



STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 1st Floor
Post Office Box 350
Trenton, New Jersey 08625-0350
www.nj.gov/bpu/

CLEAN ENERGY AND ENERGY

IN THE MATTER OF THE PETITION OF PUBLIC)
SERVICE ELECTRIC AND GAS COMPANY FOR)
APPROVAL OF ITS CLEAN ENERGY FUTURE-)
ENERGY EFFICIENCY II (CEF-EE II) PROGRAM ON)
A REGULATED BASIS)
)
) DOCKET NO. QO23120874

Parties of Record:

Brian O. Lipman Esq., Director, New Jersey Division of Rate Counsel
Stacey M. Mickles, Esq., Counsel for Public Service Electric and Gas Company
John Kolesnik, Esq., Counsel for the Energy Efficiency Alliance of New Jersey
Steven S. Goldenberg, Esq., Counsel for the New Jersey Large Energy Users Coalition
Kaitlin Morrison, Esq. and **Maggie Broughton, Esq.**, Counsel for the New Jersey Progressive Equitable Energy Coalition, the Natural Resources Defense Council, and the Sierra Club

BY PRESIDENT GUHL-SADOVY

BACKGROUND AND PROCEDURAL HISTORY

The New Jersey Clean Energy Act of 2018

On May 23, 2018, Governor Murphy signed the Clean Energy Act into law ("CEA"). The CEA mandates that New Jersey's electric and gas public utilities increase their role in delivering energy efficiency ("EE") and peak demand reduction ("PDR") programs. The CEA further directs the New Jersey Board of Public Utilities ("Board") to require the electric and gas utilities to reduce customer use of electricity and natural gas in their respective service territories.

Specifically, the CEA directs the Board to require:

- (a) each electric public utility to achieve, within its territory by its customers, annual reductions of at least 2% of the average annual electricity usage in the prior three years within five years of implementation of its electric energy efficiency program; and
- (b) each natural gas public utility to achieve, within its territory by its customers, annual reductions in the use of natural gas of at least 0.75% of the average annual natural gas

usage in the prior three years within five years of implementation of its gas energy efficiency program.¹

Triennium 1

By Order dated June 10, 2020, the Board approved, pursuant to the CEA, utility programs that reduce the use of electricity and natural gas within the utilities' territories.² In the June 2020 Order, the Board directed the utilities to file three-year program petitions by September 25, 2020 for approval by the Board by May 1, 2021 and implementation from July 1, 2021 through June 30, 2024 ("Triennium 1").

By Order dated September 23, 2020, the Board approved a stipulation of settlement authorizing Public Service Electric and Gas Company ("PSE&G" or "Company") to implement its Clean Energy Future-Energy Efficiency ("CEF-EE") Program.³

On September 20, 2022, PSE&G filed a letter petition ("Letter Petition") to extend the term of the 10 subprograms of the CEF-EE Program for a nine-month period (October 1, 2023 through June 30, 2024) in order to align the program with the three-year program cycle authorized by the Board for the other utilities. Additionally, the Letter Petition proposed offering electric CEF-EE programs to PSE&G gas customers who are also Butler Power and Light Company ("Butler") customers during the extension period. By Order dated October 10, 2022, the Board determined that the Letter Petition satisfied the requirement that Butler Electric submit a proposal to deliver EE and PDR programs to Butler customers.⁴ In addition, by Order dated May 24, 2023, the Board approved the extension of the term of the 10 subprograms of PSE&G's CEF-EE Program.⁵

Triennium 2

By Order dated May 24, 2023, the Board directed each electric and gas public utility to propose, for Board approval, EE programs for the second three-year EE program period ("Triennium 2") on or before October 2, 2023, and the Board addressed certain aspects of the Triennium 2

¹ N.J.S.A. 48:3-87.9(a).

² In re the Implementation of P.L. 2018, c. 17 Regarding the Establishment of Energy Efficiency and Peak Demand Reduction Programs, BPU Docket Nos. QO19010040, QO19060748, QO17091004, Order dated June 10, 2020 ("June 2020 Order").

³ In re the Petition of Public Service Electric and Gas Company for Approval of Its Clean Energy Future-Energy Efficiency ("CEF-EE") Program on a Regulated Basis, BPU Docket Nos. GO18101112 and EO18101113, Order dated September 23, 2020.

⁴ In re the Implementation of L. 2018, c. 17 Regarding the Establishment of Energy Efficiency and Peak Demand Reduction Programs, Butler Electric, BPU Docket Nos. QO19010040 and QO20100684, Order dated October 12, 2022.

