requested additional time to complete the initial decision due to a voluminous caseload.

Good cause having been shown, pursuant to N.J.S.A. 52:14B-10(c) and N.J.A.C. 1:1-18.8, Staff recommended the time for filing the initial decision be extended until January 12, 2015.

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

<b>Roll Call Vote:</b>	<b>President Mroz</b>	<b>Aye</b>
	<b>Commissioner Fiordaliso</b>	<b>Aye</b>
	<b>Commissioner Holden</b>	<b>Aye</b>
	<b>Commissioner Solomon</b>	<b>Aye</b>
	<b>Commissioner Chivukula</b>	<b>Aye</b>

**D. Docket Nos. BPU EC13090876U and OAL PUC 191-14 – In the Matter of Kurt P. Schwartz, Petitioner v. Public Service Electric and Gas Company, Respondent – Billing Dispute.**

**BACKGROUND:** Commissioner Chivukula recused himself from this matter. This matter involved a billing dispute between Kurt Schwartz and Public Service Electric and Gas Company. The petition was transmitted to the Office of Administrative Law on January 7, 2014, as a contested case. Administrative Law Judge (ALJ) Joseph Lavery filed an Initial Decision in this matter with the Board on November 5, 2014, approving a Stipulation of Settlement of the parties.

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

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

<b>Roll Call Vote:</b>	<b>President Mroz</b>	<b>Aye</b>
	<b>Commissioner Fiordaliso</b>	<b>Aye</b>
	<b>Commissioner Holden</b>	<b>Aye</b>
	<b>Commissioner Solomon</b>	<b>Aye</b>

**VIII. CLEAN ENERGY**

There were no items in this category.

**IX. MISCELLANEOUS**

**A. Approval of the Executive Session Minutes of July 19, 2013 – Item LSB and the September 30, 2014 minutes.**

**BACKGROUND:** Staff presented the minutes of September 30, 2014 Board meeting and the July 19, 2013 item LSB Executive Session minutes and recommended that they be accepted.

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

<b>Roll Call Vote:</b>	<b>President Mroz</b>	<b>Abstain</b>
	<b>Commissioner Fiordaliso</b>	<b>Aye</b>
	<b>Commissioner Holden</b>	<b>Aye</b>
	<b>Commissioner Solomon</b>	<b>Aye</b>
	<b>Commissioner Chivukula</b>	<b>Abstain</b>

**Approval of the Minutes of the October 22, 2014 Agenda Meetings.**

**BACKGROUND:** Staff presented the minutes of October 22, 2014 Board meeting minutes and recommended that they be accepted.

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

<b>Roll Call Vote:</b>	<b>President Mroz</b>	<b>Aye</b>
	<b>Commissioner Fiordaliso</b>	<b>Aye</b>
	<b>Commissioner Holden</b>	<b>Aye</b>
	<b>Commissioner Solomon</b>	<b>Abstain</b>
	<b>Commissioner Chivukula</b>	<b>Aye</b>

## AGENDA

### 1. AUDITS

**James P. Giuliano, Director, Division of Reliability and Security**, presented these matters.

**A. Docket No. AA14111325 – In the Matter of the Request for Proposal 14-X-23298 Designation of a System Operator for New Jersey’s One-Call Damage Prevention System; and**

**Docket No. AA09020127 – In the Matter of a System Operator for the New Jersey One-Call Damage Prevention System.**

**BACKGROUND AND DISCUSSION:** President Mroz was not present for this matter. This matter involved Staff seeking the limited waiver of N.J.A.C. 14:2-2.2, which sets forth the One Call System Operator term as five years, to allow for a twelve month, two week extension.

Staff sought approval of an extension agreement for the term of the current One Call System Operator Contract. This agreement will provide a twelve month, two week extension to allow additional transition time when an operator is selected pursuant to the Request for Proposal (RFP) issued by the Board through Treasury.

Due to unforeseen time constraints within Treasury, Staff advised the Board that it had submitted the RFP Notice to the Department of Treasury, Division of Purchase and Property for preliminary approval, which includes the extended date. Staff will resubmit the RFP for final Treasury approval.

The agreement will require One Call Concepts to continue to operate the One Call Damage Prevention System until February 29, 2016. The agreement will require additional quarterly reports which will be included in the final annual reconciliation report filed by One Call Concepts.

The Current contract expiration date of February 16, 2015 will be extended to February 29, 2016. The current One Call System Operator has agreed to this extension.

