



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

A Regular Board meeting of the Board of Public Utilities was held on March 26, 2018, at the State House Annex, Committee Room 16, 125 West State Street, Trenton, New Jersey 08625.

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

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

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

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

*Commissioner Mroz participated by phone.

President Fiordaliso presided at the meeting and Aida Camacho-Welch, Secretary of the Board, carried out the duties of the Secretary.

It was announced that the next regular Board Meeting would be held on April 25, 2018 at the State House Annex, Committee Room 4, 125 West State Street, Trenton, New Jersey 08625.

President Fiordaliso recognized and thanked Commissioner Richard S. Mroz, and, by unanimous vote, adopted a resolution commending his years of service to the Board and the citizens of the State of New Jersey.

CONSENT AGENDA

I. AUDITS

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

EE17091007L	F&D Partners, Inc.	I – EA
EE17080910L	Accenture LLP	I – EA
EE17121261L	Essential Energy, LLC	I – EA
EE17080899L	Global Energy, LLC d/b/a	I – EA/PA/EC
GE17080900L	Global Energy Electric & Gas	
EE16020157L	Aspen Energy Corporation	I – EA/EC
GE18030269L		

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

EE18020167L	John Orr d/b/a Energy Management Services	R - EA
EE17050490L	Customer Acquisition Specialists of America, Inc. d/b/a North American Energy Advisory	R – EA
EE16090878L	Open Energy Services LLC	R – EA
EE18020132L	Utility Concepts Inc.	R – EA
EE17121276L	Live Energy Inc.	R – EA
EE17090990L	Smart Energy Brokers LLC	R – EA
EE18010062L	Premier Power Solutions, LLC	R – EA
EE17030296L	Amerex Brokers LLC d/b/a Amerex Energy Services	R – EA
EE17050444L	Energy Management Partners II Inc. d/b/a Energy Management Partners	R –EA
EE14020200L	The Legacy Energy Group, LLC	R – EA/PA
GE14020201L	d/b/a Legacy Energy; Legacy	
EE15091030L	Option One Energy LLC	R – EA/PA
GE15091031L		
EE15101120L	HealthTrust Purchasing Group LP	R – EA/PA/EC
GE15101121L		
EE17040349L	Advisors Energy Group, LLC	R – EA/EC
GE17040350L		
EE17121306L	Luthin Associates, Inc.	R – EA/EC
GE18030227L		

Electric Power and/or Natural Gas Supplier Initial Licenses

EE17060710L	Interstate Gas Supply, Inc.	I – EGSL
GE18020130L	d/b/a IGS Energy	
EE17090980L	National Choice Energy, LLC	I – EGSL
GE17090979L		

Electric Power and/or Natural Gas Supplier Renewal Licenses

EE18030245L	Morgan Stanley Services Group, Inc.	R – ESL
EE12020159L	Constellation NewEnergy, Inc. d/b/a Constellation	R – ESL
GE12020181L	Constellation NewEnergy–Gas Division, LLC	R – GSL
EE16121178L	Entrust Energy East, Inc.	R – EGSL
GE16121179L		
EE17040344L	Direct Energy Services, LLC	R – EGSL
GE17040345L		
EE16030235L	Direct Energy Business, LLC	R – EGSL
GE16030236L		
EE16090862L	South Jersey Energy Company	R – EGSL
GE16090863L		
EE17040339L	Gateway Energy Services Corporation	R – EGSL
GE17040340L		
GE16030257L	Infinite Energy, Inc. d/b/a Intelligent Energy	R – GSL

BACKGROUND: The Board must register all energy agents and consultants, and the Board must license all third party electric power suppliers and gas suppliers. An electric power supplier, gas supplier, or clean power marketer license shall be valid for one year from the date of issue, except where a licensee has submitted a complete renewal application at least 30 days before the expiration of the existing license, in which case the existing license shall not expire until a decision has been reached upon the renewal application. An energy agent, private aggregator or energy consultant registration shall be valid for one year from the date of issue. Annually thereafter, licensed electric power suppliers, gas suppliers, and clean power marketers, as well as energy agents, private aggregators and energy consultants, are required to renew timely their licenses in order to continue to do business in New Jersey.

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

- F&D Partners, Inc.
- Accenture LLP
- Essential Energy, LLC
- Global Energy, LLC d/b/a Global Energy Electric & Gas
- Aspen Energy Corporation

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

- John Orr d/b/a Energy Management Services
- Customer Acquisition Specialists of America, Inc. d/b/a North American Energy Advisory
- Open Energy Services LLC
- Utility Concepts Inc.
- Live Energy Inc.
- Smart Energy Brokers LLC
- Premier Power Solutions, LLC
- Amerex Brokers LLC d/b/a Amerex Energy Services

- Energy Management Partners II Inc. d/b/a Energy Management Partners
- The Legacy Energy Group, LLC d/b/a Legacy Energy; Legacy
- Option One Energy LLC
- HealthTrust Purchasing Group LP
- Advisors Energy Group, LLC
- Luthin Associates, Inc.

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

- Interstate Gas Supply, Inc. d/b/a IGS Energy
- National Choice Energy, LLC

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

- Morgan Stanley Services Group, Inc.
- Constellation NewEnergy, Inc. d/b/a Constellation
- Constellation NewEnergy – Gas Division, LLC
- Entrust Energy East, Inc.
- Direct Energy Services, LLC
- Direct Energy Business, LLC
- South Jersey Energy Company
- Gateway Energy Services Corporation
- Infinite Energy, Inc. d/b/a Intelligent Energy

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

II. ENERGY

A. Docket No. ER18010004 – In the Matter of Federal Energy Items for 2018 – FERC Docket No. CP18-95 – ETG Acquisition Corporation’s Abbreviated Application for Service Area Determination.

BACKGROUND: This matter involved Staff, on behalf of the Board, filing for intervention in this proceeding as an “interested state commission” under Federal Energy Regulatory Commission (FERC) rules of practice. The purpose of this intervention is to establish the Board as a party to the proceeding.

On February 28, 2018, ETG Acquisition Corp. (ETG), a direct subsidiary of SJI Utilities, Inc., which is in turn wholly-owned by South Jersey Industries, Inc. (SJI), filed an application pursuant to section 7(f) of the Natural Gas Act (NGA) requesting a service area determination within which ETG may, without further Commission authorization, enlarge or expand its facilities. ETG further requested that the Commission determine that ETG is a local distribution company for purposes of Section 311 of the Natural Gas Policy Act (NGPA) and grant a waiver of all reporting and accounting requirements, rules, and regulations that are normally applicable to natural gas companies under the NGA and NGPA.

ETG was formed for the purpose of acquiring the natural gas distribution assets of Elizabethtown located within the State of New Jersey and is currently pending the appropriate regulatory approvals from the New Jersey Board of Public Utilities.

ETG intends to own and operate certain facilities in Pennsylvania to provide natural gas distribution service across state lines in a limited geographic area in northwestern New Jersey. ETG plans to acquire a small interstate pipeline facility (the Penn-Jersey Line) from Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas (Elizabethtown) as part of a larger asset purchase agreement. ETG requested this authorization so that it may continue to operate the Penn-Jersey Line and supersede the existing NGA Section 7(f) service area determination received by Elizabethtown for those same facilities.

Staff recommended that the Board ratify this intervention.

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

B. Docket No. ER18010004 – In the Matter of Federal Energy Items for 2018 – FERC Docket No. AD18-7 – Grid Resilience in RTOs and ISOs.

BACKGROUND: This matter involved Staff, on behalf of the Board, filing for intervention in this proceeding as an “interested state commission” under Federal Energy Regulatory Commission (FERC) rules of practice. The FERC e-filing rules allow for doc-less interventions, which is how this matter was filed. The purpose of this intervention is to establish the Board as a party to the proceeding.

The Secretary of Energy issued this Notice of Proposed Rulemaking (NOPR) for final action by the FERC. This NOPR would require that certain independent system operators and regional transmission organizations (RTOs) establish tariffs subjecting power generating facilities with certain attributes to cost of service regulation.

On October 2, 2017, FERC issued notice establishing a comment deadline of October 23, 2017, with reply comments due November 7, 2017. On October 4, 2017, FERC presented questions to commenters on this NOPR. The Board submitted comments in this docket.

On January 8, 2018, FERC terminated the rulemaking proceeding it initiated (Docket No. RM18-1-000) to consider the Department of Energy’s NOPR on grid reliability and resilience pricing. In doing so, FERC indicated that it places a priority on resilience, and issued an order initiating a new proceeding (Docket No. AD18-7-000) to holistically examine the resilience of the bulk power system.

FERC directed operators of the regional wholesale power markets to provide information as to whether FERC and the markets need to take additional action on resilience of the bulk power system. The goals of this proceeding are to develop a common understanding among the Commission, industry and others of what resilience of the bulk power system means and requires; to understand how each RTOs and independent system operator assesses resilience in its geographic footprint; and to use this information to evaluate whether additional Commission action regarding resilience is appropriate. There will be opportunity for Reply Comment.

Staff recommended that the Board ratify this intervention.

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

III. CABLE TELEVISION

A. Docket No. CE16070693 – In the Matter of the Petition of Comcast of South Jersey, LLC, for a Renewal Certificate of Approval to Continue to Construct, Operate and Maintain a Cable Television System in and for the Township of Pennsville, County of Salem, State of New Jersey.

BACKGROUND: On July 25, 2016, Comcast of South Jersey, LLC (Comcast) filed a petition for an Automatic Renewal Certificate of Approval for the Township of Pennsville based on the automatic renewal provision, for a term to expire on April 15, 2026.

The petition is based on the Township's ordinance granting renewal municipal consent which was adopted on April 5, 2001. The Township's ordinance granted a term of 15 years with an automatic renewal term of ten years. The initial term expired on April 15, 2016.

Staff recommended approval of the proposed Automatic Renewal Certificate of Approval. This Certificate shall expire April 15, 2026.

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

B. Docket No. CE16121197 – In the Matter of the Petition of Comcast of Garden State, LP, for a Renewal Certificate of Approval to Continue to Construct, Operate and Maintain a Cable Television System in and for the Borough of Collingswood, County of Camden, State of New Jersey.

BACKGROUND: On December 30, 2016, Comcast of Garden State, LP (Comcast) filed a petition for an Automatic Renewal Certificate of Approval for the Borough of Collingswood (Borough) based on the automatic renewal provision, for a term to expire on December 23, 2026.

The petition is based on the Borough's ordinance granting renewal municipal consent which was adopted on June 3, 2002. The Borough's ordinance granted a term of 15 years with an automatic renewal term of ten years. The initial term expired on December 23, 2016.

Staff recommended approval of the proposed Automatic Renewal Certificate of Approval. This Certificate shall expire December 23, 2026.

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

IV. TELECOMMUNICATIONS

A. Docket No. TF18020092 – In the Matter of the Verified Joint Petition of the Chillicothe Telephone Company, d/b/a Horizon Telecom, and Novacap TMT V, LP for the Chillicothe Telephone Company to Participate in a Financing Arrangement of Novacap TMT V, LP

BACKGROUND: On February 1, 2018, the Chillicothe Telephone Company, d/b/a Horizon Telecom, and Novacap TMT V, L.P. (together with Horizon, the Petitioners) submitted a Joint Petition with the Board requesting approval for Horizon to participate in certain financing arrangements upon completion of the transfer of indirect control of Horizon to Novacap V.