⁵ In re the Petition of Public Service Electric and Gas Company for Approval of its Clean Energy Future – Energy Efficiency ("CEF-EE") Program on a Regulated Basis, BPU Docket Nos. GO18101112 and EO18101113, Order dated May 24, 2023.

framework.⁶ By Order dated July 26, 2023, the Board approved the remaining aspects of the Triennium 2 framework.⁷

By Order dated September 27, 2023, the Board extended the filing deadline for Triennium 2 petitions from October 2, 2023 to December 1, 2023 and directed that any entities seeking to intervene or participate in this matter file the appropriate application with the Board by December 8, 2023, and that entities file with the Board any responses to those motions by December 14, 2023.⁸ By the September 2023 Order, the Board retained this matter for hearing and, pursuant to N.J.S.A. 48:2-32, designated former Commissioner Mary-Anna Holden as Presiding Commissioner for the PSE&G and Butler filings. By Order dated October 25, 2023, the Board delayed the start of Triennium 2 by six months from July 1, 2024 until January 1, 2025.⁹

⁶ In re the Implementation of P.L. 2018, c. 17, the New Jersey Clean Energy Act of 2018, Regarding the Establishment of Energy Efficiency and Peak Demand Reduction Programs; In re the Implementation of P.L. 2018, c. 17, the New Jersey Clean Energy Act of 2018, Regarding the Second Triennium of Energy Efficiency and Peak Demand Reduction Programs; In re: Electric Public Utilities and Gas Public Utilities Offering Energy Efficiency and Conservation Programs, Investing in Class I Renewable Energy Resources and Offering Class I Renewable Energy Programs in Their Respective Service Territories on a Regulated Basis, Pursuant to N.J.S.A. 48:3-98.1 and N.J.S.A. 48:3-87.9 - Minimum Filing Requirements, BPU Docket Nos. QO19010040, QO23030150, and QO17091004, Order dated May 24, 2023 (“May 2023 Order”).

⁷ In re the Implementation of P.L. 2018, c. 17, the New Jersey Clean Energy Act of 2018, Regarding the Establishment of Energy Efficiency and Peak Demand Reduction Programs; In re the Implementation of P.L. 2018, c. 17, the New Jersey Clean Energy Act of 2018, Regarding the Second Triennium of Energy Efficiency and Peak Demand Reduction Programs; In re: Electric Public Utilities and Gas Public Utilities Offering Energy Efficiency and Conservation Programs, Investing in Class I Renewable Energy Resources and Offering Class I Renewable Energy Programs in Their Respective Service Territories on a Regulated Basis, Pursuant to N.J.S.A. 48:3-98.1 and N.J.S.A. 48:3-87.9 - Minimum Filing Requirements, BPU Docket Nos. QO19010040, QO23030150, and QO17091004, Order dated July 26, 2023.

⁸ In re the Implementation of P.L. 2018, c. 17, the New Jersey Clean Energy Act of 2018, Regarding the Establishment of Energy Efficiency and Peak Demand Reduction Programs; In re the Implementation of P.L. 2018, c. 17, the New Jersey Clean Energy Act of 2018, Regarding the Second Triennium of Energy Efficiency and Peak Demand Reduction Programs; In re Electric Public Utilities and Gas Public Utilities Offering Energy Efficiency and Conservation Programs, Investing in Class I Renewable Energy Resources and Offering Class I Renewable Energy Programs in Their Respective Service Territories on a Regulated Basis, Pursuant to N.J.S.A. 48:3-98.1 and N.J.S.A. 48:3-87.9 - Minimum Filing Requirements, BPU Docket Nos. QO19010040, QO23030150, and QO17091004, Order dated September 27, 2023 (“September 2023 Order”).

⁹ In re the Implementation of P.L. 2018, c. 17, the New Jersey Clean Energy Act of 2018, Regarding the Establishment of Energy Efficiency and Peak Demand Reduction Programs; In re the Implementation of P.L. 2018, c. 17, the New Jersey Clean Energy Act of 2018, Regarding the Second Triennium of Energy Efficiency and Peak Demand Reduction Programs; In re Electric Public Utilities and Gas Public Utilities Offering Energy Efficiency and Conservation Programs, Investing in Class I Renewable Energy Resources and Offering Class I Renewable Energy Programs in Their Respective Service Territories on a Regulated Basis, Pursuant to N.J.S.A. 48:3-98.1 and N.J.S.A. 48:3-87.9 - Minimum Filing Requirements, BPU Docket Nos. QO19010040, QO23030150, and QO17091004, Order dated October 25, 2023. (“October 2023 Order”). The October 2023 Order also extended Triennium 1 through December 31, 2024.

DECEMBER 2023 PETITION

On December 1, 2023, PSE&G filed the requisite petition with the Board (“Petition”). In the Petition, the Company proposed a total budget of approximately \$3.4 billion for its Clean Energy Future – Energy Efficiency II Program (“CEF-EE II”) over a 30-month period (January 1, 2025 through June 30, 2027).