The critical nature of the One Call System and the Board’s interest in ensuring a smooth transition to a System Operator though the pending RFP provides good cause for the Board to waive N.J.A.C. 14:2-2.2 to allow an extension of the current One Call System contract. Therefore, Staff recommended the Board issue waivers under N.J.A.C. 14-1-1.2 to the existing N.J.A.C. 14:2-2.2 which sets forth the term of the System Operator as 5 years. Staff also recommended the Board approve a twelve month, two week extension of the current One Call contract.

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

**Roll Call Vote:**

<b>Commissioner Fiordaliso</b>	<b>Aye</b>
<b>Commissioner Holden</b>	<b>Aye</b>
<b>Commissioner Solomon</b>	<b>Aye</b>
<b>Commissioner Chivukula</b>	<b>Aye</b>

**B. Docket No. AA09020127 – In the Matter of the Rate Charged by One Call Concepts, Inc. for Operation of the New Jersey One-Call Damage Prevention System.**

**BACKGROUND AND DISCUSSION:** President Mroz was not present for this matter. At its agenda meeting of September 16, 2009, the Board selected One Call Concepts, Inc. (OCC), of Hanover, Maryland, to operate the New Jersey One-Call Damage Prevention System for a five year contract term beginning February 17, 2010 and ending February 16, 2015. At the December 17, 2014 Agenda Meeting (1A), the Contract was extended for one year and two weeks ending on February 29, 2016

On November 19, 2014, OCC filed a letter with the Board, seeking approval of a revised tariff for facilities protection services, which include a rate of \$1.24 per mark-out notification ticket to underground facility operators. This rate will minimize any over-under collection in support of the Contract rate increase. The charge is subject to an annual adjustment, up or down, based upon actual revenues received.

In addition to the Contract rate, the Tariff sets forth rates for other permissible services provided by OCC under the Contract. Any revenue from these charges shall be included by OCC when calculating the annual reconciliation as well as any subsequent rate changes and true-ups.

Staff recommended the Board approve the proposed tariff rate of \$1.24 per mark-out notification ticket to underground facility operators. This represents an increase of two cents from the existing rate of \$1.22.

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

**Roll Call Vote:**

<b>Commissioner Fiordaliso</b>	<b>Aye</b>
<b>Commissioner Holden</b>	<b>Aye</b>
<b>Commissioner Solomon</b>	<b>Aye</b>
<b>Commissioner Chivukula</b>	<b>Aye</b>



**C. Docket No. WA09070510 – In the Matter of a Comprehensive Management Audit of New Jersey American Water Company Pursuant to N.J.S.A. 48:2-16.4 and N.J.A.C. 14:3-12.1.**

**Kenneth J. Sheehan, Chief of Staff**, presented this matter.

**BACKGROUND AND DISCUSSION:** President Mroz and Commissioner Chivukula recused themselves from this matter. At its regular meeting of February 10, 2011, the Board accepted, for filing purposes only, the final audit report of NorthStar Consulting Group (NorthStar or Consultant) in the comprehensive management audit of New Jersey American Water (NJAW or Company).

Prior to NorthStar's publication of the Final Report, draft versions were reviewed by Staff, including the Divisions of Audits and Water, and the Office of Chief Counsel. A draft version was also provided to NJAW for its review for comment on factual discrepancies only.

At its February 10, 2011, Agenda Meeting, Staff recommended the Board accept NorthStar's Final Report for filing purposes only, authorize the release of the report, and authorize the release of the holdback fees in the amount of \$88,965 owed to NorthStar in accordance with the contract. These actions were adopted by the Board.

On March 11, 2011, NJAW submitted comments regarding the recommendations included in the Final Report. The Company responded to the specific recommendations made by NorthStar and provided further commentary on various statements made within the audit report. The Company concurred with the majority of the 55 recommendations contained in the Final Report.

After review, Staff recommended that NJAW, with the assistance of the Division of Audits, formulate detailed implementation plans for any of the 52 recommendations as modified in the Order and not already implemented by the Company within 60 days from the effective date. Staff agreed with the Company that the other three recommendations do not need to be implemented at this time.

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

<b>Roll Call Vote:</b>	<b>Commissioner Fiordaliso</b>	<b>Aye</b>
	<b>Commissioner Holden</b>	<b>Aye</b>
	<b>Commissioner Solomon</b>	<b>Aye</b>

**2. ENERGY**

**A. Docket No. EO12121072 – In the Matter of the Board's Review of the Applicability and Calculation of a Consolidated Tax Adjustment – Order of Clarification.**

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

**BACKGROUND AND DISCUSSION:** President Mroz and Commissioner Chivukula recused themselves from this matter.

This matter involved the reissuance of the October 22, 2014 Order modifying the Board's consolidated tax adjustment policy as originally intended, with only the docket number corrected. Therefore, Staff recommended the Board reissue the Order with only the docket number being corrected.

