



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

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

A Regular Board meeting of the Board of Public Utilities was held on December 18, 2018, at the State House Annex, Committee Room 6, 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
Robert M. Gordon, Commissioner

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 January 17, 2019, at the State House Annex, Committee Room 11, 125 West State Street, Trenton, New Jersey 08625.

The Board recognized and thanked Director Maria Moran for her years of service to the Board, and by unanimous vote, adopted a resolution commending her for her years of service to the Board.

CONSENT AGENDA

I. AUDITS

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

EE18091059L	Noble Hill Brokerage, LLC	I – EA
EE18101163L	The Fitzmichael Group, LLC d/b/a Juice Energy Advisors	I – EA
EE18101095L	Just One Energy, LLC	I – EA
EE18101183L	Kinect Energy, Inc.	I – EA/PA
GE18101184L		
EE18101152L	South Shore Trading and Distributors, Inc.	I – EA/EC
GE18101153L		
EE18101155L	Utility Advantage, LLC	I – EA/EC
GE18101156L		

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

EE18050581L	Broadway Energy Group Corp.	R – EA
EE18080937L	Consumer Energy Solutions, Inc.	R - EA
EE18091054L	Yardi Systems, Inc.	R – EA
EE18101097L	Satori Enterprises, LLC d/b/a Satori Energy	R – EA
GE18101164L	NJHA Healthcare Business Solutions	R – PA
EE18101148L	KEYTEX Energy Solutions	
GE18101149L	Limited Liability Company	R – EA/PA
EE18101212L	Avion Energy, Inc.	R – EA/PA
GE18101213L	d/b/a Avion Energy, ectoPro, Avion Business Services	
EE18091053L	Utiliz, LLC	R- EA/EC
GE18121281L		
EE18091051L	Concord Engineering Group	R – EA/PA/EC
GE18091052L	d/b/a Concord Energy Services	
EE18030351L	US Grid Energy, LLC	R – EA/PA/EC
GE18030352L		
EE18040477L	Regional Resources Energy Group, LLC	R – EA/PA/EC
GE18040478L		
EE18010015L	Sprague Energy Solutions, Inc.	R- EA/PA/EC

Electric Power and/or Natural Gas Supplier Initial License

EE18101196L	Park Power, LLC d/b/a Park Power	I – ESL
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Electric Power and/or Natural Gas Supplier Renewal Licenses

EE18101146L	Residents Energy, LLC	R – EGSL
GE18101145L		
GE18101154L	Tiger Natural Gas, Inc. d/b/a Tiger, Inc.	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 applicant be issued initial registrations as an energy agent, private aggregator and/or energy consultant for one year:

- Noble Hill Brokerage, LLC
- The Fitzmichael Group LLC d/b/a Juice Energy Advisors
- Just One Energy, LLC
- Kinect Energy, Inc.
- South Shore Trading and Distributors, Inc.
- Utility Advantage, LLC

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

- Broadway Energy Group Corp.
- Consumer Energy Solutions, Inc.
- Yardi Systems, Inc.
- Satori Enterprises, LLC d/b/a Satori Energy
- NJHA Healthcare Business Solutions
- KEYTEX Energy Solutions Limited Liability Company
- Avion Energy, Inc. d/b/a Avion Energy, ectoPro, Avion Business Services
- Utiliz, LLC
- Concord Engineering Group d/b/a Concord Energy Services
- US Grid Energy, LLC
- Regional Resources Energy Group, LLC
- Sprague Energy Solutions, Inc.

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

- Park Power, LLC d/b/a Park Power

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

- Residents Energy, LLC
- Tiger Natural Gas, Inc. d/b/a Tiger, Inc.

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

II. ENERGY

A. Docket No. ER18010004 – In the Matter of Federal Energy (FERC) Items for 2018 – FERC Docket No. EL19-8 PJM Interconnection, LLC re: Maintenance Adder Revisions to Operating Agreement.

BACKGROUND: Staff, on behalf of the Board, filed a doc-less intervention in this proceeding as an “interested state commission” under the Federal Energy Regulatory Commission (FERC or Commission) Rules of Practice and Procedure on November 16, 2018. The FERC

e-filing rules allow for doc-less interventions, which serve to establish the Board as a party to the proceeding.

On October 29, 2018, PJM Interconnection LLC (PJM) submitted revisions to its Operating Agreement, under Section 206, to eliminate an existing restriction that prevents sellers of energy from combined cycle (CC) and combustion turbine (CT) generating units from including a maintenance cost component (major inspection and overhaul costs) in their energy market offers.

PJM claimed that preventing CC and CT plants from recovering the maintenance costs creates an unfair disadvantage by raising a risk of under-recovery of costs that all other sellers are permitted to include in their cost-based offers in the energy market.

PJM requested that the Commission issue its final order on this filing by March 31, 2019, which would provide PJM with sufficient time to submit an appropriate filing to ensure consistency between the energy market rules ordered here and the capacity market parameters that must be posted by no later than May 1, 2019, for use in the August 2019 Base Residual Auction.

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 (FERC) Items for 2018 – FERC Docket No. ER19-210 PJM Interconnection, LLC re: Maintenance Adder Revisions to PJM Tariff.

BACKGROUND: Staff, on behalf of the Board, filed a doc-less intervention in this proceeding as an “interested state commission” under the Federal Energy Regulatory Commission (FERC or Commission) Rules of Practice and Procedure on November 16, 2018. The FERC e-filing rules allow for doc-less interventions, which serve to establish the Board as a party to the proceeding.

On October 29, 2018, PJM Interconnection LLC (PJM) submitted revisions to the PJM Tariff (Tariff), under Section 205, to eliminate an existing restriction that prevents sellers of energy from combined cycle (CC) and combustion turbine (CT) generating units from including a maintenance cost component (major inspection and overhaul costs) in their energy market offers.

PJM claimed that preventing CC and CT plants from recovering the maintenance costs creates an unfair disadvantage by raising a risk of under-recovery of costs that all other sellers are permitted to include in their cost-based offers in the energy market.

PJM requested that the Commission issue its final order on this filing by March 31, 2019, which would provide PJM with sufficient time to submit an appropriate filing to ensure consistency between the energy market rules ordered here and the capacity market parameters that must be posted by no later than May 1, 2019, for use in the August 2019 Base Residual Auction.