Category	Sector	Program	Total
Core	Residential	Whole Home	\$401,684,087
		Income Qualified	\$335,091,497
		EE Products	\$286,364,613
		Behavioral	\$44,304,656
	Commercial	Energy Solutions	\$799,093,758
		Prescriptive & Custom	\$639,111,726
		Direct Install	\$318,160,018
Multifamily	Multifamily	\$224,116,297	
Utility-Led		Building Decarbonization	\$221,865,450
		Demand Response	\$27,432,213
		Next Generation Savings	\$27,500,003
Other Portfolio Costs		Capital Cost	\$37,000,000
		Administration	\$17,521,000
		Workforce Development	\$42,965,600
		Total	\$3,422,210,918

To recover the revenue requirement associated with CEF-EE II, PSE&G proposed the introduction of a new CEF-EE II Component (“CEF-EE IIC”) of its electric and gas Green Programs Recovery Charge (“GPRC”) rider. The CEF-EE IIC components would be applied utilizing a per kilowatt-hour (“kWh”) basis for electric rate schedules. Additionally, a per therm basis would be used for gas rate schedules across all applicable rate schedules. The initial CEF-EE IICs would be established based on estimated revenue requirements of the CEF-EE II from January 1, 2025 to September 30, 2025. Subsequently, adjustments to the CEF-EE IICs components of the GPRC would occur during the BPU's annual review, incorporating a true-up for actuals and an estimate of revenue requirements for the upcoming year, consistent with the approach for other Board-approved EE programs.

The maximum program amortization period is proposed to be set at 10 years. Additionally, PSE&G proposed earning a return on its net investment in CEF-EE II. This return would be determined by an authorized return on equity (“ROE”) and a capital structure that includes income tax effects. For this Petition, the relevant metric is the weighted average cost of capital (“WACC”), as previously authorized in the Company's 2018 base rate case, with consideration for future potential revisions. PSE&G plans to calculate interest on over and under-recoveries using the interest rate from its commercial paper and/or bank credit lines in the preceding month. In cases where both sources are used, a weighted average would be calculated. If neither source is utilized, the last calculated rate would be applied.

According to the Company's requests, a typical residential electric customer of PSE&G, using 740 kWh in a summer month and 577 kWh in an average month (6,920 kWh annually), would initially see a decrease in their average monthly bill of \$0.20, from \$117.48 to \$117.28, or

approximately 0.17% [based upon Delivery Rates and Basic Generation Service-Residential Small Commercial Pricing (“BGS-RSCP”) charges in effect November 1, 2023 and assuming the customer receives BGS-RSCP service from PSE&G]. Furthermore, an anticipated maximum average monthly bill increase of \$4.66, or approximately 3.97%, is projected to occur in the period from October 2034 to September 2035.

Additionally, a typical residential gas heating customer using 172 therms in a winter month and 87 average monthly therms (1,040 therms annually) would experience an initial increase in their average monthly bill of \$0.38 from \$93.22 to \$93.60, or approximately 0.41% [based upon current Delivery Rates and Basic Gas Supply Service-Residential Gas Service (“BGSS-RSG”) charges in effect November 1, 2023 and assuming the customer receives BGSS service from PSE&G and not including any BGSS-RSG Bill Credits]. Moreover, the expected maximum increase of \$4.07, or approximately 4.36%, is forecasted to occur in the period from October 2028 to September 2029.

The Company proposed to offer its electric CEF-EE II programs to PSE&G gas customers who are also Butler customers.

On December 28, 2023, Board Staff (“Staff”) issued PSE&G a letter of administrative deficiency (“Letter”) identifying administratively incomplete portions of the Petition and requesting that the Company cure any deficiencies. On January 5, 2024, PSE&G filed an update to the Petition to cure the deficiencies identified in the Letter (“Update”).

After Commissioner Holden retired from the Board, on January 10, 2024, the Board found that the Petition satisfied the Board’s requirement that Butler submit a proposal to deliver Triennium 2 EE programs to Butler customers.¹⁰ Also by the January 10, 2024 Order, the Board designated myself, President Guhl-Sadovy, as the Presiding Commissioner authorized to rule on all motions that arose during the pendency of this proceeding, and modify schedules that may be set as necessary to secure a just and expeditious determination of all issues.

On January 12, 2024, Staff issued a letter of administrative completeness, noting that the Update adequately cured the deficiencies identified in the Letter and that Staff therefore determined the Petition to be administratively complete. N.J.S.A. 48:3-98.1(b) provides the Board with 180 days to approve, modify, or deny the Company’s requested recovery of costs for CEF-EE II. The 180-day review period commenced on January 5, 2024 for Petition.