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

**Roll Call Vote:**

<b>Commissioner Fiordaliso</b>	<b>Aye</b>
<b>Commissioner Holden</b>	<b>Aye</b>
<b>Commissioner Solomon</b>	<b>Aye</b>

**B. Docket No. GR14030266 – In the Matter of the Rate Schedule CSG Transportation Service Agreement between Public Service Electric and Gas Company and Homasote Company and the Potential Discount of Societal Benefits Charges.**

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

**BACKGROUND AND DISCUSSION:** Commissioner Chivukula recused himself from this matter. On March 20, 2014, Public Service Electric and Gas Company (PSE&G or Company) filed a letter with the Board seeking approval of the Rate Schedule CSG Transportation Service Agreement (Service Agreement) between PSE&G and the Homasote Company (Homasote). Homasote requested to have the Societal Benefits Charge (SBC) discounted to \$0.025 per therm for the term of the Service Agreement. PSE&G took no position on this request. Both PSE&G and Homasote requested that the Board determine the level of the SBC applicable to this service and specify the exact amount of the discount in its Order.

PSE&G presently provides natural gas transportation services to the facilities owned and operated by Homasote in West Trenton, New Jersey at rates and terms set by an agreement dated October 8, 1996. In October 2012, in an effort to move the customer to its new arrangement for consideration of discounts (Rate Schedule CSG), the Company provided notice of its intent to not renew its contract with Homasote at the end of October 31, 2013. In accordance with Rate Schedule CSG, Homasote submitted an application seeking discounted rates under the "Other Considerations" portion of rate Schedule CSG for its facilities. PSE&G evaluated Homasote's application and determined that it was consistent with the terms of its tariff.

On November 21, 2014, Staff received comments from the New Jersey Division of Rate Counsel. While Rate Counsel had no objections to the terms of the Service Agreement, it did object to granting Homasote any discount on the SBC other than any exemption that it may be entitled to under N.J.S.A. 48:3-60.1 for gas used to generate electricity sold for resale.

Staff recommended the Board issue an Order approving the service agreement between PSE&G and Homasote. Staff further recommended that the Board approve a discounted SBC charge applicable to Homasote which would consist only of the portion of the SBC that is attributable to the New Jersey Clean Energy Program at the level set each year by the Board and allocated to PSE&G. Finally, Staff recommended the Board find that

as a provision of approving the contract with the SBC discounts described above, Homasote shall be precluded from participating in, and receiving funds, from any PSE&G energy efficiency or solar program whose costs are recovered in the Green Programs Recovery Charge which Homasote would not be paying.

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

<b>Roll Call Vote:</b>	<b>President Mroz</b>	<b>Aye</b>
	<b>Commissioner Fiordaliso</b>	<b>Aye</b>
	<b>Commissioner Holden</b>	<b>Aye</b>
	<b>Commissioner Solomon</b>	<b>Aye</b>

**C. Docket No. EC14111284 – In the Matter of F. Joseph Kilroy, Petitioner v. Public Service Electric and Gas Company, Respondent.**

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

**BACKGROUND AND DISCUSSION:** Commissioner Chivukula recused himself from this matter. On October 29, 2014, F. Joseph Kilroy (Petitioner) of 138 Magna Drive, Long Hill, NJ was noticed by Public Service Electric and Gas Company (PSE&G) that the Petitioner would conduct vegetation management on the Company's right of way on Kilroy's Property.

Kilroy then filed a Petition with the Board on November 11, 2014, asking the Board to require PSE&G to abide by its Vegetation Management plan outlined in a July 13, 2005 letter from PSE&G to Kilroy. Following review, Staff discovered a subsequent settlement agreement, release and waiver that was signed by Mr. Kilroy his wife and PSE&G, in which the Petitioner agreed to the following:

- a. Acknowledged that PSE&G would perform vegetation management in conformity with the recently adopted New Jersey State vegetation management regulations, amended in 2006, specifically removing all trees under transmission lines that have the ability to reach 15 feet at maturity with-in the Border zone;
- b. Agreed that anything planted on right of way must be approved by PSE&G;
- c. Agreed that the 2005 agreement letter is null and void and of no further force or effect; and
- d. Waived and gave up any claims he may have against PSE&G.

Mr. Kilroy was paid \$5,371 as consideration for the release and waiver and for any damage that might occur.