The Petitioners requested Board approval to participate in financing arrangements entered into by Merger Sub, initially, and upon the merger of Merger Sub into Horizon Telcom, Horizon Telcom (Merger Sub and Horizon Telcom, collectively, the Borrower), wherein Borrower will receive senior secured credit facilities in an amount of \$155 million issued by Antares Holdings LP, subject to the terms and conditions set forth in a Commitment Letter dated January 25, 2018, previously provided to the Board. Specifically, Horizon sought Board approval to act as a guarantor of the financing arrangements and to pledge as collateral existing and future assets in support. The financing arrangements will provide, in part, Novacap V with the funds necessary to consummate the transaction.

Pursuant to a Plan of Merger, dated as of January 25, 2018, by and among Horizon Acquisition Parent LLC, Horizon Acquisition Merger Sub, Inc. and Horizon Telcom, Inc., the parent of Horizon, Novacap V will acquire indirect control of Horizon. Merger Sub will merge with and into Horizon Telcom, whereupon the separate existence of Merger Sub will cease and Horizon Telcom will survive as a direct, wholly owned subsidiary of Parent. As a result, Horizon will remain a direct subsidiary of Horizon Telcom and, therefore, Horizon will become an indirect subsidiary of Novacap V and certain affiliated funds.

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.

B. Docket No. TM18020091 – In the Matter of the Verified Petition of the Chillicothe Telephone Company d/b/a Horizon Telecom, and Novacap TVT V, LP, for Approval of the Transfer of Indirect Control of the Chillicothe Telephone Company from Horizon Telecom, Inc. to Novacap TMT V, L.P.

BACKGROUND: On February 1, 2018, the Chillicothe Telephone Company, d/b/a Horizon Telcom (Horizon), and Novacap TMT V, LP (Novacap V)(collectively, Petitioners), filed a petition with the Board requesting approval for the transfer of control of Horizon from Horizon Telcom, Inc. (Horizon Telcom), Horizon's parent, to Novacap V.

Following completion of the transaction, the same services will continue to be offered in New Jersey at the same rates, terms, and conditions to Horizon customers.

On March 9, 2018, the New Jersey Division of Rate Counsel submitted comments by letter, stating it did not object to Board approval of the Petitioners' request in this matter.

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

Staff recommended that the Petitioner be allowed to proceed with the transaction.

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

V. WATER

There were no items in this category.

VI. RELIABILITY & SECURITY

A. Docket Nos. GS18030197, 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 (Act) by both excavators and operators of underground facilities. This matter does not contain settlements involving catastrophic situations, death or major property damage. 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 Underground Facility Protection Act (the Act).

Pursuant to the Act, the Board through the Bureau of One-Call supervises and enforces the One-Call Underground Damage Prevention System. The Act subjects violators of its provisions to civil penalties of not less than \$1,000.00 and not more than \$2,500.00 per violation per day, with a \$25,000.00 maximum for a related series of violations. Violations involving a natural gas or hazardous liquid underground pipeline or distribution facility are subject to civil penalties not to exceed \$100,000.00 for each violation for each day with a \$1,000,000.00 maximum for any related series of violations.

The number of settlements are 28 with a total penalty of \$82,000.00.

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.

VII. CUSTOMER ASSISTANCE

A. Docket Nos. BPU EC17030303U and OAL PUC 13325-17- – In the Matter of Hadassah Muhammad, Petitioner v. Public Service Electric and Gas Company, Respondent – Billing Dispute.

BACKGROUND: This matter involved a billing dispute between Hadassah Muhammad (Petitioner) and Public Service Electric and Gas Company (PSE&G). The petition was transmitted to the Office of Administrative Law, for hearing as a contested case. Administrative Law Judge (ALJ) Joann Lasala Candido filed an Initial Decision in this matter with the Board on March 1, 2018, approving the Stipulation of Settlement of the Parties.

Pursuant to the terms of the Stipulation of Settlement and in order to fully resolve this matter, PSE&G agreed to credit \$1,793.58 to the Petitioner's account leaving an overdue balance of \$500.00. The remaining \$500.00 balance will be divided into four deferred payment installments. The Petitioner will pay the current bill each month plus \$125.00 for four consecutive months.

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

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

B. Docket Nos. BPU EC17040388U and OAL PUC 14055-17 – In the Matter of Porters Automotive Diagnostics, Petitioner v. Atlantic City Electric Company, Respondent – Billing Dispute.

BACKGROUND: This matter involved a billing dispute between Porters Automotive Diagnostics (Petitioner) and Atlantic City Electric (ACE). The petition was transmitted to the Office of Administrative Law for hearing as a contested case. Administrative Law Judge (ALJ) Elaine B. Frick filed an Initial Decision in this matter with the Board on February 12, 2018, approving the Stipulation of Settlement of the Parties.

Pursuant to the terms of the Stipulation of Settlement and in order to fully resolve this matter, the Petitioner will make a \$300.00 payment on or before February 2, 2018, and will make an \$800.00 payment on or before March 15, 2018. In addition to the payments, the meter socket must be repaired and inspected.

Upon the successful completion of the terms above, ACE will re-energize the Petitioner's electrical service. The new account will be accessed a \$15.00 connection fee and a \$645.00 security deposit, which can be split into installments on the first three bills.

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

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

VIII. CLEAN ENERGY

There were no items in this category.

IX. MISCELLANEOUS

There were no items in this category.

After appropriate motion, the consent agenda was approved.

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

AGENDA

1. AUDITS

A. Electric Power Supplier Renewal License

EE18030277L
GE18030278L

HIKO Energy, LLC

ESL-0107
GSL-0107

This matter was deferred.

2. ENERGY

Thomas Walker, Director, State Energy Services Division, presented these matters.

A. Docket No. EO18020190 – In the Matter of the Petition of Atlantic City Electric Company for Approval of a Voluntary Program For Plug-In Vehicle Charging - Order Designating Commissioner, Setting a Bar Date and Manner of Service.

BACKGROUND AND DISCUSSION: On February 23, 2018, Atlantic City Electric Company (ACE) filed a petition with the Board for approval of the Company's Voluntary Program for Plug-In Vehicle (PIV) Charging.

ACE requested Board approval of a five-year, \$14.9 million PIV program designed to be responsive to its customers' needs and to address critical adoption barriers for PIV transportation by providing education and outreach, off-peak charging, and a PIV infrastructure solution to reduce range anxiety. The PIV program will also allow the Company to gather data to better understand the potential impacts that an increase in PIVs may have the electric distribution system.

Staff recommended that the Board retain this matter for consideration and pursuant to N.J.S.A. 48:2-32, designated Commissioner Chivukula as the presiding officer with authority to rule on all motions that arise during the pendency of this proceeding and modify any schedules that may be set as necessary to secure a just and expeditious determination of the issues.

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

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

B. Docket No. EO18020196 – In the Matter of the Petition of Atlantic City Electric Company for Approval of an Infrastructure Investment Program, and Related Cost Recovery Mechanism, Pursuant to N.J.A.C. 14:3-2A.1, et seq. - Order Designating Commissioner, Setting A Bar Date and Manner of Service.

BACKGROUND AND DISCUSSION: On March 1, 2018, Atlantic City Electric Company (ACE) filed a petition (March 2018 IIP Petition) with the Board requesting approval of an Infrastructure Investment Program (IIP) (IIP Regulations) and a related accelerated cost

recovery mechanism. ACE sought a four year, \$338.2 million program to be implemented in the 2019-2022 time period. ACE contends all of the Company's capital investments under the proposed program are exclusively intended to support and enhance ACE's distribution system's reliability, resiliency and safety, as required by the IIP regulations.

Effective January 16, 2018, the IIP regulations sought to support and enhance distribution system reliability, resiliency and safety through an accelerated rate recovery mechanism for qualifying infrastructure investments. A utility may submit to the Board rates for recovery on qualifying expenditures under an IIP which shall be accelerated and recovered through a separate clause in the utility's Board-approved tariff. These expenditures are still subject to a prudence review which shall be determined in the utility's next base rate case. ACE's petition is the first to be filed under the new IIP regulations.

Staff recommended that the Board retain this matter for consideration and pursuant to N.J.S.A. 48:2-32, designated Commissioner Solomon as the presiding officer with authority to rule on all motions that arise during the pendency of this proceeding and modify any schedules that may be set as necessary to secure a just and expeditious determination of the issues. Staff also recommended that entities seeking to intervene or participate in this matter file appropriate application should file with the Board by April 13, 2018.

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

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

C. Docket No. GR17060588 and OAL PUC 16597-17 – In the Matter of the Petition of New Jersey Natural Gas Company for the Annual Review and Revision of its Basic Gas Supply Service and Conservation Incentive Program Rates for F/Y 2018.

BACKGROUND AND DISCUSSION: On June 1, 2017, New Jersey Natural Gas Company (NJNG or Company) filed a petition (2018 BGSS/CIP Petition) with the Board seeking authority for: 1) an increase in its current Basic Gas Supply Service (BGSS) rate from \$0.3654 per therm to \$0.4099 per therm; 2) an increase in the Company's balancing charge rate from \$0.0621 per therm to \$0.0683 per therm; and 3) revisions to its Conservation Incentive Program (CIP) rates.

On September 22, 2017, the Board issued an Order (September 2017 Provisional Order) in this docket approving a stipulation for provisional rates executed by the NJNG, Board Staff, and the New Jersey Division of Rate Counsel (collectively, the Parties). The September 2017 Provisional Order authorized NJNG to implement the proposed Balancing Charge and CIP rates, as well as maintain the current Periodic BGSS rate on a provisional basis.

On September 26, 2017, the Secretary of the Board issued a letter to all New Jersey

electric and gas utilities stating that the SUT to be charged to customers for utility service has been changed from 6.875% to 6.625% effective January 1, 2018. As a result, the BGSS, CIP, and balancing charge rates with SUT were changed accordingly effective January 1, 2018.

On November 7, 2017, the petition was transmitted to the Office of Administrative Law. The matter was subsequently assigned to Administrative Law Judge (ALJ) Jacob S. Gertsman.

On March 2, 2018, the Parties executed a Stipulation for Final Rates (Stipulation) in which the Parties agreed that the adjusted provisionally approved rates should be made final. On March 15, 2018, ALJ Gertsman issued his Initial Decision recommending Board approval of the Stipulation finding that the Parties voluntarily agreed to the Settlement and that the Settlement fully disposed of any issues in controversy and was consistent with the law.

Staff recommended that the Board issue an Order approving the Initial Decision and Stipulation. Staff further recommended that the Board direct NJNG to file tariffs consistent with its Order within five days of service of the Order.

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

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

D. Docket No. ER17101066 – In the Matter of the Petition of Rockland Electric Company for Approval of Electric Base Rate Adjustments Pursuant to the Storm Hardening Program (October 2017 SHP Rate Filing).

BACKGROUND AND DISCUSSION: On October 16, 2017, Rockland Electric Company (RECO or Company) filed a petition (October 2017 Petition) with the Board seeking approval to establish rates to recover an annualized increase in electric revenue requirements of \$795,035.00 related to the company's Storm Hardening Program (SHP). The October 2017 Petition was based on expenditures associated with SHP placed in service through December 31, 2017, including (1) expenditures made but not placed in rates on or before September 30, 2017 pursuant to any prior rate filing, and (2) expenditures from October 1, 2017 through December 31, 2017 that were forecasted in the October 2017 Petition.

On January 26, 2018, the Company provided an updated schedule of expenditures, which replaced the estimated data in the original schedules with actual data through and including December 31, 2017, resulting in an electric revenue requirement, lower than originally proposed in this matter. On February 16, 2018, the Company provided further modified schedules that continue to reflect a lower than initially proposed increase in annual electric revenue requirements. The updated schedules provide for a \$311,653.00 reduction in the proposed revenue requirement from \$795,035.00 to \$483,382.00.