Staff recommended that the Board ratify this intervention.

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

C. Docket No. GE18040364 – In the Matter of the Petition of Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas for the Approval of a Municipal Consent Renewing a Franchise in the Town of Newton, Sussex County.

BACKGROUND: This matter involved the approval of municipal consent granted to Elizabethtown Gas Company (Elizabethtown or Company) by Town of Newton. Pursuant to the requirements of N.J.S.A. 48:2-14 and N.J.A.C. 14:1-5.5, Elizabethtown filed petitions requesting Board approval of the consents for the use of the streets for the furnishing of gas service for a period of 50 years in the Town of Newton.

This consent is a renewal of a prior consent that had expired. The ordinances enacted by the Town of Newton granted Elizabethtown the right to provide service and to lay and construct its facilities within the public rights-of-way as a means to provide that service. Since the time the consent to use the streets and rights of way expired, the Company represented that it has continued to provide adequate and safe gas service to its customers at tariff rates approved by the Board.

The New Jersey Division of Rate Counsel (Rate Counsel) did not oppose the approval of the Municipal consent. However, Rate Counsel requested that approval of the petition be conditioned on certain provisions.

Staff recommended that the consent granted to Elizabethtown by the Town of Newton to continue to provide gas service, and for the continued use of its public streets for that purpose for a period of 50 years.

After review, Staff recommended that the Board approve the municipal consent, subject to certain conditions.

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

D. Docket No. GE18040464 – In the Matter of the Petition of Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas for the Approval of a Municipal Consent Renewing a Franchise in the Borough of Bloomsbury, Hunterdon County.

BACKGROUND: This matter involved the approval of municipal consent granted to Elizabethtown Gas Company (Elizabethtown or Company) by Borough of Bloomsbury. Pursuant to the requirements of N.J.S.A. 48:2-14 and N.J.A.C. 14:1-5.5, Elizabethtown filed petitions requesting Board approval of the consents for the use of the streets for the furnishing of gas service for a period of 50 years in the Borough of Bloomsbury.

This consent is a renewal of a prior consent that had expired. The ordinances enacted by the Borough of Bloomsbury granted Elizabethtown the right to provide service and to lay and construct its facilities within the public rights-of-way as a means to provide that service. Since the time the consent to use the streets and rights of way expired, the Company represented that it has continued to provide adequate and safe gas service to its customers at tariff rates approved by the Board.

The New Jersey Division of Rate Counsel (Rate Counsel) did not oppose the approval of the municipal consent. However, Rate Counsel requested that approval of the petition be conditioned on certain provisions.

Staff recommended that the consent granted to Elizabethtown by the Borough of Bloomsbury to continue to provide gas service, and for the continued use of its public streets for that purpose for a period of 10 years.

After review, Staff recommended that the Board approve the municipal consent, subject to certain conditions.

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

E. Docket No. GE18040365 – In the Matter of the Petition of Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas for the Approval of a Municipal Consent Renewing a Franchise in the Town of Phillipsburg, Warren County.

BACKGROUND: This matter involved the approval of municipal consent granted to Elizabethtown Gas Company (Elizabethtown or Company) by Town of Phillipsburg. Pursuant to the requirements of N.J.S.A. 48:2-14 and N.J.A.C. 14:1-5.5, Elizabethtown filed petitions requesting Board approval of the consents for the use of the streets for the furnishing of gas service for a period of 50 years in the Town of Phillipsburg.

This consent is a renewal of a prior consent that had expired. The ordinances enacted by the Town of Phillipsburg granted Elizabethtown the right to provide service and to lay and construct its facilities within the public rights-of-way as a means to provide that service. Since the time the consent to use the streets and rights of way expired, the Company represented that it has continued to provide adequate and safe gas service to its customers at tariff rates approved by the Board.

The New Jersey Division of Rate Counsel (Rate Counsel) did not oppose the approval of the municipal consent. However, Rate Counsel requested that approval of the petition be conditioned on certain provisions.

Staff recommended that the consent granted to Elizabethtown by the Town of Phillipsburg to continue to provide gas service, and for the continued use of its public streets for that purpose for a period of 50 years.

After review, Staff recommended that the Board approve the municipal consent, subject to certain conditions.

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

F. Docket No. GE18040363 – In the Matter of the Petition of Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas for the Approval of a Municipal Consent Renewing a Franchise in the Borough of Hopewell, Mercer County.

BACKGROUND: This matter involved the approval of municipal consent granted to Elizabethtown Gas Company (Elizabethtown or Company) by Borough of Hopewell. Pursuant to the requirements of N.J.S.A. 48:2-14 and N.J.A.C. 14:1-5.5, Elizabethtown filed petitions requesting Board approval of the consents for the use of the streets for the furnishing of gas service for a period of 50 years in the Borough of Hopewell.

This consent is a renewal of a prior consent that had expired. The ordinances enacted by the Borough of Hopewell granted Elizabethtown the right to provide service and to lay and construct its facilities within the public rights-of-way as a means to provide that service. Since the time the consent to use the streets and rights of way expired, the Company

represented that it has continued to provide adequate and safe gas service to its customers at tariff rates approved by the Board.

The New Jersey Division of Rate Counsel (Rate Counsel) did not oppose the approval of the municipal consent. However, Rate Counsel requested that approval of the petition be conditioned on certain provisions.

Staff recommended that the consent granted to Elizabethtown by the Borough of Hopewell to continue to provide gas service, and for the continued use of its public streets for that purpose for a period of 25 years.

After review, Staff recommended that the Board approve the municipal consent, subject to certain conditions.

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

G. Docket No. GE18050578 – In the Matter of the Petition of Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas for Approval of a Municipal Consent Renewing a Franchise in the Borough of Washington, Warren County, New Jersey.

BACKGROUND: This matter involved the approval of municipal consent granted to Elizabethtown Gas Company (Elizabethtown or Company) by Borough of Washington. Pursuant to the requirements of N.J.S.A. 48:2-14 and N.J.A.C. 14:1-5.5, Elizabethtown filed petitions requesting Board approval of the consents for the use of the streets for the furnishing of gas service for a period of 50 years in the Borough of Washington.