In light of this agreement, Staff recommended the Board dismiss the petition, and remind PSE&G and other electric distribution companies that they are obligated to comply with the Board's Vegetation management rules at N.J.A.C. 14: 5-9 et seq.

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

<b>Roll Call Vote:</b>	<b>President Mroz</b>	<b>Aye</b>
	<b>Commissioner Fiordaliso</b>	<b>Aye</b>
	<b>Commissioner Holden</b>	<b>Aye</b>
	<b>Commissioner Solomon</b>	<b>Aye</b>

**D. Docket No. AX13030196 – In the Matter of the Board’s Establishment of a Generic Proceeding to Review the Prudency of Costs Incurred by New Jersey Utility Companies in Response to Major Storm Events in 2011 and 2012;**

**Docket No. AX13030197 – In the Matter of the Board’s Establishment of a Generic Proceeding to Review the Costs, Benefits, and Reliability Impacts of Major Storm Event Mitigation Efforts; and**

**Docket No. EO11090543 – In the Matter of the Board’s Review of the Utilities’ Response to Hurricane Irene – Receipt of Final Report by General Electric Energy Management Entitled “Review and Comment on EDC Major Storm Response Filings”.**

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

**BACKGROUND AND DISCUSSION:** In its January 23, 2013 Order Docket No EO11090543, after several unprecedented severe weather events, the Board directed the electric distribution companies (EDCs) to file numerous plans to recover and harden the electric infrastructure.

Board Staff finalized a scope of work with Rutgers to develop a Request for Proposal to evaluate, review and comment on the EDCs Major Storm Response Filings and issued a revised Center for Energy, Economics and Environmental Policy (CEEPP) contract.

After a public bidding process, General Electric Energy Management (GE) was awarded the contract by Rutgers CEEPP. GE presented its findings to the Board at a public meeting held on October 20, 2014.

Staff recommended the Board acknowledge receipt of the final report and direct that it be put on the Board’s website.

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

<b>Roll Call Vote:</b>	<b>President Mroz</b>	<b>Aye</b>
	<b>Commissioner Fiordaliso</b>	<b>Aye</b>
	<b>Commissioner Holden</b>	<b>Aye</b>
	<b>Commissioner Solomon</b>	<b>Aye</b>
	<b>Commissioner Chivukula</b>	<b>Aye</b>

- E. Non-docketed Matter – In the Matter of the Agreement between Public Service Electric and Gas Company and, Individually, Little Ferry, North Haledon and Garwood and the Agreement between Jersey Central Power & Light Company and, Individually, Blairstown, East Windsor, Freehold, and Millstone, Regarding a Pilot Program for Enhanced Vegetation Management Practices – Update.**

**Michelle Rossi, New Jersey Energy Resilience Bank**, presented this matter.

**BACKGROUND AND DISCUSSION:** This matter involved Staff providing the Board with an update on the agreement on the Vegetation Management Pilot Program (Pilot). The Pilot is the result of a collaborative effort between the Board and the League of Municipalities (League). Pilot participants from Public Service Electric and Gas' territory include Little Ferry, North Haledon and Garwood. Participants from Jersey Central Power & Light include East Windsor, Blairstown, Freehold and Millstone.

The pilot is a proactive approach to improve reliability and resiliency of the power grid in the State of New Jersey. The goals of the Pilot are to reduce the number of tree related outages, and to increase the reliability of overhead distribution systems. The off-right-of-way trees posing a potential threat to electric service lines are removed. The stumps are ground, the debris is taken away, and the tree is replaced with a "line-friendly" species.

**3. CABLE TELEVISION**

There were no items in this category.

**4. TELECOMMUNICATIONS**

There were no items in this category.

**5. WATER**

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

- A. Docket No. WF14070804 – In the Matter of the Petition of United Water West Milford Inc. for Deferral Accounting Authority for the Financial Impact of the Settlement of Litigation with Bald Eagle Commons Building Association.**

**BACKGROUND AND DISCUSSION:** Commissioner Chivukula recused himself from this matter. On July 29, 2014, United Water West Milford Inc. (United Water, Company) filed a petition with the Board seeking authority to defer on its books and records the actually incurred costs of settlement of the litigation filed by Bald Eagle Commons Building Association against the Company in New Jersey Superior Court that are not otherwise recovered through the Company's currently approved base rates. The Company further proposed that the ratemaking treatment of such deferred costs be addressed in its next base rate case.

United Water provides wastewater service to approximately 509 wastewater customers in a portion of West Milford Township, Passaic County.