By order dated February 26, 2024, after considering all Motions to Intervene or Participate in this matter and responses to the Motions, I granted intervenor status to the New Jersey Large Energy Users’ Coalition (“NJLEUC”), the Natural Resources Defense Council (“NRDC”), the New Jersey Progressive Equitable Energy Coalition (“NJPEEC”), and the Sierra Club.¹¹ Via the February 2024 Order, I granted participant status to Advanced Energy United, Inc.; Convergent Energy and Power; Enterprise Global Technologies, Inc. d/b/a CPower; Google, LLC; Uplight Inc.; and the

¹⁰ In re the Implementation of P.L. 2018, c. 17, the New Jersey Clean Energy Act of 2018, Regarding the Second Triennium of Energy Efficiency and Peak Demand Reduction Programs et al., BPU Docket Nos. QO23030150, QO23120868, QO23120869, QO23120870, QO23120871, QO23120872, QO23120874, and QO23120875, Order dated January 10, 2024 (“January 2024 Order”).

¹¹ In re the Petition of Public Service Electric and Gas Company for Approval of Its Clean Energy Future Energy Efficiency II (CEF-EE II) Program on a Regulated Basis – Order Ruling on Motions to Intervene or Participate, BPU Docket No. QO23120874, Order dated February 26, 2024 (“February 2024 Order”).

joint utilities: Atlantic City Electric (“ACE”), Elizabethtown Gas Company (“ETG”), New Jersey Natural Gas Company (“NJNG”), Jersey Central Power and Light Company (“JCPL”), Rockland Electric Company (“RECO”), and South Jersey Gas Company (“SJG”).

Based upon the status of current settlement discussions, the parties to this matter have agreed that an extension of the 180-day review period is appropriate. Accordingly, on March 19, 2024, the parties to this matter submitted a stipulation of settlement agreeing to extend the 180-day review period to October 15, 2024 (“Stipulation”).

N.J.S.A. 48:2-21.3 allows any public utility to file with the Board a written stipulation waiving the effective date of any tariff or rate, subject to the Board’s approval. In this case, the parties to this proceeding have agreed to an extension until October 15, 2024. No party has opposed the Stipulation or the extension of the review period. As such, after review of the Stipulation, I **HEREBY FIND** the Stipulation to be reasonable, in the public interest, and in accordance with the law. Accordingly, I **HEREBY APPROVE** the attached Stipulation in its entirety, **HEREBY INCORPORATE** its terms and conditions as though fully set forth herein and **HEREBY EXTEND** the review period until October 15, 2024.

I have reviewed the proposal for a preliminary schedule, which has been agreed to by the parties to this matter. I **HEREBY ISSUE** the following as the Prehearing Order, along with the procedural schedule, attached as Exhibit A, and **HEREBY DIRECT** the parties to comply with its terms.

IN THE MATTER OF THE PETITION OF PUBLIC SERVICE ELECTRIC AND GAS COMPANY FOR APPROVAL OF
ITS CLEAN ENERGY FUTURE-ENERGY EFFICIENCY II (CEF-EE II) PROGRAM ON A REGULATED BASIS

DOCKET NO. EO20090621

SERVICE LIST

New Jersey Board of Public Utilities

44 South Clinton Avenue, 1st Floor
Post Office Box 350
Trenton, NJ 08625-0350

Sherri Golden
Secretary of the Board
board.secretary@bpu.nj.gov

Robert Brabston, Executive Director
robert.brabston@bpu.nj.gov

Stacy Peterson, Deputy Executive Director
stacy.peterson@bpu.nj.gov

General Counsel's Office

Michael Beck, General Counsel
michael.beck@bpu.nj.gov

Carol Artale, Deputy General Counsel
carol.artale@bpu.nj.gov

Heather Weisband
heather.weisband@bpu.nj.gov

Rachel Boylan
rachel.boyland@bpu.nj.gov

Office of the Economist

Benjamin Witherell, Ph.D., Chief Economist
benjamin.witherell@bpu.nj.gov

Dianne Crilly
dianne.crilly@bpu.nj.gov

Jackie O'Grady
jackie.ogrady@bpu.nj.gov

Division of Revenue and Rates

Bart Kilar
bart.kilar@bpu.nj.gov

Cindy Bianco
cindy.bianco@bpu.nj.gov

Division of State Energy Services

Sara Bluhm Gibson, Director
sara.bluhm@bpu.nj.gov

Michelle Rossi
michelle.rossi@bpu.nj.gov

NJBPU, cont'd.