RECO, the New Jersey Division of Rate Counsel and Board Staff (collectively, the Parties) executed a Stipulation of Settlement (Settlement) that allows the Company to recover a revenue requirement increase of \$483,382.00, as provided in the update.

Staff recommended that the Board issue an Order approving the Settlement of the Parties. Staff also recommended that the Board direct RECO to file tariff sheets consistent with its Order prior to April 1, 2018.

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

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

E-1. Docket Nos. BPU EO16080750 and OAL PUC 12098-16 – In the Matter of the Petition of Jersey Central Power & Light Company Pursuant to N.J.S.A. 40:55D-19 for a Determination that the Monmouth County Reliability Project is Reasonably Necessary for the Service, Convenience or Welfare of the Public – Request for Extension.

BACKGROUND AND DISCUSSION: The Initial Decision of the Administrative Law Judge was received by the Board on March 8, 2018; therefore, the 45-day statutory period for review and the issuing of a Final Decision will expire on April 22, 2018. 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 June 6, 2018.

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

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

E-2. Docket Nos. BPU EO16080750 and OAL PUC 12098-16 – In the Matter of the Petition of Jersey Central Power & Light Company Pursuant to N.J.S.A. 40:55D-19 for a Determination that the Monmouth County Reliability Project is Reasonably Necessary for the Service, Convenience or Welfare of the Public – Order on Request for Extension for filing Exceptions to Initial Decision.

Paul Flanagan, Executive Director, presented this matter.

BACKGROUND AND DISCUSSION: On August 9, 2016, Jersey Central Power and Light Company (JCP&L or Company), filed a petition with the Board seeking a determination that a proposed 230 kilovolt (kV) transmission line between New Jersey Transit's Aberdeen substation in Aberdeen, New Jersey, and JCP&L's Red Bank

substation in Red Bank, New Jersey, as well as associated upgrades to JCP&L's Taylor Lane substation in Middletown, New Jersey (Project) is reasonably necessary for the service, convenience or welfare of the public and therefore the Company is entitled to relief from complying with the zoning, site plan review, and other municipal land use ordinances or rules passed by municipalities along the proposed Project route under authority of Title 40, the New Jersey Municipal Land Use Law.

On August 10, 2016, the Board transmitted this matter as a contested case to the Office of Administrative Law, where it was assigned to Administrative Law Judge (ALJ) Cookson. On September 21, 2016, ALJ Cookson entered a Case Management Order that established, inter alia, the schedule for discovery, the filing of pre-filed testimony, and the hearing dates. The Joint Municipal Group (JMG) was also granted intervenor status by Order dated September 21, 2016. Resident's Against Giant Electric, Inc. (RAGE) was granted intervenor status by Order dated October 5, 2016.

On March 8, 2018, ALJ Cookson issued an Initial Decision, which required exceptions to the Initial Decision to be filed within 13 days of the date the Initial Decision was mailed to the parties on or before March 21, 2018.

On March 23, 2018, RAGE filed a request for a three week extension to file its response to the exceptions to the Initial Decision on or before April 17, 2018. In support of its request, RAGE stated that it would "require more than the five days provided in the rules" as the exceptions filed by the Company were detailed and lengthy RAGE further stated that of the time provided in the rules for it to file its response, "two are weekend days." JMG joined in RAGE's request by correspondence dated March 23, 2018.

On March 23, 2018, JCP&L filed opposition to the request for a three week extension to file responses to the exceptions to the Initial Decision. The Company argued that granting the request for an extension until April 17, 2018 provides 26 days for the filing of a response, "which is fundamentally unfair and unnecessary." However, the Company indicated that if the Board inclined to grant the extension request, it should require all replies to the exceptions to be filed no later than April 4, 2018.

Given the extensive record in this matter, as well as the length of the Initial Decision and the Company's exceptions filed thereto, Staff recommended the Board find that RAGE and JMG have demonstrated good cause to warrant a 14 day extension to file their responses to JCP&L's exceptions to the Initial Decision.

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

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

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

Docket No. GR18030224 – In the Matter of the Petition of New Jersey Natural Gas Company for the Adjustment of Base Rates and Refunds Associated with the Tax Cuts and Jobs Act of 2017.

Paul Flanagan, Executive Director and Thomas Walker, Director, State Energy Services Division, presented this matter.

BACKGROUND AND DISCUSSION: This matter involved the interim rate changes to be effective April 1, 2018, that are proposed in the petition filed by New Jersey Natural Gas Company (NJNG or Company) in response to an order issued by the Board on January 31, 2018 (January 31, 2018 Order), directing the affected utilities to file petitions proposing new rates reflecting the impacts from the Federal Tax Cuts and Jobs Act signed into law on December 22, 2017 (the 2017 Act). The effective date of the Act was January 1, 2018.

The 2017 Act sets forth changes to the Federal Internal Revenue Tax Code, including a reduction in the maximum corporate tax rate from 35% to 21%. The Board is charged with the authority to ensure that the regulated utilities’ rates charged to ratepayers are just and reasonable. When the Board sets rates in base rate cases and in certain annual/periodic clauses, utilities are permitted to gross up their revenue requirement as well as set other rate factors, including, the accumulated deferred income tax, based on the then existing 35% corporate tax rate.

On March 1, 2018, the Company filed its petition pursuant to the January 31, 2018 Order, including proposed tariffs as well as a proposed plan. Specifically, NJNG requested the following: (1) a reduction in base rates of \$19.70 million effective April 1, 2018; (2) a refund to customers for the difference in the proposed rate and rates between January 1, 2018 and March 31, 2018; and (3) a refund of \$20.10 million (without sales and use tax (SUT)) in the unprotected Accumulated Deferred Income Taxes.

NJNG also requested two waivers associated with this filing. The Company first requested a waiver of the 30 day notice requirement for a tariff change, per N.J.A.C. 14:1-5.11(a)4, in order for the refund and rate decrease to be effective April 1, 2018. Secondly, NJNG requested a waiver of the procedural schedule previously determined by the Board in the January 31, 2018 Order so this matter can be considered at the Board’s April 25, 2018 agenda meeting and to permit the Company to execute the refund in May 2018.

The Company’s proposed tariffs, include an across the Board rate reduction reflecting the reduction in the corporate tax rate from 35% to 21%. As a result, an average residential heating customer using 1,000 (therms) per year will receive an annual decrease of \$31.30 or three percent. The combined rate reduction and refund impacts to the same customer will be \$78.13 or 7.4% for the year.

The January 31, 2018 Order set the deadline for the filing of motions to intervene or participate on February 20, 2018. No party filed a motion seeking to intervene or participate in this proceeding prior to the expiration of the February 20, 2018 deadline.

Staff recommended that: (1) the Board direct that new tariffs to be filed by the companies on or after April 1, 2018 relating to the across the board rate reduction for services to be rendered; (2) the rates set forth in the tariffs are on an interim basis, subject to refund, pending the outcome of the proceeding; and (3) that the Board will address refunds and other proposed rider tariffs at a later date.

Additionally, Staff recommended that the Board direct that the 2017 Tax Act implementation plans filed by the companies will be reviewed in the instant proceeding, in accordance with the schedule set forth in the Board's January 31, 2018 Order; with the exception of Public Service Electric & Gas which has a base rate case pending in front of the Board.

Staff further recommended that the Board grant the motions to intervene filed by The New Jersey Large Energy Users Coalition.

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

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

Thomas Walker, Director, State Energy Services Division, presented these matters.

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

Docket No. GR18030232 – In the Matter of the Compliance Filing of Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas.

BACKGROUND AND DISCUSSION: This matter involved the interim rate changes to be effective April 1, 2018 that are proposed in the petition filed by Elizabethtown Gas (ETG or Company) in response to an order issued by the Board on January 31, 2018 (January 31, 2018 Order), directing the affected utilities to file petitions proposing new rates reflecting the impacts from the Federal Tax Cuts and Jobs Act signed into law on December 22, 2017 (the 2017 Act). The effective date of the Act was January 1, 2018.

The 2017 Act sets forth changes to the Federal Internal Revenue Tax Code, including a reduction in the maximum corporate tax rate 35% to 21%. The Board is charged with the authority to ensure that the regulated utilities' rates charged to ratepayers are just and reasonable. When the Board sets rates in base rate cases and in certain annual/periodic clauses, utilities are permitted to gross up their revenue requirement as well as set other rate factors, including, the accumulated deferred income tax, based on the then existing 35% corporate tax rate.

On March 2, 2018, the Company filed its Petition pursuant to the January 31, 2018 Order, including proposed tariffs as well as a proposed plan. Based on the 2017 Tax Act, the Company proposed to implement a \$10,938,818 annual reduction in firm distribution revenues, effective April 1, 2018, which represents a 6.6% decrease. Additionally, ETG proposed to refund customers the difference between the effective April 1, 2018 rate and

charges for January 1, 2018 through March 31, 2018. This is estimated to be \$5.6 million, which will be refunded in a billing cycle during or before September 2018. Alternatively, the Company proposed to provide the refunds in May 2018 by filing a true-up after final rate approval by the Board. ETG's calculations include an adjustment to eliminate all Investment tax credits for the revenue requirements. The Company's revenue factor will be reduced to 1.40828098. The Company will use the Average Rate Assumption Method to amortize the protected excess deferred tax liability and proposed to amortize the unprotected portions of the excess over five years. ETG's rate base includes an offset for deferred taxes, a portion of which will be used to provide customers an ongoing carrying cost benefit to the pre-tax weighted average cost of capital. To accomplish the rate reduction, the Company proposed to only reduce the distribution charges of its firm service classification and leave the service charges untouched. The Weather Normalization Clause Margin Revenue Factor will be adjusted, effective January 1, 2018, to realize the full benefit of the 2017 Tax Act.

The Company's proposed tariffs, include an across-the-board rate reduction reflecting the reduction in the corporate tax rate from 35% to 21%. As a result, the residential gas heating customer using 1,000 therms annually will see an annual bill decrease of \$33.70 or 3.4%.

By motion dated February 13, 2018, the New Jersey Large Energy Users Coalition (NJLEUC), moved to intervene in this proceeding pursuant to N.J.A.C. 1:1-16. NJLEUC stated that it was formed, in part, to monitor regulatory and rate proceedings involving the State's electric and natural gas utilities, and to intervene or participate in regulatory and rate proceedings to the extent necessary to represent its members' common interests. NJLEUC claimed that its members are large end-use purchasers of electricity and natural gas distribution service from the State's regulated utilities and, therefore, have a significant interest in the outcome of this proceeding.

On March 20, 2018, NJLEUC provided a list of its members that receive natural gas distribution service from ETG, but reserved its right to object to the identification of some or all of its members in future proceedings.

By correspondence dated March 22, 2018, ETG indicates that it did not object to the motion to intervene or the motion for admission pro hac vice filed by NJLEUC.

After consideration of the papers and given the lack of any objections, Staff found that the members of NJLEUC who are customers of ETG will be directly affected by the outcome of this proceeding, and that NJLEUC has met the standards for intervention, as it is an interested party in this proceeding. Accordingly, Board Staff recommended that the Board grant the intervention of NJLEUC.