This consent is a renewal of a prior consent that had expired. The ordinances enacted by the Borough of Washington granted Elizabethtown the right to provide service and to lay and construct its facilities within the public rights-of-way as a means to provide that service. Since the time the consent to use the streets and rights of way expired, the Company represented that it has continued to provide adequate and safe gas service to its customers at tariff rates approved by the Board.

The New Jersey Division of Rate Counsel (Rate Counsel) did not oppose the approval of the municipal consent. However, Rate Counsel requested that approval of the petition be conditioned on certain provisions.

Staff recommended that the consent granted to Elizabethtown by the Borough of Washington to continue to provide gas service, and for the continued use of its public streets for that purpose for a period of 10 years.

After review, Staff recommended that the Board approve the municipal consent, subject to certain conditions.

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

III. CABLE TELEVISION

A. Docket No. CE18030348 – In the Matter of the Petition of Service Electric Cable T.V. of Hunterdon, Inc. for the Renewal of the Certificate of Approval for the Continued Construction, Operation and Maintenance of a Cable Television System in the Township of Pohatcong, County of Warren, State of New Jersey.

BACKGROUND: This matter involved a Petition by Service Electric Cable T.V. of Hunterdon, Inc. requesting a Renewal Certificate of Approval to Service Electric Cable TV of Hunterdon, Inc. (Service Electric, Company) for the Township of Pohatcong (Township).

On March 28, 2018, Service Electric filed a petition based on the arbitrary refusal provisions of statute. Service Electric claimed the Township had been arbitrary in not granting the Company renewal municipal consent within the required timeframe. The Township objected to Service Electric's action but took steps to remedy the situation.

On July 17, 2018, the Township granted Service Electric renewal municipal consent for a term of 15 years from the date of issuance of the Certificate. On August 14, 2018, Service Electric accepted the terms and conditions of ordinance, and on August 29, 2018, Service Electric filed an amended petition with the Board noting the Township's ordinance and its acceptance of it. This Certificate shall expire on December 28, 2028.

After review, Staff recommended approval of the proposed Renewal Certificate of Approval.

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

B. Docket No. CE16020117 – In the Matter of the Petition of Comcast of Central New Jersey II, LLC, for a Renewal Certificate of Approval to Continue to Construct, Operate and Maintain a Cable Television System in and for the Township of Franklin, County of Hunterdon, State of New Jersey.

BACKGROUND: Commissioner Gordon recused himself from voting on this matter. This matter involved a Petition requesting a Renewal Certificate of Approval to Comcast of Central New Jersey II, LLC (Comcast) for the Township of Franklin (Township) for a term of 15 years with a 10 year automatic renewal.

On September 24, 2015, the Township adopted an ordinance granting renewal municipal consent to Comcast. On October 20, 2015, Comcast accepted the terms and conditions of ordinance. On February 12, 2016, Comcast filed a petition for a Renewal Certificate of Approval.

On November 8, 2018, the Township adopted an amendment to its ordinance to clarify that the homes per mile figure (HPM) to be used with the line extension policy is 25, as proposed in the application, instead of the 35 HPM included in the Township's September 24, 2015 ordinance. On November 16, 2018, Comcast accepted the amended ordinance and on November 29, 2018 amended its petition. This Certificate shall expire September 23, 2029.

After review, Staff recommended approval of the proposed Renewal Certificate of Approval.

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

IV. TELECOMMUNICATIONS

A. Docket No. TO18060636 – In the Matter of the Joint Petition of United Telephone Company of New Jersey, Inc., d/b/a CenturyLink and Block Line Systems, LLC for Approval of a Resale Agreement.

BACKGROUND: By separate letters, United Telephone Company of New Jersey, Inc. d/b/a CenturyLink (CenturyLink) and Block Line Systems, LLC (collectively, Petitioners) filed an application with the Board, pursuant to Section 252 (e)(1) of the Telecommunications Act of 1996 (Act) for the approval of a negotiated Resale Agreement (Agreement). The Agreement sets forth the rates, terms and conditions for the establishment of rates, terms and conditions for local resale as defined and set forth in the Act.

Section 252(e)(1), requires that any interconnection agreement adopted by negotiation or arbitration shall be submitted for approval to the State commission. A State commission to which an agreement is submitted shall approve or reject the agreement, with written findings as to any deficiencies.

The New Jersey Division of the Rate Counsel (Rate Counsel) submitted comments to the Board regarding the Agreement. The Rate Counsel did not object to the Board approval of the Agreement.

After review, Staff recommended approval of the Agreement.

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

B. Docket No. TM18101120 – In the Matter of BCM One, Inc.'s Notification for a Change in Stock Ownership Resulting in a Transfer of Control and Related Financing.

BACKGROUND: On October 15, 2018, BCM One, Inc., (BCM One or the Company), and BCM One Group Holdings, Inc., (Buyer) (collectively, Petitioners) submitted a notice to the Board that detailed a proposed transfer of control of BCM One to Buyer. The notice stated that it was the understanding of the Company that no prior approval of the transaction was required. Staff informed the Company that this matter required Board approval under N.J.S.A. 48:14-51.1.

On October 31, 2018, the Petitioners filed a supplemental request for approval to obtain debt financing related to the transfer. Following closing of the transaction, the same services will continue to be offered in New Jersey at the same rates, terms, and conditions to customers.

On December 3, 2018, the New Jersey Division of Rate Counsel (Rate Counsel) submitted comments stating it did not oppose the approval of the proposed acquisition provided conditions are imposed to ensure continued service quality in connection with potential future employment attrition in New Jersey. Specifically, as a condition of approval, the Rate Counsel urged that the Board require the Petitioners to notify the Board and the Rate Counsel, providing an appropriate explanation in writing within a minimum of thirty days prior to effectuating a reduction in New Jersey jobs that is greater than 15%, throughout a three year period following approval.

After review, Staff recommended that the Petitioners be allowed to proceed with the transaction and related financing finding that there will be no adverse effect to customers in New Jersey.

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

V. WATER

A. Docket No. WR18091077 – In the Matter of the Petition of the Atlantic City Sewerage Company to Decrease the Level of its Purchase Sewerage Treatment Adjustment Clause.