Division of Clean Energy

Stacy Ho Richardson, Deputy Director
stacy.richardson@bpu.nj.gov

Kevin Monte de Ramos
Bureau Chief, Energy Efficiency and Building
Decarbonization
kevin.montederamos@bpu.nj.gov

Philip Chao
philip.chao@bpu.nj.gov

Rupa Deshmukh
rupa.deshmukh@bpu.nj.gov

Paul Heitmann
paul.heitmann@bpu.nj.gov

Kevin Nedza
kevin.nedza@bpu.nj.gov

Indrani Pal
indrani.pal@bpu.nj.gov

Brandee Sullivan
brandee.sullivan@bpu.nj.gov

David Titus
david.titus@bpu.nj.gov

Alexis Trautman
alexis.trautman@bpu.nj.gov

Dustin Wang
dustin.wang@bpu.nj.gov

NJBPU Consultants

Andrew Grant
The Cadmus Group
720 SW Washington St., Suite 400
Portland, OR 97205
andrew.grant@cadmusgroup.com

Jason Meyer
DNV Energy Insights USA Inc.
1400 Ravello Rd
Katy, TX 77449
jason.meyer@dnv.com

NJBPU Consultants, cont'd.

Pankaj Lal, PhD
Cassidy Rucker
Montclair State University
426 Center for Environment & Life Sciences
Montclair, NJ 07043
lalp@montclair.edu
ruckerc@montclair.edu

Jennifer Senick
Rutgers Center for Green Building
Edward J. Bloustein School of Planning & Public
Policy
Rutgers, The State University of New Jersey
33 Livingston Ave #158
New Brunswick, NJ 08901
jsenick@rutgers.edu

Lisa Skumatz
Skumatz Economic Research Associates
PO Box 1486
Silverthorne, CO 80498
skumatz@serainc.com

New Jersey Division of Law

Department of Law & Public Safety
R.J. Hughes Justice Complex, 7th Floor West
25 Market Street
Post Office Box 112
Trenton, NJ 08625-0112

Daren Eppley, Section Chief, DAG
daren.eppley@law.njoag.gov

Pamela Owen
Assistant Section Chief, DAG
pamela.owen@law.njoag.gov

Matko Ilic, DAG
matko.ilic@law.njoag.gov

Steven A. Chaplar, DAG
steven.chaplar@law.njoag.gov

New Jersey Division of Rate Counsel

140 East Front Street, 4th Floor
Post Office Box 003
Trenton, NJ 08625-0003

Brian Lipman, Esq., Director
blipman@rpa.nj.gov

Maura Caroselli, Esq.
mcaroselli@rpa.nj.gov

Sarah H. Steindel, Esq.
ssteinde@rpa.nj.gov

Megan Lupo, Esq.
mlupo@rpa.nj.gov

Rate Counsel, cont'd.

Mamie W. Purnell, Esq.
mpurnell@rpa.nj.gov

Andrew Gold, Esq.
agold@rpa.nj.gov

Carlena Morrison, Paralegal
cmorrison@rpa.nj.gov

Terrence Coleman, Paralegal
tc Coleman2@rpa.nj.gov

Rate Counsel Consultants

Robert J. Henkes
Henkes Consulting
7 Sunset Road
Old Greenwich, CT 06870
rhenkes@optonline.net

Acadian Consulting Group
5800 One Perkins Place Drive
Building 5, Suite F
Baton Rouge, LA 70808

David Dismukes, Ph.D.
daviddismukes@acadianconsulting.com

Michael Deupree
michaeldeupree@acadianconsulting.com

Nicolas Alvarez
nicolasalvarez@acadianconsulting.com

Taylor Deshotels
taylorshotels@acadianconsulting.com

Roberto Hasbun
robhasbun@acadianconsulting.com

Emily Mouch
emilymouch@acadianconsulting.com

Tyler French
tylerfrench@acadianconsulting.com

Jackson Gaspard
jacksongaspard@acadianconsulting.com

Rate Counsel Consultants, cont'd.

Applied Economics Clinic
6 Liberty Square PMB 98162
Boston, MA 02109

Elizabeth A. Stanton, PhD
liz.stanton@aeclinic.org

Sumera Patel
Sumera.patel@aeclinic.org

Jordan M. Burt
jordan.burt@aeclinic.org

Tanya Stasio
tanya.stasio@aeclinic.org

Larken & Associates PPLC
15728 Farmington Road
Livonia, MI 48154

Ralph Smith, Senior
rsmithla@aol.com

Mark Dady
msdady@gmail.com

Dawn Bisdorf
dawn.bisdorf@gmail.com

Megan Eliasz
mcranston29@gmail.com

Public Service Electric & Gas Company
80 Park Plaza, T10
P.O. Box 570
Newark, New Jersey 07102