Staff also reviewed NJLEUC's pro hac vice motion and the supporting affidavit of Mr. Forshay. This proceeding involves a complex field of law, and the Board is persuaded that Mr. Forshay specializes in this area and has an attorney-client relationship with NJLEUC. Having received no objections to the motion after due notice to the parties, Staff found that Mr. Forshay has satisfied the conditions for admission pro hac vice, has submitted to the Board proof of payment to the New Jersey Lawyers' Fund for Client Protection of the fees required by R. 1:20-1(b) and 1:28-2, and therefore recommended that Mr. Forshay be Admitted to practice before the Board pro hac vice in this matter provided that he shall:

1. Abide by the Board's rules and all applicable New Jersey court rules, including all disciplinary rules;
2. Consent to the appointment of the Clerk of the Supreme Court as agent upon whom service of process may be made for all actions against each of them that may arise out of his participation in this matter;
3. Notify the Board immediately of any matter affecting his standing at the bar of any other jurisdiction; and
4. Have all pleadings, briefs and other papers filed with the Board signed by an attorney of record authorized to practice in this State, who shall be held responsible for them and for the conduct of this cause and the admitted attorney therein.

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

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

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

Docket No. GR18030230 – In the Matter of the Petition of South Jersey Gas Company for Approval of a Change in Rates, Customer Refund and Rider Associated with the Tax Cuts and Jobs Act of 2017.

BACKGROUND AND DISCUSSION: This matter involved the interim rate changes to be effective April 1, 2018 that are proposed in the petition filed by South Jersey Gas Company (SJG or Company) in response to an order issued by the Board on January 31, 2018 (January 31, 2018 Order), directing the affected utilities to file petitions proposing new rates reflecting the impacts from the Federal Tax Cuts and Jobs Act signed into law on December 22, 2017 (the 2017 Act). The effective date of the Act was January 1, 2018.

The 2017 Act sets forth changes to the Federal Internal Revenue Tax Code, including a reduction in the maximum corporate tax rate from 35% to 21%. The Board is charged with the authority to ensure that the regulated utilities' rates charged to ratepayers are just and reasonable. When the Board sets rates in base rate cases and in certain annual/periodic clauses, utilities are permitted to gross up their revenue requirement as well as set other rate factors, including, the accumulated deferred income tax, based on the then existing 35% corporate tax rate.

On March 5, 2018, the Company filed its petition pursuant to the January 31, 2018 Order, including proposed tariffs as well as a proposed plan. Specifically, the Company stated that it planned a reduction in base rates of \$25.88 million effective April 1, 2018, a corresponding estimated \$12.88 million refund to customers for the period January 1, 2018 through March 31, 2018 for the corresponding rate adjustment (including interest at the Company's short-term debt rate), and a re-measurement and adjustment to rates

related to the “Unprotected” excess deferred income taxes of approximately \$27.1 million associated with the implementation of the 2017 Act. As a result, the average residential customer will receive an overall decrease in rates of approximately 5.8% to be effective April 1, 2018. SJG further proposed a onetime refund of approximately \$27.00 (based the Company’s estimated refund at the time of the filing).

The Company’s proposed tariffs, include an across-the-board rate reduction reflecting the reduction in the corporate tax rate from 35% to 21%. As a result, an average residential heating customer using 1,000 therms per year will receive an annual decrease of \$73.10.

Staff recommended the Board direct that the plan be reviewed in the instant proceeding, in accordance with the schedule set forth in the Board’s January 31, 2018 Order.

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

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

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

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

BACKGROUND AND DISCUSSION: This matter involved the interim rate changes to be effective April 1, 2018 that are proposed in the petition filed by Public Service Electric & Gas Company (PSE&G or Company) in response to an order issued by the Board on January 31, 2018 (January 31, 2018 Order), directing the affected utilities to file petitions proposing new rates reflecting the impacts from the Federal Tax Cuts and Jobs Act signed into law on December 22, 2017 (the 2017 Act). The effective date of the Act was January 1, 2018.

The 2017 Act sets forth changes to the Federal Internal Revenue Tax Code, including a reduction in the maximum corporate tax rate from 35% to 21%. The Board is charged with the authority to ensure that the regulated utilities’ rates charged to ratepayers are just and reasonable. When the Board sets rates in base rate cases and in certain annual/periodic clauses, utilities are permitted to gross up their revenue requirement as well as set other rate factors, including, the accumulated deferred income tax, based on the then existing 35% corporate tax rate.

On March 2, 2018, the Company filed its petition pursuant to the January 31, 2018 Order, including proposed tariffs as well as a proposed plan. Based on the 2017 Tax Act, the Company has recalculated its current base rates and is proposing the following to be effective April 1, 2018: (1) a rate reduction of \$71 million or 1.4% for its residential electric customers; and (2) a rate reduction for its gas residential customers of \$43 million or 2.6%. The total proposed combined electric and gas rate reduction is \$114 million or 1.9%. PSE&G proposed to refund its customers based on the proposed rate

decrease for the period between January 1, 2018 through March 31, 2018.

The Company's proposed tariffs, include an across-the-board rate reduction reflecting the reduction in the corporate tax rate from 35% to 21%. As a result, the typical residential electric customer using 750 kWh in a summer month and 7,200 kWh annually will receive an annual bill decrease of \$17.60, or approximately 1.41%. The typical residential gas heating customer using 165 therms in a winter month and 1,010 therms annually will receive an annual bill decrease of \$23.14 or approximately 2.56%.

By motion dated February 13, 2018, the New Jersey Large Energy Users Coalition (NJLEUC), moved to intervene in this proceeding stating that it was formed, in part, to monitor regulatory and rate proceedings involving the State's electric and natural gas utilities, and to intervene or participate in regulatory and rate proceedings to the extent necessary to represent its members' common interests. NJLEUC claimed that its members are large end-use purchasers of electricity and natural gas distribution service from the State's regulated utilities and, therefore, have a significant interest in the outcome of this proceeding.

On March 13, 2018, the Company filed a response to NJLEUC's motion to intervene. PSE&G contends that NJLEUC is not a formal legal entity and therefore does not have standing to intervene in the matter. The Company, however, understands that NJLEUC has moved to intervene on behalf of its member companies and subject to certain conditions, does not object to the intervention. PSE&G requests that the NJLEUC furnish a complete list of all its members, specifically identifying those members which are currently gas and/or electric customers of PSE&G.

By motion dated February 13, 2018, NJLEUC via Steven S. Goldenberg, Esq., NJLEUC also moved for the admission pro hac vice of Paul F. Forshay, Esq. The motion included a sworn affidavit by Mr. Forshay.

The Company's proposed tariffs include an across-the-board rate reduction reflecting the decrease in the corporate tax rate from 35% to 21%. As mentioned above, the typical residential electric customer using 750 kWh in a summer month and 7,200 kWh annually will receive an annual bill decrease of \$17.60 or approximately 1.41% and the typical residential gas heating customer using 165 therms in a winter month and 1,010 therms annually will an annual bill decrease of \$23.14 or approximately 2.56%. Staff also recommended that the Board Direct new tariffs to be filed by the Company by April 1, 2018 relating to the across the board rate reduction for services to be rendered on or after April 1, 2018. The rates set forth in the tariffs are on an interim basis, subject to refund, pending the outcome of the Company's pending base rate case. The Board will address refunds and other proposed rider tariffs at a later date.

Having received no objections to the motion after due notice to the parties, Staff found that Mr. Forshay has satisfied the conditions for admission pro hac vice, has submitted to the Board proof of payment to the New Jersey Lawyers' Fund for Client Protection of the fees required by R. 1:20-1(b) and 1:28-2, and therefore, Staff recommended that Mr. Forshay be admitted to practice before the Board pro hac vice in this matter.

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

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

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

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

BACKGROUND AND DISCUSSION: This matter involved the interim rate changes to be effective April 1, 2018 that are proposed in the petition filed by Atlantic City Electric Company (ACE or Company) in response to an order issued by the Board on January 31, 2018 (January 31, 2018 Order), directing the affected utilities to file petitions proposing new rates reflecting the impacts from the Federal Tax Cuts and Jobs Act signed into law on December 22, 2017 (the 2017 Act). The effective date of the Act was January 1, 2018.

The 2017 Act sets forth changes to the Federal Internal Revenue Tax Code, including a reduction in the maximum corporate tax rate from 35% to 21%. The Board is charged with the authority to ensure that the regulated utilities’ rates charged to ratepayers are just and reasonable. When the Board sets rates in base rate cases and in certain annual/periodic clauses, utilities are permitted to gross up their revenue requirement as well as set other rate factors, including, the accumulated deferred income tax, based on the then existing 35% corporate tax rate.

On March 2, 2018, the Company filed its Petition pursuant to the January 31, 2018 Order, including proposed Tariffs as well as a proposed plan. Specifically, ACE proposed the annual revenue reduction for the April 1, 2018 interim rate to be \$13,274,596.00 (excluding New Jersey Sales and Use Tax (SUT)) and \$14,154,038.00 (including SUT). The interim rate include the federal income tax rate change impact on revenues during the 12 months ending July 31, 2017, test period used in ACE’s most recent rate base filing. A residential customer utilizing Basic Generation Service and using 716 kWh per month would receive a bill reduction of \$1.38 or approximately 1.0% for the interim rates effective April 1, 2018. ACE will file proposed final rates effective July 1, 2018. The Company calculates that the annual revenue requirement for the July 1, 2018 final rate reduction to be \$22,706,885.00 (excluding SUT) and \$24,221,217.00 (including SUT). ACE calculates that a typical residential customer utilizing 716 kWh would receive a bill reduction of approximately \$2.37 or approximately 1.72% as a result of the final July1, 2018 rates.

The estimated excess deferred balance for property-protected is \$103 million. The company proposes a flow back of excess property-protected in accordance with the average rate assumption method. The estimated deferred balance for property non-protected is \$100 million. The flow back method implemented is the average remaining

life (weighted average of distribution and general plant). The estimated deferred balance non-protected is \$16 million. The proposed flow back method is the 10-year amortizations given underlying items' tax versus book unwind period.

The tax impact on annual petitions will mainly be on the interest for any over/under recovered balance. Concerning Market Transition Cost, the tax impact on this charge will be addressed with any necessary customer reduction in the true-up calculation in its next compliance filing scheduled for August 31, 2018.

The Company's proposed tariffs, include an across the Board rate reduction reflecting the reduction in the corporate tax rate from 35% to 21%. As stated above, an average customer using 716 kWh per month would receive a monthly bill reduction of approximately (\$2.37) or approximately 1.72%.

Staff recommended the Board to Direct that the plan be reviewed in this proceeding. If, ACE subsequently files a rate case, the Board may then consider whether any outstanding issues in this matter will be considered in the context of that case.

The Company's proposed tariffs include an across the Board rate reduction reflecting the decrease in the corporate tax rate from 35% to 21%. As mentioned above, a typical residential electric customer using 716 kWh per month would receive a bill reduction of \$1.38 or approximately 1.0% for the interim rates effective April 1, 2018. Staff recommended that the Board Direct new tariffs to be filed by the Company by April 1, 2018 relating to the across the board rate reduction for services to be rendered on or after April 1, 2018.

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

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

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

Docket No. ER18030226 – In the Matter of Jersey Central Power & Light Company – Revised Rates (effective on an Interim Basis April 1, 2018) to Reflect the Reduction under the 2017 Act.

BACKGROUND AND DISCUSSION: This matter involved addressing the interim rate changes to be effective April 1, 2018 that are proposed in the petition filed by Jersey Central Power & Light Company (JCP&L or Company) in response to an order issued by the Board on January 31, 2018 (January 31, 2018 Order), directing the affected utilities to file petitions proposing new rates reflecting the impacts from the Federal Tax Cuts and Jobs Act signed into law on December 22, 2017 (the 2017 Act). The effective date of the Act was January 1, 2018.