BACKGROUND: Atlantic City Sewerage Company (Company, Petitioner) serves approximately 7,500 customers in Atlantic City. The Petitioner purchases its sewerage treatment from the Atlantic County Utilities Authority (ACUA). On September 28, 2018, the Company filed a petition with the Board requesting to decrease the level of its Purchased (sewerage) Treatment Adjustment Clause (PSTAC).

On November 27, 2018, the Company served updated schedules, reflecting the fact the ACUA is not planning any rate increase to the Petitioner for 2019. In addition, ACUA is projecting a credit to the Company of \$218,973.00 from the 2018 billing resulting in a net payment of \$8,138,982.00 for 2019. As a result, the Company is proposing a final Volumetric Treatment Rate emanating from this case of \$24.610.00 (without compression).

Atlantic City Sewerage Company, the Division of Rate Counsel and Board Staff, entered into a Stipulation that agreed that the 2019 PSTAC rate should decrease from \$26.103.00 per Mcf to \$24.610.00 per Mcf.

Staff recommended that the Board adopt the Stipulation that calls for a rate decrease effective January 1, 2019.

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

VI. RELIABILITY & SECURITY

There were no items in this category.

VII. CUSTOMER ASSISTANCE

A. Docket Nos. BPU GC18050504U and OAL PUC 10149-18 – In the Matter of Eddy Munoz, Petitioner v. Elizabethtown Gas, Respondent – Billing Dispute.

BACKGROUND: This matter involved a billing dispute between Eddy Munoz (Petitioner) and Elizabethtown Gas (ETG). The petition was transmitted to the Office of Administrative Law (OAL) for hearing as a contested case.

While the matter was pending at OAL, the parties voluntarily agreed to resolve the matter and entered into a signed Stipulation of Settlement (Stipulation) that was submitted to the ALJ on October 30, 2018.

Administrative Law Judge (ALJ) Judith Lieberman filed an Initial Decision in this matter with the Board on November 14, 2018. ALJ Lieberman found that the Stipulation was voluntary, its terms fully disposed of all issues in controversy, it was consistent with the law, and that it satisfied the requirements of N.J.A.C. 1:1-19.1.

Pursuant to the terms of the Stipulation, and in order to fully resolve this matter, ETG agreed to not bill the Petitioner's account in the amount of \$726.09. The Petitioner will enter into a six month payment arrangement to pay the existing balance of \$753.35, which will consist of six equal payments of \$125.56. The Petitioner also agreed to pay the Petitioner ETG bills on a timely basis going forward.

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

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

B. Docket Nos. BPU EC16100995U and OAL PUC 18763-2016 – In the Matter of Joseph A. Canning, Petitioner v. Atlantic City Electric Company, Respondent – OAL Request for Extension.

BACKGROUND: By previous orders of extension, the due date for issuing an initial decision was extended until December 6, 2018. Administrative Law Judge Elia A. Pelios requested additional time to complete the Initial Decision due to a voluminous caseload.

Good cause having been shown, pursuant to N.J.S.A. 52:14B-10(c) and N.J.A.C. 1:1-18.8, Staff recommended that the time for filing the initial decision be extended until January 21, 2019.

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

VIII. CLEAN ENERGY

There were no items in this category.

IX. MISCELLANEOUS

A. Approval of the Minutes for the October 29, 2018 Agenda Meeting.

BACKGROUND: Staff presented the minutes of October 29, 2018 Board meeting, and recommended they be accepted.

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

After appropriate motion, the consent agenda was approved.

Roll Call Vote:	President Fiordaliso	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye
	Commissioner Chivukula	Aye
	Commissioner Gordon	Aye (excluding noted recusals)

AGENDA

1. AUDITS

There were no items in this category.

2. ENERGY

Stacy Peterson, Director, Division of Energy, presented these matters.

A. Docket No. ER17101031 – In the Matter of the Verified Petition of Jersey Central Power and Light Company Seeking Review and Approval of its Deferred Balances Relating to, and an Adjustment of the Rider RRC-RGGI Recovery Charge of its Filed Tariff (2016 RRC Filing).

BACKGROUND AND DISCUSSION: On September 29, 2017, Jersey Central Power and Light Company (JCP&L or Company) filed a petition with the Board requesting review and approval of the deferred balances accumulated with respect to amounts the Company incurred under Board-approved demand response and renewable energy programs, to the extent accumulated from January 1, 2016 through December 31, 2016. In addition, the Company requested approval to decrease JCP&L's overall RGGI Recovery Charge Rider RRC-RGGI Recovery Charge (Rider RRC) rate from \$0.001089 per kilowatt-hour (kWh) (excluding Sales and Use Tax (SUT)) to \$0.000236 per kWh (excluding SUT).

On February 8, 2018, JCP&L filed an update (February 2018 Update) to the September 2017 Petition to include actuals through December 2017. Based on the February 2018 update, the Company revised its request to reflect a decrease of approximately \$14,786,798.00 annually. According to the February 2018 Update, the net deferred balance related to the Integrated Distribution Energy Resource Program costs, including interest, was an over recovery of \$257,077.00 at December 31, 2017 and the net deferred balance related to the Solar Renewable Energy Certificate I and II Programs, including interest, was \$4,756,257.00. Accordingly, based on the February 2018 Update, JCP&L proposed a total Rider RRC rate of \$0.000221 per kWh (excluding SUT).

JCP&L, Board Staff, and the New Jersey Division of Rate Counsel (collectively, the Parties) engaged in discovery and discussions and the Parties executed a stipulation of settlement (Stipulation) that recommended a reduction of the RRC rate to \$0.000221 per kWh, excluding taxes, which reflects the updated revenue requirement supplied through discovery.

Staff recommended that the Board issue an order accepting the Stipulation. Staff further recommended that the Board order JCP&L to file revised tariff sheets conforming to the terms of the Stipulation by January 1, 2019.

DECISION: After discussion, 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 Gordon	Aye

B. Docket No. ER18101094 – In the Matter of the Verified Petition of Jersey Central Power and Light Company Seeking Review and Approval of its Deferred Balances Relating to, and an Adjustment of the Rider RRC–RGGI Recovery Charge of its Filed Tariff (2017 Rider RRC Filing) and Seeking Review and Approval of its Administrative Fee for the SREC II Program Effective as of January 1, 2019.