United Water, the Division of Rate Counsel and the Staff of the Board, Parties to this proceeding, engaged in settlement discussions which resulted in the following Stipulation of Settlement (Stipulation):

- United Water may defer on its books and records \$293,980, for accounting purposed only, representing actually incurred expenses through October 31, 2014, resulting from the litigation filed by Bald Eagle Commons that are not otherwise recovered through the Company's currently approved base rates.
- United Water may defer any additional expenses, subject to a cap of \$20,000, related to the litigation, incurred after October 31, 2014, that are not otherwise recovered through the Company's currently approved base rates.
- No ongoing routine expenses are to be included in the requested deferrals.
- The ratemaking treatment – including the reasonableness, prudence and the appropriate amortization period, if any – are to be addressed in the Company's next base rate case.

Staff recommended the Board approve the Stipulation entered into by the Parties.

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

<b>Roll Call Vote:</b>	<b>President Mroz</b>	<b>Aye</b>
	<b>Commissioner Fiordaliso</b>	<b>Aye</b>
	<b>Commissioner Holden</b>	<b>Aye</b>
	<b>Commissioner Solomon</b>	<b>Aye</b>

**B. Docket No. WM14080834 – In the Matter of the Petition of United Water New Jersey, Inc. for Approval as Needed of a Plan to Replace or Modify the Current Method of Taking Actual Meter Readings.**

**BACKGROUND AND DISCUSSION:** Commissioner Chivukula recused himself from this matter. On July 31, 2014, United Water New Jersey (Company, Petitioner) filed a petition with the Board for approval as may be required under the New Jersey Administrative Code 14:3-7.2(f), which states: "Prior to the implementation of any plan, automated or otherwise, which would replace or modify a utility's current method of taking actual meter readings for any class of customers, said plan shall be submitted to the Board for approval".

The Petitioner proposed a plan for an Enhanced Metering Project under which customers' meter readings would continue to be taken by radio frequency, but would be gathered through fixed data collectors, rather than the mobile data collectors currently housed in Company vehicles.

Using fixed data collectors', meter readings would be taken much more frequently than the current monthly schedule, making more consumption data available to the Company and its customers, increasing meter reading and billing system accuracy, and facilitating conservation, leak detection, and the control of non-revenue water.

It is expected that upon completion of the Project, the Company will realize approximately \$360,000.00 in annual savings through the reduction in vehicle gas and mileage costs, by the elimination of mobile data collectors housed in Company vehicles.

Staff recommended the Board approve United Water New Jersey's plan for its Enhanced Metering Project as meeting the requirements of the Code.

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

<b>Roll Call Vote:</b>	<b>President Mroz</b>	<b>Aye</b>
	<b>Commissioner Fiordaliso</b>	<b>Aye</b>
	<b>Commissioner Holden</b>	<b>Aye</b>
	<b>Commissioner Solomon</b>	<b>Aye</b>

**C. Docket No. WF14101084 – In the Matter of the Application of Middlesex Water Company for Authority to Borrow Up to \$5.0 Million and to Issue Evidences of Indebtedness Pursuant to the Environmental Infrastructure Trust Financing Program.**

**BACKGROUND AND DISCUSSION:** On October 1, 2014, Middlesex Water Company filed a petition with the Board requesting authority to:

- a) Borrow up to \$5.0 million (Loans) from the New Jersey Environmental Infrastructure Trust (Trust) and the State of New Jersey, acting by and through the New Jersey Department of Environmental Protection (State) and make, execute and deliver to the Trust and the State documents required in connection therewith;
- b) Make, execute and deliver, if necessary, one or more Supplemental Indentures of Mortgage to US Bank National Association, as Trustee, for the purpose among other things, of describing the terms of Petitioner's First Mortgage Bonds (hereinafter called the Company's Bonds), or to make such guarantee or guarantees as are required by State and the Trust to secure the Loans; and
- c) Issue and deliver, if necessary, to the Trust and the State up to \$5.0 million principal amount of the Company's Bonds, with a final maturity in 2035. Petitioner's Bonds will bear interest at approximately one-quarter of the interest rate of the Trust's Bonds which are intended to be sold by competitive bidding.

The Trust Bonds will be sold through one or more underwriters with a fixed rate of interest, under circumstances where competitive conditions will be maintained throughout.

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 continuing 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 2015.

The Office of the Economist, after review of the information submitted in this proceeding, 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.

<b>Roll Call Vote:</b>	<b>President Mroz</b>	<b>Aye</b>
	<b>Commissioner Fiordaliso</b>	<b>Aye</b>
	<b>Commissioner Holden</b>	<b>Aye</b>
	<b>Commissioner Solomon</b>	<b>Aye</b>
	<b>Commissioner Chivukula</b>	<b>Aye</b>

**6. RELIABILITY & SECURITY**

There were no items in this category.