The 2017 Act sets forth changes to the Federal Internal Revenue Tax Code, including a reduction in the maximum corporate tax rate from 35% to 21%. The Board is charged with the authority to ensure that the regulated utilities' rates charged to ratepayers are

just and reasonable. When the Board sets rates in base rate cases and in certain annual/periodic clauses, utilities are permitted to gross up their revenue requirement as well as set other rate factors, including, the accumulated deferred income tax, based on the then existing 35% corporate tax rate.

On March 2, 2018, the Company filed its petition pursuant to the January 31, 2018 Order. According to the petition, the Company has re-calculated its base rates to incorporate the impact of the mandatory reduction in the federal corporate income tax (FIT) rate from 35% to 21% effective January 1, 2018, in connection with the 2017 Act and the Board Order of January 31, 2018. The impact results in a revenue reduction of \$28.6 million annually. As per the January 31 Order, JCP&L has deferred on its books, with interest, the impact of the reduction in the FIT rate on its tax gross-up between January 1 and March 31, 2018 which the Company predicted will be \$6.3 million, including interest, and proposes to defer this amount as a regulatory liability until its next base rate case.

The Company's proposed tariffs, include an across-the-board rate reduction reflecting the reduction in the corporate tax rate from 35% to 21%. As a result, the typical residential electric customer using 925 kWh in a summer month and 9,212 kWh annually will see an annual bill decrease of \$15.12 or approximately 1.1%.

The January 31, 2018 Order set the deadline for the filing of motions to intervene or participate on February 20, 2018.

By motion dated February 13, 2018, the New Jersey Large Energy Users Coalition (NJLEUC), moved to intervene in this proceeding pursuant to N.J.A.C. 1:1-16. NJLEUC stated that it was formed, in part, to monitor regulatory and rate proceedings involving the State's electric and natural gas utilities, and to intervene or participate in regulatory and rate proceedings to the extent necessary to represent its members' common interests. NJLEUC claimed that its members are large end-use purchasers of electricity and natural gas distribution service from the State's regulated utilities and, therefore, have a significant interest in the outcome of this proceeding.

On March 16, 2018, the Company filed a response to NJLEUC's motion to intervene. JCP&L contends that NJLEUC's motion does not identify any NJLEUC members that are currently JCP&L customers; however, if NJLEUC's members do include JCP&L customers, the Company would not oppose the motion to intervene. JCP&L further requests that the Board require NJLEUC to file a list of members that are currently JCP&L customers.

On March 20, 2018, NJLEUC provided a list of its members that received electric and/or natural gas distribution services from JCP&L, but reserved the its right to object to the identification of some or all of its members in future proceedings.

By motion dated February 13, 2018, NJLEUC, via Steven S. Goldenberg, Esq., NJLEUC also moved for the admission pro hac vice of Paul F. Forshay, Esq. The motion included a sworn affidavit by Mr. Forshay.

Staff recommended that the Board Direct that the plan be reviewed in the instant proceeding, in accordance with the schedule set forth in the Board's January 31, 2018 Order.

The Company's proposed tariffs include an across-the-board rate reduction reflecting the decrease in the corporate tax rate from 35% to 21%. As mentioned above, the typical residential electric customer using 925 kWh in a summer month and 9,212 kWh annually will see an annual bill decrease of \$15.12 or approximately 1.1%.

Staff recommended that the Board Direct new tariffs to be filed by the Company by April 1, 2018 relating to the across the board rate reduction for services to be rendered on or after April 1, 2018. The rates set forth in the tariffs are on an interim basis, subject to refund, pending the outcome this proceeding. The Board will address refunds and other proposed rider tariffs at a later date.

After consideration of the papers, Staff found that the members of NJLEUC who are customers of JCP&L will be directly affected by the outcome of this proceeding, and that NJLEUC has met the standards for intervention, as it is an interested party in this proceeding. Accordingly, Staff recommended that the Board grant the motion for intervention of NJLEUC. Staff also recommended that the Board Direct NJLEUC provides a complete list of all its members that are presently customers of JCP&L within 14 days of the entry of this Order.

Staff found that Mr. Forshay has satisfied the conditions for admission pro hac vice, has submitted to the Board proof of payment to the New Jersey Lawyers' Fund for Client Protection of the fees required by R. 1:20-1(b) and 1:28-2, and therefore, Staff recommended that Mr. Forshay be admitted to practice before the Board pro hac vice in this matter.

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

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

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

Docket No. ER18030236 – In the Matter of Rockland Electric Company For Approval of Revised Rates (Effective on an Interim Basis April 1, 2018) To Reflect The Reduction Under the Tax Cuts and Jobs Act of 2017.

BACKGROUND AND DISCUSSION: This matter involved addressing the interim rate changes to be effective April 1, 2018 that are proposed in the petition filed by Rockland Electric Company (RECO or Company) in response to an order issued by the Board on January 31, 2018 (January 31, 2018 Order), directing the affected utilities to file petitions proposing new rates reflecting the impacts from the Federal Tax Cuts and Jobs Act signed into law on December 22, 2017 (the 2017 Act). The effective date of the Order was January 1, 2018.

The 2017 Act sets forth changes to the Federal Internal Revenue Tax Code (Tax Code), including a reduction in the maximum corporate tax rate from 35% to 21%. The Board is charged with the authority to ensure that the regulated utilities' rates charged to

ratepayers are just and reasonable. When the Board sets rates in base rate cases and in certain annual/periodic clauses, utilities are permitted to gross up their revenue requirement as well as set other rate factors, including, the accumulated deferred income tax, based on the then existing 35% corporate tax rate.

On March 2, 2018, the Company filed its Petition pursuant to the January 31, 2018 Order, including proposed tariffs as well as a proposed plan. Specifically, the Company petition states that the 2017 Act will result in an annual revenue requirement reduction for the Company of approximately \$2.868 million, as of April 1, 2018. The Company decreased its net deferred tax liabilities by \$45 million, decreased its regulatory asset of future income tax by \$17 million, and accrued a regulatory liability for future income tax of \$28 million. RECO has calculated its new interim rates effective April 1, 2018 using billing determinants underlying the distribution rates established in RECO's 2016 Base Rate Case. The Company calculated the current level of revenue based on the currently effective rates and allocated the distribution decrease among the service classifications in proportion to the relative contribution made by each class to the total current level of revenue. The Company proposed to return to ratepayers amounts deferred pursuant to the January 31, 2018 Order for the period of January 1, 2018 until the effective date of the Company's new rates, by means of a sur-credit. The Company is proposing to employ a short-term borrowing rate to accrue interest on the deferred amounts until the Company's returns such amount to ratepayers. The Company will return this total deferral amount over twelve consecutive calendar months, commencing with the month immediately following when the Board issues an order approving the Company's new rates. The sur-credit will be applied to all service classifications on an equal per kWh basis for the twelve-month period. The Company's final effective rates, according to the petition, reflect the proposed refund of the full amount of the excess accumulated deferred federal income tax liability to ratepayers.

The currently effective Clean Energy Program and Demand Side Management components of the Societal Benefits Charge are not affected by the tax rate at this time. The only tax implications will be in the next true-up filing being made on or before April 1, 2018 on the calculation of interest on over- or under- recoveries for 2018 balances. The Universal Service Fund/Lifeline filing on July 1, 2018 will reflect a change on the carrying charge effective January 1, 2018. For any other surcharge mechanisms, net of tax calculations or calculations on the revenue requirement would only pertain to the forecasted quantities contained in their mechanisms.

The Company's proposed tariffs, include an across the board rate reduction reflecting the reduction in the corporate tax rate from 35% to 21%. As a result, an average customer using 925 kwh per month will receive a reduction in their month bill of \$2.10 or 1.2%. This represents an annual decrease of \$26.84.

The January 31, 2018 Order set the deadline for the filing of motions to intervene or participate on February 20, 2018. No party filed a motion seeking to intervene or participate in this proceeding prior to the expiration of the February 20, 2018 deadline.

Staff recommended that the Board direct that the plan be reviewed in the instant proceeding, in accordance with the schedule set forth in the Board's January 31, 2018 Order.

Staff also recommended that the Board direct new tariffs to be filed by the Company by April 1, 2018 relating to the across-the-board rate reduction for services to be rendered on or after April 1, 2018. The rates set forth in the tariffs are on an interim basis, subject to refund, pending the outcome of this proceeding. The Board will address refunds and other proposed rider tariffs at a later date.

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

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

3. CABLE TELEVISION

A. Docket No. CO18030262 – In the Matter of the Notification of the Separation of Altice USA, Inc. from Altice, N.V.

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

BACKGROUND AND DISCUSSION: On January 9, 2018, Altice USA, Inc. (Altice USA, or Company), provided a press release to the Board noticing its plan to effect a complete separation of Altice USA from Altice N.V. by the end of the second quarter of 2018 following regulatory and Altice N.V. shareholder approvals.

The Company met with Board Staff on January 29, 2018, and in addition to the notice provided, on February 6, 2018 and March 6, 2018, Altice submitted additional information in response to Staff inquiries regarding the impact of the transaction on Altice's New Jersey customers.

The Company asserted that the purpose of the Transaction is to create simplified, independent and more focused European and US operations to the benefit of their respective customers, employees, investors and other stakeholders.

Post-separation, Altice Europe and Altice USA will be managed by two distinct management teams, focused solely on the performance in their respective markets and Patrick Drahi, founder of Altice, will serve as President of the Board of Altice Europe and Chairman of the Board of Altice USA. Mr. Drahi will retain control of both companies through Next2 and is committed to long-term ownership.

The terms and conditions of the Transaction as outlined in the press release indicate that the separation will be effected by a spin-off of Altice NV's 67.2% interest in Altice USA through a distribution in kind to Altice NV shareholders. The distribution will exclude shares indirectly owned by Altice NV through Neptune Holdings LP.

The Transaction also calls for the payment of a \$1.5 billion cash dividend by Altice USA to all shareholders immediately prior to the completion of the separation. The dividend payment will be funded by cash, available Optimum revolving credit facilities, and in part by financing issued by CSC Holdings, LLC (CSC Holdings), a subsidiary of Altice USA

and an intermediate corporate parent of the entities holding Board issued franchises and operating authorizations for its NJ subsidiaries (Lightpath, 4Connections and CSC-TKR).

Staff recommended that the Board approve the Transaction.

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

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

B. Non-docketed Matter – In the Matter of Altice USA, Inc. – See executive session.

Pursuant to attorney-client privilege exception to the Open Public Meetings Act, the Board did not discuss this matter in Open Session. Please refer to the executive session portion of these minutes for the contents of its discussion.

4. TELECOMMUNICATIONS

There were no items in this category.

5. WATER

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

A. Docket No. WR17101064 and OAL PUC 16370-2017S– In the Matter of the Petition of Gordon’s Corner Water Company for Approval of a Purchased Water Adjustment Clause True-Up and Other Required Approvals Pursuant to N.J.A.C. 14:9-7.1 et seq.

BACKGROUND AND DISCUSSION: On October 17, 2017, Gordon’s Corner Water Company (Gordon’s Corner or Petitioner) filed a petition with the Board seeking authorization to change the level of its Purchased Water Adjustment Clause (PWAC). The Board transmitted the matter to the Office of Administrative Law as a contested case where it was assigned to Tricia M. Caliguire, Administrative Law Judge (ALJ).

Under its proposal, the Petitioner’s PWAC would increase from \$0.019 per thousand gallons to \$0.13 per thousand gallons of water.