Stacey M. Mickles
Associate Counsel - Regulatory
stacey.mickles@pseg.com

Joseph Accardo
josephjr.accardo@pseg.com

Aaron I. Karp Esq.
aaron.karp@pseg.com

Katherine Smith, Esq.
katherine.smith@pseg.com

Bernard Smalls
bernard.smalls@pseg.com

Caitlyn White
caitlyn.white@pseg.com

PSE&G Consultant

Michael D'Angelo
mdangelo@advancedenergyunited.org

Atlantic City Electric Company

92DC42
500 North Wakefield Drive
P.O. Box 6066
Newark, DE 19702-6066

Philip J. Passanante, Esq.
Assistant General Counsel
philip.passanante@pepcoholdings.com

Nathanael Gillespie
nathanael.gillespie@exeloncorp.com

Jacob B. Sneed
jacob.sneed@exeloncorp.com

Jessica Yu
jessica.yu@exeloncorp.com

Heather Hall
heather.hall@pepcoholdings.com

Imran Bell
imran.bell@exeloncorp.com

Daniel Anderson
danderson@pepco.com

Ruth C. Kiselewich
ruth.kiselewich@exeloncorp.com

-
Susan Marinelli
smarinelli@pepcoholdings.com

Sherryl Chen
sherryl.chen@pepcoholdings.com

Brendon Baatz
brendon@gabelassociates.com

Elizabethtown Gas Company & South Jersey Gas Company

Sheree Kelly, Esq., Regulatory Affairs Counsel
South Jersey Industries
520 Green Lane
Union, NJ 07083
skelly@sjindustries.com

Jersey Central Power & Light Company

Michael Martelo, Esq., Attorney
300 Madison Avenue
P.O. Box 1911
Morristown, NJ 07962-1911
mmartelo@firstenergycorp.com

Kurt E. Turosky
Diane L. Rapp
76 South Main
Akron, Ohio 44308
turoskyk@firstenergycorp.com
drapp@firstenergycorp.com

JCP&L, cont'd.

Edward C. Miller
Eric R. Rundy
800 Cabin Hill Drive
Greensburg, Pennsylvania 15601
emille3@firstenergycorp.com
erundy@firstenergycorp.com

Mackenzie Klie
14997 Park Ave Ext
Meadville, Pennsylvania 16335
mklie@firstenergycorp.com

Kori R. Auman-Krebs
Viktor Lackmann
2800 Pottsville Pike
Reading, Pennsylvania 19605
kauman@firstenergycorp.com
vlackmann@firstenergycorp.com

New Jersey Natural Gas Company

Andrew K. Dembia, Esq., Regulatory Affairs Counsel
1415 Wyckoff Road
P.O. Box 1464
Wall, New Jersey 07719
adembia@njng.com

Rockland Electric Company

Margaret Comes, Esq., Associate Counsel
4 Irving Place
New York, New York 10003
comesm@coned.com

Eastern Environmental Law Center

One Gateway Center, Suite 2600
Newark, NJ 07102

Kaitlin Morrison, Esq.
kmorrison@easternenvironmental.org

Maggie Broughton, Esq.
mbroughton@easternenvironmental.org

Energy Efficiency Alliance of New Jersey

John M. Kolesnik, Esq., Policy Counsel
614 S. 4th St., #307
Philadelphia, PA 19147
jkolesnik@eeaofnj.org

New Jersey Large Energy Users Coalition

Steven S. Goldenberg, Esq.
Giordano, Halleran & Ciesla, P.C.
125 Half Mile Road, Suite 300
Red Bank, NJ 07701-6777
sgoldenberg@ghclaw.com

Convergent Energy and Power Inc.

7 Times Square, Suite 3504
New York, NY 10036

Katie Guerry, SVP Regulatory Affairs
kguerry@convergentep.com

Emma Marshall-Torres, Regulatory Affairs Manager
emarshall-torres@convergentep.com

Nathan C. Howe
K&L Gates LLP
One Newark Center
1085 Raymond Blvd.
Newark, NJ 07102
nathan.howe@klgates.com

CPower

Aaron Breidenbaugh, Senior Director of Regulatory
Affairs and Public Policy
64 Westview Rd
Voorheesville, NY 12186
aaron.breidenbaugh@cpowerenergy.com

Steven S. Goldenberg, Esq.
Giordano, Halleran & Ciesla, P.C.
125 Half Mile Road, Suite 300
Red Bank, NJ 07701-6777
sgoldenberg@ghclaw.com

Google, LLC

Bevan, Mosca & Giuditta P.C.
163 Madison Avenue, Suite 220-8
Morristown, NJ 07960

Murray E. Bevan, Esq.
mbevan@bmg.law

Jennifer McCave, Esq.
jmccave@bmg.law

Uplight

Norris McLaughlin, P.A.
400 Crossing Boulevard, 8th Floor
P.O. Box 5933
Bridgewater, NJ 08807