**7. CUSTOMER ASSISTANCE**

There were no items in this category.

**8. CLEAN ENERGY**

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

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

**Docket No EO13050388V – In the Matter of Syncarpha EFG I, LLC – Bernards Township Landfill.**

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

**BACKGROUND AND DISCUSSION:** On May 6, 2013, Syncarpha EFG I, LLC (Syncarpha) submitted an application to the Board to have its Bernards Township project certified as located on a properly closed landfill pursuant to the Solar Act, Subsection (t). The application represented that the project was for a 3.39 megawatt project and would be located on the landfill. Staff forwarded the application to the New Jersey Department of Environmental Protection (DEP) for its review and the DEP advised that the landfill was properly closed and fell within the purview of Subsection (t). Syncarpha proposed to increase the size of its project from 3.39 to 4.3187 megawatts. Staff forwarded the revised application once more to the DEP and they found no substantial changes. Therefore, Staff recommended the Board approve the project under Subsection (t).

**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. EO09020122 – In the Matter of the Contract for Applied Energy Group, Inc. for the New Jersey Clean Energy Program; Contract No. A-68922 – Request for Contract Modification; and**

**Docket No. EO09100836 – In the Matter of the New Jersey Clean Energy Program – TRC Energy Services, Market Manager; Contract No. A-67053 – Request for Contract Modifications.**

**Elizabeth Ackerman, RA+LEED AP, Acting Director, Division of Economic Development & Energy Policy, presented these matters.**

**BACKGROUND AND DISCUSSION:** This matter involved contract modifications for Applied Energy Group, Inc. (AEG) and TRC Energy Services (TRC). The modification under the AEG contract relates to the state’s annual A1-33 single audit as performed by KPMG. This contract modification, for an amount not to exceed \$75,000 as a pass-through expense, is to enable AEG to perform an audit on the Information Management System. AEG’s current contract is for \$2.2 million.

The first modification under the TRC contract, for an amount not to exceed \$200,000, is to implement the Societal Benefits Charge (SBC) credit program. This is to develop an application and program guidelines for the SBC credit program which was signed into legislation by Governor Christie in 2012. The second modification has an estimated value of \$200,000 and is based on a per unit charge for review and inspection of application to the Large Scale Combined Heat and Power Fuel Cell Program. In Fiscal Year 2014, this program was moved out of the Economic Development Administration (EDA) and intended to continue on to TRC. With this, the transition of the program to TRC will be completed. The third contract modification, for an amount not to exceed \$100,000, is to provide ad hoc technical support to the Energy Resiliency Bank. The current TRC contract value is \$11 million.

Staff recommended the Board approve both the AEG and TRC contract modifications, pending approval by the State of New Jersey Office of Management and Budgets and the Department of Treasury.

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

<b>Roll Call Vote:</b>	<b>President Mroz</b>	<b>Aye</b>
	<b>Commissioner Fiordaliso</b>	<b>Aye</b>
	<b>Commissioner Holden</b>	<b>Aye</b>
	<b>Commissioner Solomon</b>	<b>Aye</b>
	<b>Commissioner Chivukula</b>	<b>Aye</b>

**C. Docket No. EG12070655V – In the Matter of Edison Innovation Green Growth Funds – Locus Energy’s Request for Award Modification.**

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

**BACKGROUND AND DISCUSSION:** This matter involved a request from Locus Energy (Locus) for a new award under the Edison Innovation Green Growth Fund (EIGGF).

Initially, in 2012, the Board approved a loan of \$1.45 million through the EIGGF for Locus to fund growth capital needs. The loan has been fully disbursed and handled according to the program guidelines. In May 2014, Locus returned to the Board asking for a loan modification. They were experiencing rapid growth and needed assistance with cash flow. The Board approved a loan modification which allowed them to enter into a factoring agreement.

Locus requested an additional loan of \$546,000 to support additional growth capital needs. This is permissible under the program, which has a \$2 million cap. The first loan of \$1.45 million plus the additional \$546,000 puts them within the program guidelines.

Staff recommended the Board approve this new award.

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

<b>Roll Call Vote:</b>	<b>President Mroz</b>	<b>Aye</b>
	<b>Commissioner Fiordaliso</b>	<b>Aye</b>
	<b>Commissioner Holden</b>	<b>Aye</b>
	<b>Commissioner Solomon</b>	<b>Aye</b>
	<b>Commissioner Chivukula</b>	<b>Aye</b>

**D. Docket No. QO14050489 – In the Matter of the Clean Energy Programs and Budget for Fiscal Year 2015 – Fiscal Year 2015 True-Up Budget.**

**Elizabeth Ackerman, RA+LEED AP, Acting Director, Division of Economic Development & Energy Policy,** presented these matters.