Gordon’s Corner serves approximately 15,000 customers in portions of the Townships of Marlboro and Manalapan in Monmouth County. The Company purchases a substantial portion of its water supplies from three sources: the Township of Marlboro; SUEZ/Matchaponix and the Township of Aberdeen, pursuant to water purchase agreements.

A telephonic pre-hearing conference was held with ALJ Caliguire on December 18, 2017, at which time a date for a public hearing was scheduled. A public hearing was held on January 31, 2018, in the Petitioner’s service area, following publication of an appropriate public notice. No members of the public appeared or provided comments at

the public hearing.

The Petitioner, the New Jersey Division of Rate Counsel, and Board Staff exchanged discovery and engaged in settlement discussions that resulted in a Stipulation of Settlement (Settlement) agreeing to an overall increase of \$142,953.00 or 1.3% above revenues of \$11,055,215.00. There were no Intervenors in this proceeding.

Under the terms of the Settlement, Gordon's Corner's PWAC rate would increase from \$0.019 to \$0.12 per thousand gallons of water. The PWAC rate is calculated as being effective on April 1, 2018, which accounts for five months compression.

The effective PWAC rate increase would result in an increase for the average customer using a 5/8-inch meter and consuming 9,000 gallons of water per month, from \$60.58 to \$61.49, an increase of \$0.91 per month.

ALJ Caliguire issued her Initial Decision, which adopted the Settlement.

Staff recommended that the Board adopt the Initial Decision and Settlement.

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

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

B. Docket No. WR17111145 and OAL PUC 16837-2017S – In the Matter of New Jersey American Water Company, Inc. to Change the Levels of its Purchased Water Adjustment Clause and Purchased Wastewater Treatment Adjustment Clause.

BACKGROUND AND DISCUSSION: Commissioner Mroz recused himself from participating in this matter due to a potential conflict of interest. On November 3, 2017, New Jersey-American Water (NJAW or Company) filed a petition with the Board to change the levels of its existing Purchased Water Adjustment Clause and Purchased Sewerage Treatment Adjustment Clause charges.

NJAW purchases water on a routine basis from seven separate entities and purchases wastewater treatment services from three 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 \$0.16 to \$0.17 per month in their average bill; while sewer customers in Lakewood will see an average increase of \$1.50 per month; in Ocean City an average increase of \$2.44 per month; and in Adelphia an average increase of \$1.48 per month.

This matter was transmitted to the Office of Administrative Law and assigned to Administrative Law Judge (ALJ) Jacob S. Gertsman. Middlesex Water Company filed a motion to intervene with ALJ Gertsman, and no party opposed the motion.

After proper notice, two public hearings were held in New Jersey-American Water's service territory, in Ocean City and the other in Howell Township. No members of the public were in attendance at either hearing.

Subsequent to the public hearings and prior to evidentiary hearings, a Stipulation of Settlement (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 Settlement, but, instead, submitted a no objection letter to ALJ Gertsman.

ALJ Gertsman submitted an Initial Decision which recommended that the Board adopt the 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, 2018.

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

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

C. Docket No. WO18010053 – In the Matter of Jersey City Municipal Utilities Authority Draft Amendment and Extension Agreement to the Professional Operations Service Agreement for the City of Jersey City's Water Supply System – Application for Approval of Amendment And Extension.

BACKGROUND AND DISCUSSION: Commissioner Mroz recused himself from participating in this matter due to a potential conflict of interest. The Jersey City Municipal Utilities Authority (JCMUA) requested an amendment and extension to a previously entered into Professional Operations Agreement with United Water Jersey City, Inc., (now known as SUEZ Water Environmental Services, Inc., or SUEZ) pursuant to the New Jersey Water Supply Public-Private Contracting Act. This Amendment and Extension amends and extends the Original Agreement.

A notice of public hearing was published in the Jersey Journal and the Star Ledger on December 16, 2017. A public hearing was conducted on January 4, 2018 to solicit public comment concerning the amended agreement. A verbatim record of the hearing was produced as required. The JCMUA allowed the public to submit written comments for a period of seven days following the date of the public hearing. No written comments or statements were received as well as no public comment was received at the public hearing.

The Original Agreement shall be extended for one four year extension and one five year extension for a total period of nine years upon the expiration of the contract. The additional nine years reflect the JCMUA's simultaneous exercising of both renewal options contained in the Original Agreement. The Extension Term shall commence on April 1, 2018 and shall expire on March 31, 2027.

In addition to the extension, the Original Agreement has some amendments, one of which is a remote meter reading program which the JCMUA believes will produce savings, thus lessening the need for rate increases.

Staff recommended that the Board approve the amendment and nine year extension to the Public-Private Contract between the JCMUA and SUEZ Water Environmental Services, Inc.

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

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

D. Docket No. WR17101049 and OAL PUC 16144-2017S – In the Matter of the Petition of Middlesex Water Company for Approval of an Increase in its Rates for Water Service and Other Tariff Changes, and for an Order Authorizing Special Accounting Treatment of Income Tax Refund Proceeds and Future Income Tax Deductions.

Docket No. AX180010001 and WR18030242 – In the Matter of the New Jersey Board of Public Utilities’ Consideration of the Tax Cuts Act of 2017.

BACKGROUND AND DISCUSSION: Commissioner Mroz recused himself from participating in this matter due to a potential conflict of interest. Middlesex Water (Middlesex or Company) is engaged in the business of treating and distributing water for retail services to approximately 61,000 customers in the Townships of Edison and Woodbridge, the Boroughs of South Plainfield, Metuchen, and Carteret, and the City of South Amboy in Middlesex County. On a contract basis, the Company serves part of the Township of Edison, the Borough of Highland Park, the Old Bridge Municipal Utilities Authority, the Marlboro Township Municipal Utilities Authority and the City of Rahway. The Company also services under a special contract basis for water treatment and pumping services in the Township of East Brunswick.

On October 10, 2017, Middlesex filed a petition seeking to increase its rates for water service amounting to approximately \$15.3 million or 19.76% above the adjusted annual level of revenues for the test year ending December 31, 2017.

The Board transmitted the matter to the Office of Administrative Law as a contested case and Tricia M. Caliguire, Administrative Law Judge (ALJ) was assigned to hear the matter.

A public hearing was held on January 17, 2018 in Woodbridge. No members of the public appeared at the public hearing and no written comments were received.

ALJ Caliguire granted intervener status to the Old Bridge Municipal Utilities Authority (Old Bridge MUA), Marlboro and East Brunswick.

Middlesex, the New Jersey Division of Rate Counsel, East Brunswick and Board Staff entered into a Stipulation of Settlement (Settlement) that agreed that Middlesex’s rates

should be increased by \$5,486,500.00 or approximately 7.18% over present rate revenues of \$76,361.490.00.

The Settlement also resolved all issues emanating from the Board's Generic Tax Order of January 31, 2018.

Under the terms of the Settlement, an average residential customer with a 5/8-inch meter using 6,483 gallons of water a month will see a bill increase from \$51.25 to \$55.55 or \$4.30 per month. The original increase would have been \$3.21 higher, but the tax reduction mitigated the increase.

By letters dated March 8, 2018, the Old Bridge MUA and Marlboro advised ALJ Caliguire that they did not object to the Settlement.

On March 14, 2018, ALJ Caliguire issued an Initial Decision recommending that the Board adopt the Settlement.

Staff recommended that the Board adopt the Initial Decision which adopts the Settlement that incorporated the terms of the Tax Order. The effective date is April 1 and Middlesex will submit compliance tariffs accordingly.

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

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

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

Docket No. WR18030233 – In the Matter of the Petition of New Jersey-American Water Company, Inc., with Calculation of Rates under the Tax Cuts and Jobs Act of 2017.

BACKGROUND AND DISCUSSION: Commissioner Mroz Commissioner Mroz recused himself from participating in this matter due to a potential conflict of interest. This matter involved addressing the interim rate changes to be effective April 1, 2018 that are proposed in the petition filed by New Jersey-American Water Company Inc. (NJAWC or Company) in response to an Order issued by the Board on January 31, 2018 (January 31, 2018 Board Order), directing the affected utilities to file petitions proposing new rates reflecting the impacts from the Federal Tax Cuts and Jobs Act signed into law on December 22, 2017 (the 2017 Act).

The effective date of the 2017 Act is January 1, 2018. The 2017 Act sets forth changes to the Federal Internal Revenue Tax Code, including a reduction in the maximum corporate tax rate from 35% to 21%. The Board is charged with the authority to ensure that the regulated utilities' rates charged to ratepayers are just and reasonable. When the Board sets rates in base rate cases and in certain annual/periodic clauses, utilities are permitted to gross up their revenue requirement as well as set other rate factors, including, the accumulated deferred income tax, based on the then existing 35% corporate tax rate.

On March 2, 2018, the Company filed its Petition pursuant to the January 31, 2018 Order, including proposed Tariffs as well as a proposed plan. The Company's filing and proposed Tariffs include an across-the-board rate reduction reflecting the reduction in the corporate tax rate from 35% to 21%. As a result, the impact on an average NJAWC 5/8-inch residential customer using 6,000 gallons per month and 72,000 gallons per year will be a reduction of approximately 5.90%. The monthly rate will be decreased by (\$2.99) per month going from \$50.80 to \$47.81. The impact on an average Shorelands 5/8-inch residential customer using 6,000 gallons per month and 72,000 gallons per year will be a reduction of approximately 2.25%. The monthly rate will be decreased by (\$1.01) per month going from \$42.64 to \$41.63.

Staff recommended that the Board direct that the plan be reviewed in the instant proceeding in accordance with the schedule set forth in the Board's January 31, 2018 Order. Staff also recommended the Board adopt the Tariffs to be effective April 1, 2018. The rates set forth in the Tariffs are interim, subject to refund, pending the outcome of this proceeding. The Company must file tariff pages complying with this Order within five days of the effective date of this Order.

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

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

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

Docket No. WR18030234 – In the Matter of the Atlantic City Sewerage Company's Petition with Calculation of Rates under the Tax Cuts and Jobs Act of 2017.

BACKGROUND AND DISCUSSION: This matter involved addressing the interim rate changes to be effective April 1, 2018 that are proposed in the petition filed by the Atlantic City Sewerage Company (Company) in response to an Order issued by the Board on January 31, 2018 (January 31, 2018 Board Order), directing the affected utilities to file petitions proposing new rates reflecting the impacts from the Federal Tax Cuts and Jobs Act signed into law on December 22, 2017 (the 2017 Act).

The effective date of the 2017 Act is January 1, 2018. The 2017 Act sets forth changes to the Federal Internal Revenue Tax Code, including a reduction in the maximum corporate tax rate from 35% to 21%. The Board is charged with the authority to ensure that the regulated utilities' rates charged to ratepayers are just and reasonable. When the Board sets rates in base rate cases and in certain annual/periodic clauses, utilities are permitted to gross up their revenue requirement as well as set other rate factors, including, the accumulated deferred income tax, based on the then existing 35% corporate tax rate.

On March 2, 2018, the Company filed its Petition pursuant to the January 31, 2018 Order, including proposed Tariffs as well as a proposed plan. Specifically, the Company

calculated the impact of the 2017 Act on its revenue requirement. The result is a revenue reduction of \$472,838.00, including gross-up. However, the last rate case was a black-box settlement and the income tax expense was not specified thus the Company used its 12+0 update for the calculation. The Company then recalculated the income tax expense under the old rate and the new rate. The result of the calculation is an income tax expense reduction of \$319,945.00. The Company applied the gross up factor to reach the revenue reduction of \$472,838.00. The Company proposed to implement the revenue reduction through both its fixed and volumetric customers proportionately to provide the benefits of the 2017 Act equally among customers. The Company proposes to record a deferral of the over-collection evenly from January 1 through March 31, 2018 utilizing 1/12 of \$472,838.00 or \$39,403.00 each month.