BACKGROUND AND DISCUSSION: On September 28, 2018, Jersey Central Power and Light Company (JCP&L or Company) filed a petition with the Board requesting review and approval of the deferred balances accumulated with respect to amounts the Company incurred under Board-approved demand response and renewable energy programs, to the extent accumulated from January 1, 2017 to December 31, 2017.

The Company's second Solar Renewable Energy Certificate (SREC) Financing Program (SREC II Program) was approved by Order dated December 18, 2013. The December 2013 Order set the Administrative Fee for program participants at \$17.00 per SREC. According to the Company, using the cost recovery provisions from the December 2013 Order, the Company would have to increase the Administrative Fee from \$17.00 to \$36.55 per SREC, which may cause participants to withdraw from the SREC II Program. Accordingly, JCP&L proposed a modification to the cost recovery mechanism for the SREC II Program. JCP&L requested authorization to carry forward unrecovered administrative fee balances for recovery in future annual periods and maintain the fee at \$17.00.

Staff recommended that the Board issue an Order in this matter establishing the Administrative Fee at the Board's previously approved rate of \$17.00 for the 2019 calendar year.

DECISION: After discussion, 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 Gordon	Aye

C. Docket No. ER18101192 – In the Matter of the Verified Petition of Atlantic City Electric Company Concerning the Setting of the Administrative Fee and the Regional Greenhouse Gas Initiative Recovery Charge (Rider RGGI) for 2019 Associated with its Solar Renewable Energy Certificate (SREC II) Program.

BACKGROUND AND DISCUSSION: On October 26, 2018, Atlantic City Electric Company (ACE or Company) filed a petition with the Board seeking to establish its Administrative Fee and Rider Regional Greenhouse Gas Initiative Recovery Charge (Rider RGGI) associated with the Company's Solar Renewable Energy Certification (SREC) Program (SREC II Program).

The Company's SREC II Program was approved by Order dated December 18, 2013. The December 2013 Order set the Administrative Fee for SREC II Program participants at \$17.07 per SREC. According to ACE, using the cost recovery provisions from the December 2013 Order, the Company would have to increase the Administrative Fee from \$17.07 to \$431.78 per SREC, which may cause participants to withdraw from the SREC II Program. Accordingly, ACE proposed a modification to the cost recovery mechanism for the SREC II.

ACE requested authorization to carry forward unrecovered administrative fee balances for recovery in future annual periods and maintain the fee at \$17.07. ACE also proposed to initially set the Rider RGGI rate for the recovery of SREC II Program costs at \$0.0000 per kWh.

Staff recommended that the Board issue an Order in this matter establishing the Administrative Fee for the SREC II Program at the Board's previously approved rate of \$17.07 per SREC for the 2019 calendar year.

DECISION: After discussion, 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 Gordon	Aye

D. Docket No. ER18040362 – In the Matter of Rockland Electric Company's Annual Societal Benefits Charge Filing (2018).

BACKGROUND AND DISCUSSION: On March 30, 2018, Rockland Electric Company (RECO or Company) filed a petition (2018 Filing) with the Board, which constituted its annual cost recovery filing of over-recovered or under-recovered cost balances collected through its Societal Benefits Charge (SBC) for the reconciliation period from August 1, 2017 through July 31, 2018 and of projected spending during the projected period through July 31, 2019. In addition, RECO sought authorization to collect from customers sufficient funds to provide for current program cost recovery. Accordingly, the Company filed revisions to the Demand Side Management (DSM) and Clean Energy Program (CEP) components (SBC DSM/CEP Component Programs) of the SBC rate.

In the 2018 Filing, which reflected actual data through February 2018, RECO proposed a decrease in the rate for the SBC DSM/CEP Component Programs to 0.4038 cents per kilowatt hour (¢/kWh), including Sales and Use Tax (SUT), which reflected a decrease over the previously existing rate of 0.4339 ¢/kWh, including SUT, for all classes of customers effective August 1, 2018. When combined with the Universal Service Fund and Lifeline components of the SBC that were in effect at the time of the filing, the proposed SBC rate was 0.6296 ¢/kWh, including SUT.

Subsequently, the Company updated the 2018 Filing to reflect actual data for the period August 1, 2017 through July 31, 2018 and projected data for the period August 2018 through July 2019 for the DSM/CEP Component Programs of the SBC. As a result of the update, the Company's resultant proposed total SBC rate is 0.6050 ¢/kWh, including SUT. For the SBC DSM/CEP Component Programs, the updated data results in a decrease in the existing rate to 0.3959 ¢/kWh, including SUT.

Following discovery, RECO, the New Jersey Division of Rate Counsel and Board Staff engaged in discussions in an attempt to resolve all the outstanding issues related to the Company's 2018 Filing, and subsequently executed a stipulation of settlement (Stipulation). The Stipulation allows for RECO to implement a total SBC rate of 0.6050 ¢/kWh, including SUT.

Staff recommended that the Board issue an order adopting the Stipulation. Staff further recommended that the Board order RECO to file revised tariff sheets conforming to the terms of the Stipulation by January 1, 2019.

DECISION: After discussion, 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 Gordon	Aye

E. Docket No. GR18070831 – In the Matter of the Petition of Public Service Electric and Gas Company for Approval of Gas Base Rate Adjustment Pursuant to its Gas System Modernization Program (July 2018 GSMP Rate Filing).

BACKGROUND AND DISCUSSION: Commissioner Gordon recused himself from voting on this matter. On July 30, 2018, Public Service Electric and Gas Company (PSE&G or Company) filed a petition (July 2018 Petition) with the Board seeking approval for gas base rate changes to provide for cost recovery associated with certain capitalized gas investment costs of the Company's Gas System Modernization Program (GSMP) through September 30, 2018. The Company sought approval to recover a revenue requirement of \$26.4 million associated with actual and estimated GSMP investments through September 30, 2018.