**BACKGROUND AND DISCUSSION:** In June 2014, the Board approved the initial Fiscal Year 2015 (FY15) Clean Energy Program (CEP) budget based on eight months of actual commitments and expenditures, plus four months of projected commitments and expenditures. This budget process “trues-up” that budget based on actual expenditures

and commitments and also reconciles some additional expenses and revenue that have been identified since then.

The first expense is almost \$1.2 million in additional fiscal year funding which is the result of interest on Economic Development Administration (EDA) Clean Energy funds as well as loan repayments that have been made to EDA. The second reconciles additional legislative appropriations in the amount of \$58 million. There was a supplemental Fiscal Year 2014 (FY14) appropriation of \$28 million after the FY15 budget was approved, and an additional \$30 million appropriation in FY15. The third is approximately \$5.4 million when the Board approved changes from a calendar year budget to a fiscal year budget. This \$5.4 million completes the reconciliation of those revenues associated with that transition.

Some of the main components of the FY15 Budget are as follows:

- The Large Combined Heat and Power / Fuel Cell Program budget is reduced by \$15 million, from \$40 million to \$25 million;
- The Energy Resiliency Bank allocation is reduced from \$30 million to \$1.5 million; and
- The remaining \$13 million reduction occurs across Clean Energy Programs, based on feedback from the market managers.

The original FY15 budget approved in June 2014 was for \$499 million. The revised FY15 budget, once reconciled, is \$507 million and allows \$260.6 million available for additional expenditures and commitments. Staff indicated that all programs remain fully funded and that there will be a 15 percent headroom in this budget over the FY14 budget, appropriate to accommodate the trend of growth of participation in the CEP that has been seen over the past three years.

Staff recommended the Board approved the revised FY15 CEP budget and compliance filings.

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

<b>Roll Call Vote:</b>	<b>President Mroz</b>	<b>Aye</b>
	<b>Commissioner Fiordaliso</b>	<b>Aye</b>
	<b>Commissioner Holden</b>	<b>Aye</b>
	<b>Commissioner Solomon</b>	<b>Aye</b>
	<b>Commissioner Chivukula</b>	<b>Aye</b>

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

**E. Docket No. QS14040316 – In the Matter of Michael Manis and Manis Lighting, LLC – New Jersey Clean Energy Program Renewable Energy Incentive Program.**

**BACKGROUND AND DISCUSSION:** This matter involved the disposition of open applications following the Board's imposition of a Level Four Suspension against Mr. Michael Manis and Manis Lighting, LLC, (Manis) from participation in all New Jersey

Clean Energy Programs (NJCEP Programs) effective June 28, 2014. In the Board's June 18, 2014 Order, the Board suspended Manis from participation in all New Jersey Clean Energy Programs for the period of one year, primarily due to alleged falsification of Tax Clearance Certificates (TCCs) received from the New Jersey Division of Taxation.

At the time of the suspension, Manis had several open applications with the Commercial and Industrial (C&I) Retrofit Program which needed to be resolved. Accordingly, the Board directed Staff to review the outstanding applications and make a recommendation to the Board to approve or deny financial awards for each.

After review of the applications and supplemental information, Staff found that fifteen projects had expired under the program rules requiring that projects must be completed within one year from the date of initial approval to qualify for an incentive and would therefore be ineligible. Additionally, the twelve projects for which Staff identified a false TCC, Staff recommended the Board deny an incentive because they were the basis for the Level 4 suspension.

There were four pending applications for which Manis had submitted a valid TCC. However, Staff identified other deficiencies and/or violations of program guidelines such that Staff recommended the Board deny payment for all four applications.

Finally, Staff identified three applications that did not contain any fatal flaws, and therefore recommended, subject to receipt of required documentation, compliance with program guidelines and customer confirmation, authorization to pay an incentive of \$1,019.50 for the Biondi Funeral Home project, an incentive of \$2,967 for the Galloping Hill Inn project and an incentive of \$760 for the Different Strokes for Little Folks project.