The Company's proposed Tariffs include an across-the-board rate reduction reflecting the reduction in the corporate tax rate from 35% to 21%. As a result, an average 5/8-inch residential customer will experience a decrease in annual rates of approximately 1.97%.

Staff recommended the Board direct that the plan be reviewed in the instant proceeding in accordance with the schedule set forth in the Board's January 31, 2018 Order. Staff also recommended that the Board adopt the Tariffs to be effective April 1, 2018. The rates set forth in the Tariffs are interim, subject to refund, pending the outcome of this proceeding. The Company must file tariff pages complying with this Order within five days of the effective date of the Order.

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

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

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

Docket No. WR18030235 – In the Matter of the Petition of Environmental Disposal Corporation with Calculation of Rates Under the Tax Cuts and Jobs Act of 2017.

BACKGROUND AND DISCUSSION: This matter involved addressing the interim rate changes to be effective April 1, 2018 that are proposed in the petition filed by Environmental Disposal Corporation (EDC or Company) in response to an Order issued by the Board on January 31, 2018 (January 31, 2018 Board Order), directing the affected utilities to file petitions proposing new rates reflecting the impacts from the Federal Tax Cuts and Jobs Act signed into law on December 22, 2017 (the 2017 Act).

The effective date of the 2017 Act is January 1, 2018. The 2017 Act sets forth changes to the Federal Internal Revenue Tax Code, including a reduction in the maximum corporate tax rate from 35% to 21%. The Board is charged with the authority to ensure that the regulated utilities' rates charged to ratepayers are just and reasonable. When the Board sets rates in base rate cases and in certain annual/periodic clauses, utilities are permitted to gross up their revenue requirement as well as set other rate factors,

including, the accumulated deferred income tax, based on the then existing 35% corporate tax rate.

On March 2, 2018, the Company filed its Petition pursuant to the January 31, 2018 Order, including proposed Tariffs as well as a proposed plan. The Company's filing and proposed Tariffs include an across-the-board rate reduction reflecting the reduction in the corporate tax rate from 35% to 21%. An average residential EDC customer is currently charged a monthly flat rate of \$70.00 (or \$840.00 annually). As a result of the corporate tax reduction, an average residential EDC residential customer will be charged \$68.80 per month (or \$825.60 annually) a reduction in the annual bill of \$14.40 or 1.714%.

Staff recommended the Board direct that the plan be reviewed in the instant proceeding in accordance with the schedule set forth in the Board's January 31, 2018 Order. Staff also recommended that the Board adopt the Tariffs to be effective April 1, 2018. The rates set forth in the Tariffs for the interim, subject to refund, pending the outcome of this proceeding. The Company must file tariff pages complying with this Order within five days of the effective date of this Order.

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

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

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

Docket WR18030237 – In the Matter of the New Jersey Board of Public Utilities' Consideration of the Tax Cuts and Jobs Act of 2017 Aqua New Jersey Inc. Compliance Filing.

BACKGROUND AND DISCUSSION: Commissioner Mroz recused himself from participating in this matter due to a potential conflict of interest. This matter involved addressing the interim rate changes to be effective April 1, 2018 that are proposed in the petition filed by Aqua New Jersey, Inc. (Aqua or Company) in response to an Order issued by the Board on January 31, 2018 (January 31, 2018 Order), directing the affected utilities to file petitions proposing new rates reflecting the impacts from the Federal Tax Cuts and Jobs Act signed into law on December 22, 2017 (the 2017 Act).

The effective date of the 2017 Act is January 1, 2018. The 2017 Act sets forth changes to the Federal Internal Revenue Tax Code, including a reduction in the maximum corporate tax rate from 35% to 21%. The Board is charged with the authority to ensure that the regulated utilities' rates charged to ratepayers are just and reasonable. When the Board sets rates in base rate cases and in certain annual/periodic clauses, utilities are permitted to gross up their revenue requirement as well as set other rate factors, including, the accumulated deferred income tax, based on the then existing 35% corporate tax rate.

On March 2, 2018, the Company filed its Petition pursuant to the January 31, 2018 Order, including proposed Tariffs as well as a proposed plan. The Company's filing and proposed Tariffs did not include an across-the-board rate reduction reflecting the reduction in the corporate tax rate from 35% to 21%. Aqua refiled its Petition which included an across-the-board rate reduction on March 19, 2018. As a result, the impact on an average 5/8-inch residential customer using 5,000 gallons per month and 60,000 gallons per year will be a reduction of approximately 6.84%. The monthly rate will be decreased by (\$2.95) per month going from \$43.35 to \$40.40.

Staff recommended that the Board direct that the plan be reviewed in the instant proceeding in accordance with the schedule set forth in the Board's January 31, 2018 Order. Staff also recommended that the Board adopt the Tariffs to be effective April 1, 2018. The rates set forth in the Tariffs are interim, subject to refund, pending the outcome of this proceeding. The Company must file tariff pages complying with this Order within five days of the effective date of this Order.

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

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

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

Docket No. WR18030238 – In the Matter of the New Jersey Board of Public Utilities' Consideration of the Tax Cuts and Jobs Act of 2017 Filing on Behalf of SUEZ Water New Jersey, Inc.

BACKGROUND AND DISCUSSION: Commissioner Mroz recused himself from participating in this matter due to a potential conflict of interest. This matter involved addressing the interim rate changes to be effective April 1, 2018 that are proposed in the petition filed by SUEZ Water New Jersey, Inc. (Company) in response to an Order issued by the Board on January 31, 2018 (January 31, 2018 Board Order), directing the affected utilities to file petitions proposing new rates reflecting the impacts from the Federal Tax Cuts and Jobs Act signed into law on December 22, 2017 (the 2017 Act).

The effective date of the 2017 Act is January 1, 2018. The 2017 Act sets forth changes to the Federal Internal Revenue Tax Code, including a reduction in the maximum corporate tax rate from 35% to 21%. The Board is charged with the authority to ensure that the regulated utilities' rates charged to ratepayers are just and reasonable. When the Board sets rates in base rate cases and in certain annual/periodic clauses, utilities are permitted to gross up their revenue requirement as well as set other rate factors, including, the accumulated deferred income tax, based on the then existing 35% corporate tax rate.

On March 2, 2018, the Company filed its Petition pursuant to the January 31, 2018 Order, including proposed Tariffs as well as a proposed plan. Specifically, the Company filed for a reduction in rates of (\$12,096,566.00) or (5.243%). The Company's tax filing does not include a Distribution System Improvement Charge calculation to reflect the

provisions of the 2017 Act because those updates have already been made to its DSIC rate and will be effective on April 1, 2018.

The Company's proposed Tariffs include an across-the-board rate reduction reflecting the reduction in the corporate tax rate from 35% to 21%. As a result, an average 5/8-inch customer using 6,000 gallons per month will have their monthly bill decrease from \$37.28 per month to \$35.26 per month or approximately (5.41%).

Staff recommended that the Board direct that the plan be reviewed in the instant proceeding in accordance with the schedule set forth in the Board's January 31, 2018 Order. Staff also recommended that the Board adopt the Tariffs to be effective April 1, 2018. The rates set forth in the Tariffs for the interim, subject to refund, pending the outcome of this proceeding. The Company must file tariff pages complying with this Order within five days of the effective date of this Order.

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

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

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

Docket No. WR18030239 – In the Matter of the New Jersey Board of Public Utilities' Consideration of the Tax Cuts and Jobs Act of 2017 Filing on Behalf of SUEZ Water Toms River, Inc.

BACKGROUND AND DISCUSSION: Commissioner Mroz recused himself from participating in this matter due to a potential conflict of interest. This matter involved addressing the interim rate changes to be effective April 1, 2018 that are proposed in the petition filed by SUEZ Water Toms River, Inc. (Company) in response to an Order issued by the Board on January 31, 2018 (January 31, 2018 Board Order), directing the affected utilities to file petitions proposing new rates reflecting the impacts from the Federal Tax Cuts and Jobs Act signed into law on December 22, 2017 (the 2017 Act).

The effective date of the 2017 Act is January 1, 2018. The 2017 Act sets forth changes to the Federal Internal Revenue Tax Code, including a reduction in the maximum corporate tax rate from 35% to 21%. The Board is charged with the authority to ensure that the regulated utilities' rates charged to ratepayers are just and reasonable. When the Board sets rates in base rate cases and in certain annual/periodic clauses, utilities are permitted to gross up their revenue requirement as well as set other rate factors, including, the accumulated deferred income tax, based on the then existing 35% corporate tax rate.

On March 2, 2018, the Company filed its Petition pursuant to the January 31, 2018 Order, including proposed Tariffs as well as a proposed plan. Specifically, the Company filed for a reduction in rates of (\$1,642,242.00) or (4.872%). The Company's tax filing does not include a Distribution System Improvement Charge (DSIC) calculation to reflect

the provisions of the 2017 Act because those updates have already been made to its DSIC rate and were effective on March 1, 2018.

The Company's proposed Tariffs include an across-the-board rate reduction reflecting the reduction in the corporate tax rate from 35% to 21%. As a result, an average 5/8-inch customer using 6,000 gallons per month will have their monthly bill decrease from \$54.26 per month to \$51.60 per month, or approximately (4.90%).

Staff recommended that the Board direct that the plan be reviewed in the instant proceeding in accordance with the schedule set forth in the Board's January 31, 2018 Order. Staff also recommended that the Board adopt Tariffs to be effective April 1, 2018. The rates set forth in the Tariffs for the interim, subject to refund, pending the outcome of this proceeding. The Company must file tariff pages complying with this Order within five days of the effective date of this Order.

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

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

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

Docket No. WR18030240 – In the Matter of the New Jersey Board of Public Utilities' Consideration of the Tax Cuts and Jobs Act of 2017 Filing on Behalf of SUEZ Water Arlington Hills, Inc.

BACKGROUND AND DISCUSSION: Commissioner Mroz recused himself from participating in this matter due to a potential conflict of interest. This matter involved addressing the interim rate changes to be effective April 1, 2018 that are proposed in the petition filed by SUEZ Water Arlington Hills, Inc. (Company) in response to an order issued by the Board on January 31, 2018 (January 31, 2018 Order), directing the affected utilities to file petitions proposing new rates reflecting the impacts from the Federal Tax Cuts and Jobs Act signed into law on December 22, 2017 (the 2017 Act).

The effective date of the 2017 Act is January 1, 2018. The 2017 Act sets forth changes to the Federal Internal Revenue Tax Code, including a reduction in the maximum corporate tax rate from 35% to 21%. The Board is charged with the authority to ensure that the regulated utilities' rates charged to ratepayers are just and reasonable. When the Board sets rates in base rate cases and in certain annual/periodic clauses, utilities are permitted to gross up their revenue requirement as well as set other rate factors, including, the accumulated deferred income tax, based on the then existing 35% corporate tax rate.

On March 2, 2018, the Company filed its Petition pursuant to the January 31, 2018 Order, including proposed Tariffs as well as a proposed plan. Specifically, the Company filed for a reduction in rates of (\$207,808.00) or (8.491%). The Company's proposed Tariffs include an across-the-board rate reduction reflecting the reduction in the corporate tax rate from 35% to 21%. As a result, an average 5/8-inch customer using

6,000 gallons per month will have their monthly bill decrease from \$147.96 per month to \$139.38 per month or approximately (5.80%).