On October 15, 2018, the Company provided an updated schedule, which replaced the estimated data in the original schedules with actual data through September 30, 2018. On November 2, 2018, PSE&G provided a second update to reflect the results of the Company's base rate case approved by the Board on October 31, 2018, which supported a revenue requirement of \$21.348 million calculated as shown below:

Gas System Modernization Program Revenue Requirement [\$000] - Roll-In Effective January 1, 2019 Docket No. GR18070831	
Rate Effective Date	1/1/2019
Plant In Service as of Date	9/30/2018
Rate Base Balance as of Date	12/31/2018
Gross Plant	\$196,828.00
Accumulated Depreciation	<u>\$ 4,345.00</u>
New Plant	\$ 201,173.00
Accumulated Deferred Taxes	<u>-\$ 5,067.00</u>
Rate Base	\$196,106.00
Rate of Return – After Tax	6.48%
Return Requirement (After Tax)	\$12,711.00
Depreciation Exp. Net	\$ 2,390.00
Tax Adjustment	\$0
Revenue Factor	<u>1.4137.00</u>
Roll-in-Revenue Requirement	\$21,348.00

The Company, the New Jersey Division of Rate Counsel and Staff (collectively, the Parties) reached a Stipulation of Settlement (Stipulation) that allows the Company to recover a gas revenue requirement of \$21.348 million.

Staff recommended that the Board issue an Order approving the Stipulation of the Parties. Staff also recommended that the Board direct PSE&G to file revised tariff prior to January 1, 2019.

DECISION: After discussion, 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 Gordon	recused

F. Docket No. ER18020120 – In the Matter of the Petition of Atlantic City Electric Company to Reconcile and Update the Level of its Non-Utility Generation Charge and its Societal Benefits Charge (2018).

BACKGROUND AND DISCUSSION: On February 6, 2018, Atlantic City Electric Company (ACE or Company) filed a petition with the Board requesting approval for changes in its Non-Utility Generation Charge (NGC) and its Societal Benefits Charge (SBC). Based on the February 2018 Petition, the net impact of adjusting the NGC and the SBC (including Sales and Use Tax (SUT)) was an overall annual rate decrease of approximately \$18.952 million.

Through the course of the proceeding, the Company updated the petition with actual information through March 31, 2018. Based on the updated filing, the net impact of adjusting the NGC and SBC rates (including SUT) is an overall annual rate decrease of approximately \$33.055 million.

On May 18, 2018, ACE, Board Staff and the New Jersey Division of Rate Counsel (collectively, Parties) executed a Stipulation for Provisional Rates (Stipulation for Provisional Rates), requesting that the Board approve changes in the NGC and SBC on a provisional basis, subject to refund with interest, to allow the Parties sufficient time to complete their review of the Petition and the proposed rates and costs. By Order (May 2018 Order) dated May 22, 2018, the Board approved the Stipulation for Provisional Rates.

On November 19 2018, the Parties executed a stipulation of settlement (Stipulation) that recommended finalization of the rates that were implemented per the May 2018 Order.

Staff recommended that the Board issue an Order accepting the Stipulation of the Parties, which sought to finalize the rates that were implemented per the May 2018 Order. Staff also recommended that the Board order ACE to file tariffs consistent with the Order by January 1, 2019.

DECISION: After discussion, 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 Gordon	Aye

G. Docket No. GR18101197 – In the Matter of the Petition of Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas Company to Implement an Infrastructure Investment Program (IIP) and Associated Recovery Mechanism Pursuant to N.J.S.A. 48:2-21 and N.J.A.C. 14:3-2A.

Ryan Moran, Rate Analyst, Division of Energy, presented this matter.

BACKGROUND AND DISCUSSION: On October 29, 2018, Elizabethtown Gas Company (Elizabethtown or Company) filed a petition with the Board seeking approval for its proposed Infrastructure Investment Program (IIP), including an associated cost recovery mechanism, (II&R Rules) and any other provision deemed applicable by the Board. Elizabethtown proposed to invest \$518 million over a five year period from 2019 through 2023. Of this amount, \$466 million would be recovered under the IIP Rider F with the remaining amount of \$52 million (10% of the total IIP) allocated as base spend to be recovered in a subsequent base rate case filing.

The proposed projects would: (1) to replace and retire approximately 364 miles of vintage, at risk mains and associated customer services; (2) upgrade the legacy low-pressure system located primarily in the eastern portion of the service territory to elevated pressure; (3) relocate approximately 44,000 inside meters sets to outside; (4) install approximately 38,600 excess flow valves on the upgraded system; (5) retire approximately 100 district regulators that will no longer be needed once the existing low pressure system is upgraded; and (6) convert five existing master meter systems to individual meters. These projects are grouped into four Project categories: Low Pressure System Replacement and Upgrade, Small Diameter Elevated Pressure System Replacement, Large Diameter Elevated Pressure Cast Iron Replacement, and Master Meter Complexes.

The Company proposed a return on investment based on a weighted average cost of capital (WACC) of 6.707 percent, based on the Board's Order in Elizabethtown's last base rate case proceeding in Docket No. GR16090826, adjusted for subsequent tax rate changes associated with the Tax Cuts and Jobs Act of 2017. The initial WACC will be based on the return on equity of 9.6 percent and an equity component in the capital structure of 46 percent. Any future Board-approved changes in the WACC in future base rate cases would be reflected in any subsequent revenue requirement calculations for the Elizabethtown IIP.

Staff recommended that the Board retain this matter for hearing at the Board and designate Commissioner Upendra Chivukula as the presiding officer. Staff also recommended that the Board set a bar date of January 8, 2019 for the filing of motions to intervene and/or participate and for admission *pro hac vice*.

DECISION: After discussion, 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 Gordon	Aye

Stacy Peterson, Director, Division of Energy, presented these matters.

H. Docket No. GR18050585 – In the Matter of the Petition of New Jersey Natural Gas Company for Approval of the Cost Recovery Associated with Energy Efficiency Programs.

BACKGROUND AND DISCUSSION: On May 25, 2018, New Jersey Natural Gas Company (NJNG or Company) filed a petition with the Board proposing to decrease its current Energy Efficiency Rate (EE Rate) of \$0.0265 per therm (including Sales and Use Tax (SUT)) to \$0.0161 per therm (including SUT), for recovery of the costs associated with NJNG's Energy Efficiency Programs.

NJNG, Staff and the New Jersey Division of Rate Counsel (collectively, the Parties), agreed that the current EE Rate of \$0.0265 per therm (including SUT) should be decreased to \$0.0133 per therm (including SUT). Accordingly, on December 6, 2018 the Parties entered in a stipulation of settlement (Stipulation).