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

<b>Roll Call Vote:</b>	<b>President Mroz</b>	<b>Aye</b>
	<b>Commissioner Fiordaliso</b>	<b>Aye</b>
	<b>Commissioner Holden</b>	<b>Aye</b>
	<b>Commissioner Solomon</b>	<b>Aye</b>
	<b>Commissioner Chivukula</b>	<b>Aye</b>

**F. Docket No. QS14121384 – In the Matter of Patrick Ryan and Ryan Incorporated, New Jersey Clean Energy Program – Contractor Remediation.**

**BACKGROUND AND DISCUSSION:** This matter involved Staff's review of discrepancies found by Honeywell Inc. during their inspection of a Home Performance with EnergyStar (HPwES) project for certain Energy Efficiency measures undertaken at the residence of Mr. William Griffeth by Ryan and Ryan, Inc. (Ryan).

After meetings with Ryan and review of several written response, Staff recommended that Ryan Show Cause before the Board, at a time and place to be designated: Why a Final Order should not be issued, imposing a Level 4 Sanction and suspending Ryan from participating in any New Jersey Clean Energy Program for one year from the effective date of a Board Order with no reinstatement without filing a petition subject to Board approval.

In addition, Staff recommended that Ryan file within fifteen days of the this Order to Show Cause 1) and answer to the Order to Show Cause and 2) exhibits which Mr. Ryan and Ryan, Inc. intend to rely upon in opposition to the relief sought in the Order to Show Cause.

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

<b>Roll Call Vote:</b>	<b>President Mroz</b>	<b>Aye</b>
	<b>Commissioner Fiordaliso</b>	<b>Aye</b>
	<b>Commissioner Holden</b>	<b>Aye</b>
	<b>Commissioner Solomon</b>	<b>Aye</b>
	<b>Commissioner Chivukula</b>	<b>Aye</b>

## 9. MISCELLANEOUS

There were no items in this category.

### LATE STARTER A

#### ENERGY

**Docket No. ER14010002 – In the Matter of the Federal Energy Items for 2014 – Delaware Division of Public Advocate, et al. v. Baltimore Gas & Electric, et al. – FERC Docket No. EL15-27.**

**Jennifer S. Hsia, Deputy Attorney General, Division of Law,** presented this matter.

**BACKGROUND AND DISCUSSION:** President Mroz was not present for this matter. This is in the matter of the Federal Energy Items for 2014, Delaware Division Public Advocate, et al, vs. Baltimore Gas & Electric, et al, Docket No. EL 15-27. This is a complaint filed in February 2013 by the New Jersey Board of Public Utilities, as well as other state commissions and public advocates, regarding PHI's base return on equity alleging that it were unjust and unreasonable.

The refund effective period for that complaint was effective for 15 months. To have a new refund effective period, the Board must file this new complaint. Staff recommended ratification of this new complaint.

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

<b>Roll Call Vote:</b>	<b>Commissioner Fiordaliso</b>	<b>Aye</b>
	<b>Commissioner Holden</b>	<b>Aye</b>
	<b>Commissioner Solomon</b>	<b>Aye</b>
	<b>Commissioner Chivukula</b>	<b>Aye</b>

## **LATE STARTER B**

### **CUSTOMER ASSISTANCE**

**Docket No. EO14070701U – In the Matter of John J. Hoffman, Acting Attorney General of the State of New Jersey, et al. v. Hiko Energy, LLC, et al. – Docket No. MER-C-32-14 – See Executive Session.**

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

## **LATE STARTER C**

### **ENERGY**

**Docket Nos. BPU ER12111052 and OAL PUC 16310-12 – In the Matter of the Verified Petition of Jersey Central Power & Light Company for Review and Approval of Increases in and Other Adjustments to Its Rates and Charges for Electric Service, and for Approval of Other Proposed Tariff Revisions in Connection Therewith and for Approval of an Accelerated Reliability Enhancement Program (2012 Base Rate Filing) – Update – See Executive Session.**

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

## EXECUTIVE SESSION

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

### LATE STARTER B

#### CUSTOMER ASSISTANCE

**Docket No. EO14070701U – In the Matter of John J. Hoffman, Acting Attorney General of the State of New Jersey, et al. v. Hiko Energy, LLC, et al. – Docket No. MER-C-32-14.**

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

### LATE STARTER C

#### ENERGY

**Docket Nos. BPU ER12111052 and OAL PUC 16310-12 – In the Matter of the Verified Petition of Jersey Central Power & Light Company for Review and Approval of Increases in and Other Adjustments to Its Rates and Charges for Electric Service, and for Approval of Other Proposed Tariff Revisions in Connection Therewith and for Approval of an Accelerated Reliability Enhancement Program (2012 Base Rate Filing) – Update.**

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

After appropriate motion, the Board reconvened to Open Session.

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



DATE: January 21, 2015

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KENNETH J. SHEEHAN  
BOARD SECRETARY