James H. Laskey, Esq.
jlaskey@norris-law.com

Anthony D'Elia
adelia@norris-law.com

Neil Veilleux
Uplight Inc.
2350 Junction Pl, Ste 200
Boulder, CO 80301
neil.veilleux@uplight.com

PREHEARING ORDER

1. NATURE OF PROCEEDINGS AND ISSUES TO BE RESOLVED

A. Nature of Proceedings

Through this proceeding, PSE&G seeks approval to implement 11 programs, including four (4) residential EE programs, three (3) commercial and industrial EE programs, one (1) multifamily EE program, and three (3) other programs, including building decarbonization, demand response, and next generation savings (collectively, "CEF-EE II Program"). The total proposed budget for CEF-EE II Program is approximately \$3.4 billion, including approximately \$3.1 billion for investment and approximately \$311 million in administrative expenses over the proposed 30-month term of the program. The Company proposes to recover the costs associated with the CEF-EE II Program via a new CEF-EE II Component of the Company's electric and gas Green Programs Recovery Charge GPRC, which is filed annually.

B. Issues to be Resolved

1. The cost effectiveness and cost efficiency of the proposed programs, including but not limited to:
 - a. Whether the utility pursued additional state and federal funding for its EE and building decarbonization programs to defray burdens on ratepayers; and
 - b. Whether the total budget dollar amount in the building decarbonization programs proposed by all utilities combined exceeds the Board's recommended total budget;
2. The compliance of the proposed program offerings with the Board's requirements, including but not limited to:
 - a. Whether the utility's filing proposes similar EE programs that can be consistently implemented across all utility territories; and
 - b. Whether the utility's proposed building decarbonization programs are in compliance with the Board's guidelines; and
3. The reasonableness and lawfulness of the proposed cost recovery mechanism, including but not limited to:
 - a. Whether the utility's proposed program properly accounts for jointly planned and coordinated budgets with other partner utilities.

2. PARTIES AND THEIR DESIGNATED ATTORNEYS OR REPRESENTATIVES

Counsel for Public Service Electric and Gas Company

Stacey M. Mickles, Esq.
PSEG Services Corporation
80 Park Plaza, T10
P.O. Box 570
Newark, New Jersey 07102
stacey.mickles@pseg.com

Counsel for the Staff of the New Jersey Board of Public Utilities

Steven Chaplar, DAG
New Jersey Division of Law
Department of Law & Public Safety
R.J. Hughes Justice Complex, 7th Floor West
25 Market Street
Post Office Box 112
Trenton, NJ 08625-0112
steven.chaplar@law.njoag.gov

Counsel for the New Jersey Division of Rate Counsel

Brian Lipman, Esq., Director
Maura Caroselli, Esq.
Sarah H. Steindel, Esq.
Megan Lupo, Esq.
Andrew Gold, Esq.
New Jersey Division of Rate Counsel
140 East Front Street, 4th Floor
Post Office Box 003
Trenton, NJ 08625-0003
blipman@rpa.nj.gov
mcaroselli@rpa.nj.gov
ssteinde@rpa.nj.gov
mlupo@rpa.nj.gov
agold@rpa.nj.gov

Counsel for the Energy Efficiency Alliance of New Jersey (“EEA-NJ”)

John M. Kolesnik, Esq.
614 S. 4th St. #307
Philadelphia, PA 19147
jkolesnik@eeaofnj.org

Counsel for the Natural Resources Defense Council (“NRDC”), New Jersey Progressive Equitable Energy Coalition (“NJPEEC”), and the Sierra Club

Kaitlin Morrison, Esq.
Maggie Broughton, Esq.
Eastern Environmental Law Center
One Gateway Center, Suite 2600
Newark, NJ 07102
kmorrison@easternenvironmental.org
mbroughton@easternenvironmental.org

Counsel for the New Jersey Large Energy Users Coalition (“NJLEUC”)

Steven S. Goldenberg, Esq.
Giordano, Halleran & Ciesla, P.C.
125 Half Mile Rd, Suite 300
Red Bank, NJ 07701-6777
sgoldenberg@ghclaw.com

No change in designated trial counsel shall be made without leave if such change will interfere with the dates for hearings. If no specific counsel is set forth in this Order, any partner or associate may be expected to proceed with evidentiary hearings on the agreed dates.

3. SPECIAL LEGAL REQUIREMENTS AS TO NOTICE OF HEARING

Due to the COVID-19 pandemic, public hearings will be held virtually after publication of notice in newspapers of general circulation in PSE&G service territory. The dates, times, and locations of the public hearings are to be determined.

4. SCHEDULE OF HEARING DATES, TIME, AND PLACE

Evidentiary hearings are tentatively scheduled for August 12 and 13, 2024 at a time and location to be determined based upon the availability of the parties and myself.