Staff recommended that the Board issue an order accepting the Stipulation of the Parties. Staff also recommended that the Board order NJNG to file revised tariff sheets conforming to the terms of the Stipulation by January 1, 2019.

DECISION: After discussion, 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 Gordon	Aye

I. Docket No. ER18070706 – In the Matter of the Petition of Soundview Paper Company, LLC for Approval of a Reduction of the Societal Benefits Charge.

BACKGROUND AND DISCUSSION: Commissioner Gordon recused himself from voting on this matter. On July 10, 2018, Soundview Paper Company, LLC (Soundview) filed a petition with the Board seeking a reduction of its Societal Benefits Charge (SBC) obligations for electric service delivered to its paper mill located in Elmwood Park, New Jersey of at least 50%. Soundview indicated that if it received the requested SBC reduction for its electric service, Soundview would be better positioned to maintain employment and production at current levels and begin to build a foundation for future growth. It should be noted that Soundview already receives a reduced SBC for its gas service pursuant to a November 2015 Board Order.

By Order dated August 29, 2018, the Board retained this matter for review and hearing, and designated Commissioner Mary-Anna Holden as presiding officer and authorized Commissioner Holden to rule on all motions that arise during the pendency of these proceedings, and to modify any schedules that may be set as necessary to secure a just and expeditious determination of the issues.

On October 31, 2018, Commissioner Holden issued a Prehearing Order in this matter. The Prehearing Order established a procedural schedule in this matter and granted Public Service Electric and Gas Company's (PSE&G's) motion to intervene.

Following a period of discovery and conferences between and among Soundview, Staff, the New Jersey Division of Rate Counsel (Rate Counsel), PSE&G, Soundview and Staff executed a Joint Position (Joint Position). The Joint Position provides that, for a period of four years, Soundview will pay a reduced electric SBC charge that provides for a 50% reduction.

Comments on the Joint Position were received from the Rate Counsel on November 27, 2018 and reply comments were received from Soundview and PSE&G on December 3, 2018.

Staff recommended that the Board issue an Order approving the Joint Position. Staff also recommended that the Board direct PSE&G to file modified tariffs consistent with its Order by January 1, 2019. Staff further recommended that the Board direct Staff to initiate a stakeholder proceeding to explore issues related to the provision of discounted electric SBC rates.

DECISION: After discussion, 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 Gordon	recused

J. Docket No. ER18040356 – In the Matter of the Provision of Basic Generation Service for the Period Beginning June 1, 2019; and

Docket No. EO18111250 – In the Matter of the Provision of Basic Generation Service – Renewable Portfolio Allocation.

B. Scott Hunter, Manager, Division of Clean Energy, presented this matter.

BACKGROUND AND DISCUSSION: Commissioner Gordon recused himself from voting on this matter. This Order memorializes actions taken by the Board at its December 18, 2018 agenda meeting pertaining to the allocation of Renewable Portfolio Standards (RPS) obligations as they relate to the provision of Basic Generation Service (BGS) for retail customers who continue to purchase their electric supply from their electric utility company for the period beginning June 1, 2019.

By Order dated April 25, 2018, the Board directed the electric distribution companies (EDCs) consisting of Atlantic City Electric Company (ACE), Jersey Central Power & Light Company (JCP&L), Public Service Electric and Gas Company (PSE&G), and Rockland Electric Company (RECO), and invited all other interested parties, to file proposals by July 2, 2018 to

determine how to procure the remaining one-third of the State's BGS requirements for residential and small commercial customers and the annual Commercial and Industrial Energy Pricing requirements for the period beginning June 1, 2019. A procedural schedule to address the proposals was also adopted by the Board at that time, including an opportunity for initial written comments, a legislative-type hearing, and final written comments.

On June 29, 2018, the EDCs filed a Joint Proposal for BGS procurement (Joint EDC Proposal), and each EDC also filed a company-specific addendum to the Joint EDC Proposal. A discovery period followed. Initial Comments on the BGS proposals were filed on September 5, 2018. Final Comments were filed on October 12, 2018.

The Board also held a legislative-type hearing on September 28, 2018 at its office in Trenton, NJ, chaired by President Fiordaliso. The purpose of the hearing was to take additional comments on the pending proposals.

Parties that filed either a proposal, comments, or appeared at the legislative hearing included the EDCs, (filed jointly), National Economic Research Associates, the New Jersey Division of Rate Counsel, Exelon Generation LLC, Hartree Partners, LP, Direct Energy Business, LLC, Direct Energy Business Marketing, LLC, Direct Energy Services, LLC, Gateway Energy Services Corporation and NJR Retail Services Company (collectively, Direct Energy), the Retail Energy Supply Association (RESA) the Independent Energy Producers of New Jersey, and the New Jersey Business & Industry Association.

Public hearings were held in each EDC's service territory to allow members of the public to present their views on the procurement process proposed by the EDCs, and the potential effect on customers' rates. RECO's public hearing was held on September 12, 2018; PSE&G's public hearing was held on September 13, 2018, ACE's public hearing was held on September 18, 2018, and JCP&L's public hearing was held on September 25, 2018.

Staff reviewed the comments received through December 10, 2018 and considered the clarifications suggested. Staff identified several clarifications to the proposed solar obligation calculation that it has recommended the Board propose, as rule amendments, to the RPS rules. Additionally, Staff proposed to add clarifications to its annual communication of compliance instructions sent to regulated entities and published on the New Jersey Clean Energy Program website. Staff also identified improvements to the proposed schedule for increasing the Class I RPS obligation over the next several energy years.

The most important clarification deals with the allocation of the increased solar RPS obligation that is not being provided by the exempt BGS providers in EY19, EY20, and EY21. The calculation provided for comment appears to place the responsibility for the solar RPS obligation of the exempt BGS providers upon the Third Party Supplier in EY19. The revised calculation that appears in this Order clarifies that this obligation will be the responsibility of the non-exempt BGS providers in EY20.

Staff recommended that the calculation and the schedule of Class I RPS increases, as modified by the clarifications discussed above and set out below, be approved by the Board. In addition, Staff seeks to clarify its proposal to make solar RPS compliance obligation a true carve out of the New Jersey Class I requirement.

Staff recommended the Board approve Staff's proposed calculation methodology and RPS requirements as recommended in this Order.