Staff recommended that the Board direct that the plan be reviewed in the instant proceeding in accordance with the schedule set forth in the Board's January 31, 2018 Order. Staff also recommended that the Board adopt Tariffs to be effective April 1, 2018. The rates set forth in the Tariffs for the interim, subject to refund, pending the outcome of this proceeding. The Company must file tariff pages complying with this Order within five days of the effective date of this Order.

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

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

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

Docket No. WR18030242 – In the Matter of the New Jersey Board of Public Utilities’ Consideration of the Tax Cuts and Jobs Act of 2017 of Middlesex Water Company.

Please refer to item 5D above for the discussion and vote on this matter.

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

Docket No. WR18030243 – In the Matter of the New Jersey Board of Public Utilities’ Consideration of the Tax Cuts and Jobs Act of 2017 Gordon’s Corner Water Company Compliance Filing.

BACKGROUND AND DISCUSSION: This matter involved addressing the interim rate changes to be effective April 1, 2018 that are proposed in the petition filed by Gordon’s Corner Water Company (Gordon’s Corner or Company) in response to an Order issued by the Board on January 31, 2018 (January 31, 2018 Order), directing the affected utilities to file petitions proposing new rates reflecting the impacts from the Federal Tax Cuts and Jobs Act signed into law on December 22, 2017 (the 2017 Act).

The effective date of the 2017 Act is January 1, 2018. The 2017 Act sets forth changes to the Federal Internal Revenue Tax Code, including a reduction in the maximum corporate tax rate from 35% to 21%. The Board is charged with the authority to ensure that the regulated utilities’ rates charged to ratepayers are just and reasonable. When the Board sets rates in base rate cases and in certain annual/periodic clauses, utilities are permitted to gross up their revenue requirement as well as set other rate factors, including, the accumulated deferred income tax, based on the then existing 35% corporate tax rate.

The Board issued the January 31, 2018 Order which set all affected utility rates as interim and established a proceeding to consider the implications of the 2017 Act. Based upon the Board's review of the 2017 Act, the Board found in its January 31, 2018 Order that the changes to the Tax Code will provide savings to the affected utilities' and will result in an over-collection of tax revenue by the affected utilities' that will not be paid in federal income taxes. The affected utilities were required to file amended tariffs reflecting a reduction in rates resulting from the reduction in the corporate tax rate effective April 1, 2018, as well as a plan to address other rate factors and to refund any over-collection in rates.

The Company responded to the Board's directive on March 2, 2018. The Company stated that it is a very small water utility and with seasonal fluctuations in water consumption and take or pay bulk water purchased water contracts, resulting in operating losses during the first and second quarter of each calendar year. The Company went on to state that it was one of the smallest of the utilities subject to the Board's Order and that it did not have a particularly complicated tax calculation. The Company further stated that its taxable income is not large enough to be taxed at the old 35% rate and that its maximum tax rate would usually be 34% in those years that the Company is able to achieve a fair rate of return. The Company also noted that it did not have any deferred taxes on its balance sheet. Gordon's Corner stated that it was about to file a base rate case. In view of the foregoing, Gordon's Corner requested that no rate reduction action be taken now and that all aspects of the 2017 Act be addressed in its soon to be filed base rate case.

Staff recommended that the Board direct that the plan be reviewed in the instant proceeding in accordance with the schedule set forth in the Board's January 31, 2018 Order. Staff also recommended that the Board adopt the Tariffs to be effective April 1, 2018. The rates set forth in the Tariffs are interim, subject to refund, pending the outcome of this proceeding. The Company must file tariff pages complying with this Order within five days of the effective date of the Order.

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

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

N. Docket No. WF18010063 – In the Matter of the Application of Middlesex Water Company for Authority to Borrow up to \$14.0 Million and to Issue Evidences of Indebtedness Pursuant to the New Jersey Water Infrastructure Bank Financing Program.

Christine Lin, Administrative Analyst, Office of Chief Economist, presented this matter.

BACKGROUND AND DISCUSSION: Commissioner Mroz recused himself from participating in this matter due to a potential conflict of interest. On January 29, 2018, Middlesex Water Company (Company or Petitioner) filed a petition with the Board requesting authority to:

- a) Borrow up to \$14.0 million from the New Jersey Water Infrastructure Bank (formerly known as the New Jersey Environmental Infrastructure Trust), and the State of New Jersey, acting by and through the New Jersey Department of Environmental Protection and make, execute and deliver to the Bank and the State documents required in connection therewith;
- b) Make, execute and deliver, if necessary, one or more Supplemental Indentures of Mortgage to U.S. Bank National Association, as Trustee, for the purpose among other things, of describing the terms of the 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 Bank to secure the Loans; and
- c) Issue and deliver, if necessary, to the Bank and the State up to \$14.0 million principal amount of the Company's Bonds, with a final maturity date concurrent with the maximum term permitted by the Bank at the time of the closing of the Loans. The Petitioner's Bonds will bear interest at approximately one-quarter of the interest rate of the Bank's Bonds which are intended to be sold by competitive bidding.

The Petitioner requested that the relief set forth in Paragraphs (a) through (c) above be granted by the Board without the requirement for a further Board Order.

The Bank Bonds will be sold through one or more underwriters, 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 replacing its cast-iron transmission and distribution mains under the Company's continuing RENEW program and, where it is determined by the Company to be feasible, rehabilitate certain cast-iron transmission and distribution mains, referred to as "Cleaning and Lining", also under the Company's continuing RENEW program. The RENEW program is an annual program and the proceeds of the Loans will be used for the project work for the RENEW 2018 program.

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 the petition.

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

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

6. RELIABILITY & SECURITY

There were no items in this category.

7. CUSTOMER ASSISTANCE

There were no items in this category.

8. CLEAN ENERGY

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

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

Docket No. QO17080893 – KDC Solar Black Rock, LLC Schalks Crossing Road.

B. Scott Hunter, Renewable Energy Program Administrator, Office of Clean Energy, Division of Economic Development & Energy Policy, presented this matter.

BACKGROUND AND DISCUSSION: This matter involved an application by KDC Solar Black Rock, LLC (KDC) seeking certification for eligibility to generate Solar Renewable Energy Certificates (SRECs) for the proposed solar electric generation facility to be located in Plainsboro, Middlesex County, New Jersey. KDC alleged that the proposed site is a brownfield as defined in the Solar Act.

On July 23, 2012, the Solar Act was signed into law by Governor Chris Christie. The Solar Act amends certain aspects of the statute governing generation, interconnection, and financing of renewable energy. Among other actions, the Solar Act requires the Board to conduct proceedings to establish new standards and to develop new programs to implement the statute's directives. By Order dated October 10, 2012, the Board directed Staff to initiate proceedings and convene a public stakeholder process to fulfill the directives of the Solar Act.

The Solar Act defines the terms "brownfield," "area of historic fill," and "properly closed sanitary landfill facility." A "brownfield" is "any former or current commercial or industrial site that is currently vacant or underutilized and on which there has been, or there is suspected to have been, a discharge of a contaminant." N.J.S.A. 48:3-51. "Historic fill" is "generally large volumes of non-indigenous material, no matter what date they were placed on the site, used to raise the topographic elevation of a site" A "properly closed sanitary landfill facility" means "a sanitary landfill facility, or a portion of a sanitary landfill facility, for which performance is complete with respect to all activities associated with the design, installation, purchase, or construction of all measures, structures, or equipment required by the Department of Environmental Protection"

The October 10 Order directed Staff to initiate a proceeding to fulfill the mandate of the Solar Act. Staff met with Staff of the New Jersey Economic Development Authority and of the New Jersey Department of Environmental Protection (NJDEP). On November 9, 2012, consistent with the requirements of the Solar Act, the Board held a public hearing presided over by Commissioner Joseph L. Fiordaliso. In addition, the public was invited to submit written comments through November 23, 2012.

Projects certified under Subsection (t) of the Solar Act are subject to all of the Board's rules; the statutory language exempts such projects from the need for further Board designation as "connected to the distribution system" but does not remove any of the Board's oversight authority. For example, projects must comply with the rules at N.J.A.C. 14:8-2.4 and applicable Board orders concerning registration with the SREC Registration Program. The size and location of the subject project will then be reflected in the public reporting of solar development pipeline data.

Staff found that an application for solar projects located on brownfields, areas of historic fill, or properly closed sanitary landfill facilities was necessary to initiate the certification process and recommended the Board direct Staff to work with NJDEP to develop an application.

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

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

B. Docket No. ER17080869 – In the Matter of the Verified Petition of Rockland Electric Company for Approval of an Energy Efficiency Stimulus Program and Associated Rate Recovery.

Sherri Jones, Assistant Director, Division of Economic Development and Emerging Issues, presented this matter.

BACKGROUND AND DISCUSSION: On August 9, 2017, Rockland Electric Company (RECO or Company) filed a petition (August 2017 Petition) with the Board for approval of a Low Income Audit and Direct Install Energy Efficiency III Program (Low Income III Program or Program). By letter dated September 7, 2017 (Deficiency Letter), Staff informed the Company that it found the August 2017 Petition to be administratively deficient with respect to the Minimum Filing Requirements set forth in the Board's May 2008 Order. In response to Staff's Deficiency Letter, the Company filed supplemental information on September 26, 2017. On October 6, 2017, Staff advised RECO that the August 2017 Petition was administratively complete as of September 26, 2017. The 180-day review period therefore ended on March 25, 2018.

In its petition, RECO requested approval of a two year Low Income III Program designed to provide eligible RECO customers with energy efficiency measures based on results of an energy audit, including health and safety testing, at no charge. Cost effective energy savings measures may include air sealing measures and thermal barriers, LED lightbulbs, programmable thermostats, insulation and refrigerator and room air conditioner replacement.

By Order dated September 22, 2017, the Board determined that this matter should be retained by the Board for review and hearing and designated Commissioner Upendra J. Chivukula as the presiding officer. Based on the status of settlement discussions, the Parties agreed that an extension of the 180-day review period was appropriate. Accordingly, on February 27, 2018, the Parties entered into a Stipulation of Settlement to extend the review period to April 25, 2018 to allow time for a thorough review of the

proposed Low Income III Program by the Board.

On March 16, 2018, Commissioner Chivukula adopted the Settlement extending the review period to April 25, 2018.

Staff recommended that the Board issue an Order adopting the Settlement executed by the Signatory Parties. Staff also recommended the Board direct the Company to file tariff sheets consistent with the Stipulation of Settlement and this Order prior to May 1, 2018; as well as rectify all provisional rulings by Commissioner Chivukula for reasons stated in his Orders and decisions.

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

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

C. Docket No. QW18030284 – In Furtherance of the Matter of the Implementation of Executive Order 8 Offshore Wind – Executive session.

This matter was deferred.

9. MISCELLANEOUS

There were no items in this category.

EXECUTIVE SESSION

After appropriate motion, the following matter, which involved pending litigation and/or attorney-client privilege to the Open Public Meetings Act was discussed in Executive Session. The Board will make the contents of its discussion public at the earliest appropriate time.

3. CABLE TELEVISION

B. Non-docketed Matter – In the Matter of Altice USA, Inc.

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

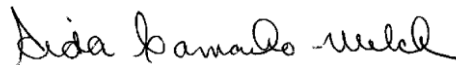
8. CLEAN ENERGY

C. Docket No. QW18030284 – In Furtherance of the Matter of the Implementation of Executive Order 8 Offshore Wind.

This matter was deferred.

After appropriate motion, the Board reconvened to Open Session.

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



AIDA CAMACHO-WELCH
SECRETARY OF THE BOARD

Date: June 22, 2018