5. STIPULATIONS

The Company, the Staff of the Board of Public Utilities (“Staff”), and the New Jersey Division of Rate Counsel (“Rate Counsel”) have entered into an Agreement of Non-Disclosure of Information Agreed to Be Confidential (“NDA”).

The parties to this matter have also agreed that extension of the 180-day review period is appropriate and have entered into a stipulation to extend the review period to October 15, 2024 to allow more time for review of PSE&G’s Petition by the Board.

6. SETTLEMENT

Parties are encouraged to engage in settlement discussion. Notice should be provided to all parties of any settlement discussions for the preparation of an agreement to resolve the issues in the case.

7. AMENDMENTS TO PLEADINGS

On January 5, 2024, PSE&G filed a supplement to its Petition.

8. DISCOVERY AND DATE FOR COMPLETION

The time limits for discovery shall be as provided in Exhibit A or in accordance with N.J.A.C. 1:1-10.4.

9. ORDER OF PROOFS

PSE&G has the burden of proof. The hearings will be conducted by topic in the following order:

First – PSE&G

Second – Rate Counsel

Third – EEA-NJ

Fourth – NJLEUC

Fifth – NRDC

Sixth – NJPEEC

Seventh – Sierra Club

Eighth – Staff

10. EXHIBITS MARKED FOR IDENTIFICATION

None at this time.

11. EXHIBITS MARKED IN EVIDENCE

None at this time.

12. ESTIMATED NUMBER OF FACT AND EXPERT WITNESSES

PSE&G will present the following witnesses: Karen Reif and Stephen Swetz. PSE&G may identify additional witnesses as necessary for purposes of rebuttal or surrebuttal.

Rate Counsel will present the following witnesses: David Dismukes, Acadian Consulting Group; Elizabeth A. Stanton, Applied Economics Clinic; Ralph Smith, Larken & Associates PPLC

EELC will present the following witness: Jim Grevatt, Energy Futures Group

Rate Counsel or other parties may identify additional witnesses as necessary for purposes of testimony.

Any party substituting witnesses shall identify such witnesses within five (5) days of determining to replace a witness and in no event later than five (5) days before filing of testimony of a substitute witness. All direct testimony will be pre-filed, and all witnesses submitting pre-filed direct testimony will be subject to cross examination at evidentiary hearings, which will be conducted by topic (e.g., program elements, revenue requirements, and so forth).

13. MOTIONS

All pending motions to intervene and/or participate have been addressed.

14. SPECIAL MATTERS

None at this time.

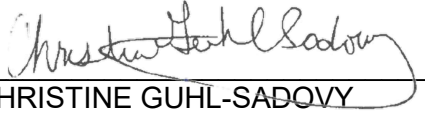
The parties are directed to work cooperatively with each other to the fullest extent possible in the interests of reaching a just determination in this proceeding.

I **HEREBY DIRECT** that this Order be posted on the Board's website.

This provisional ruling is subject to ratification or other alteration by the Board as it deems appropriate during the proceedings in this matter.

DATED: 3/28/24

BY:


CHRISTINE GUHL-SADOVY
PRESIDENT

PSE&G EXHIBIT A: PROCEDURAL SCHEDULE

DOCKET NO. QO23120874

Motions to Intervene/Participate	January 19, 2024
Responses to Intervention/Participation	January 25, 2020
Discovery Requests on Initial Testimony+	February 9, 2024
Responses to Discovery on Initial Testimony	February 23, 2024
Additional Discovery Requests	March 11, 2024
Additional Round Discovery Answers	March 25, 2024
Settlement Conference	April 8, 2024
Public Hearing+++	TBD in April-May
Intervenor/Respondent Testimony	May 7, 2024
Discovery on Intervenor/Respondent Testimony	May 21, 2024
Responses to Discovery on Intervenor/Respondent Testimony	June 5, 2024
Rebuttal Testimony	June 19, 2024
Discovery on Rebuttal Testimony	July 1, 2024
Answers to Rebuttal Discovery	July 10, 2024
Settlement Conference (if necessary)	July 17, 2024
Evidentiary Hearings with oral surrebuttal**	August 12–13, 2024
Initial Briefs	August 27, 2024
Reply Briefs	September 11, 2024
Final Board Action	TBD

+ Discovery will be conducted on a rolling basis, with responses due in accordance with N.J.A.C. 1:1-10.4. The aforementioned dates are subject to modification by the Presiding Commissioner. The parties on the service list will be notified accordingly.

++ Subject to the Presiding Commissioner's availability.

+++ The Parties may request oral rejoinder. The Presiding Commissioner will confirm this request prior to evidentiary hearings.