Staff also recommended the Board approve to extend the deadline for the filing of the solar portion of the Annual RPS Compliance Report for the period ending May 31, 2019 to December 1, 2019, given the complexities of the required calculations.

DECISION: After discussion, 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 Gordon	recused

3. CABLE TELEVISION

A. Docket No. CS18121288 – In the Matter of the Alleged Failure of Altice USA, Inc. to Comply with Certain Provisions of the New Jersey Cable Television Act, N.J.S.A. 48:5A-1 et seq., and the New Jersey Administrative Code, N.J.A.C. 14:18-1.1 et seq.

Lawanda R. Gilbert, Esq., Director, Office of Cable Television & Telecommunications, presented this matter.

BACKGROUND AND DISCUSSION: This matter involved Altice, f/k/a Cablevision (Altice or Company) filing for relief from certain Board rules, including N.J.A.C. 14:18-3.8, Method of billing. The Company was granted the requested relief by Board Order in 2011. The Board's Order stated that the relief granted under N.J.A.C. 14:18-3.8 is qualified and limited to the instance where "the cable television company provides a sample bill to be utilized in lieu of compliance with this section for approval by the Office of Cable Television."

During Staff review of the Petition, the Company submitted the sample bill, which indicated that the Company would continue to pro rate customer bills for service which ended prior to the billing cycle. Staff's recommendation of Board approval of the Company's petition was based on the representations in the sample bill that the Company provided, which confirmed that the Company would continue to pro-rate customer bills pursuant to the existing Board rules and policy following the approval of the Petition seeking waiver.

In 2015, Cablevision filed a Petition seeking approval of its merger with Altice. In its filing, the Company indicated that Altice "shall abide by all of its obligations under existing local franchise agreements throughout the terms of such agreements," and averred that it intended to operate under existing rates, terms and service conditions. Further, the Company also indicated no specific plans were in place to change the customer service structure, or to undertake actions affecting the public interest.

The Board approved the Petition in May 2016, and adopted a Stipulation of Settlement wherein Altice agreed that it "will abide by applicable customer service standards, performance standards, and service metrics."

The Company continued to pro-rate customer bills from the grant of the waiver in 2011 until October 2016, when the Company, without notice to the Board, amended its policy and discontinued pro-ration of bills for customers that discontinued service prior the end of the billing cycle.

In response to Board Staff inquiry regarding the change in the policy, the Company argued that the 2011 Waiver granted by the Board allowed the Company to discontinue prorating customer bills.

Following the change in policy, the Board received over 100 complaints from consumers seeking refunds from the Company, because they were billed for services not received following discontinuance of service prior to the end of the billing cycle.

Despite numerous discussions with the Company, they have declined to rescind the policy.

Staff recommended that the Board order Altice to:

- 1) Show cause before the Board why the Board should not Order that Altice cease and desist immediately its failure to properly prorate customer bills;
- 2) Show cause before the Board why the Board should not find Altice's actions for failure to properly prorate customer bills from the period of October 2016 to the present constitute a violation of the Board's Rule Relief Order and the Merger Order;
- 3) Show cause before the Board why the Board should not assess a monetary penalty for Altice's failure to comply with the Board's Rule Relief Order and Merger Order, from the period of October 16, 2016 to the date of this Board Order;
- 4) Show cause before the Board why the Board should not order that Altice issue refunds to all customers that have suffered harm from Altice's failure to properly prorate customer bills;
- 5) File an Answer to this Order to Show Cause and provide any and all documents or other written evidence upon which it may rely in responding to the within Order to Show Cause by January 15, 2019; and
- 6) If Altice fails to respond by the designated date of January 15, 2019, the Board may commence proceedings to revoke the franchise authority granted the Company.

DECISION: After discussion, 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 Gordon	Aye

4. TELECOMMUNICATIONS

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

A. Docket No. TM18070730 – In the Matter of Sprint Communications Company LP's Notification of Indirect Transfer of Control of Sprint Communications Company L.P. to T-Mobile USA, Inc.

BACKGROUND AND DISCUSSION: Commissioner Gordon recused himself from voting on this matter. On July 13, 2018, Sprint Communications Company L.P. (Sprint Communications) and T-Mobile USA, Inc. (T-Mobile USA) (together, Petitioners) submitted a letter (Notification) to the Board detailing a proposed transaction that will result in Sprint Communications becoming an indirect wholly-owned subsidiary of T-Mobile USA. The transaction will be a merger of Sprint Corporation into an indirect subsidiary of T-Mobile USA, with Sprint Communications surviving as an indirect subsidiary of T-Mobile USA.

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

The New Jersey Division of Rate Counsel (Rate Counsel) submitted comments by letter dated September 28, 2018, stating it would not oppose Board approval of the acquisition with the inclusion of certain recommendations. The Rate Counsel recommended that the Board require Sprint Communications to make New Jersey specific commitments on the continuation of Lifeline services throughout New Jersey. The Rate Counsel further recommended the Board obtain commitments on benefits that are New Jersey specific (i.e. a New Jersey specific 5G deployment plan for rural and other underserved areas) and aimed at resolving service and digital divide gaps experienced by New Jersey consumers. The Rate Counsel also urged that the Board condition approval on a commitment that "the contemplated post acquisition/merger employment reductions will not jeopardize the provision of safe and adequate service for Sprint Communications' New Jersey customers."

Staff recommended that the Petitioners be allowed to proceed with the transaction/consolidation, finding that there will be no adverse effect to customers in New Jersey.

DECISION: After discussion, 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 Gordon	recused

B. Docket No. TX18121301 – In the Matter of the Board's Investigation of the Service Quality Standards and Reporting by Incumbent Local Exchange Carriers-Service Quality Proceeding.

BACKGROUND AND DISCUSSION: This matter involved initiating a comprehensive Service Quality proceeding to review and modernize how the Board evaluate, measure and assess services provided by Incumbent Local Exchange Carriers (ILECs) operating in the State of New Jersey.

The telecommunications market services have continued to evolve since the implementation of the State Telecommunications Act of 1992 and Federal Telecommunications Act of 1996 dramatically altered the competitive landscape.

Carriers which were traditionally subject to Rate Base Rate of Return regulation are now governed by Plans for Alternative Regulation (PAR), designed to stimulate competition and allow for market incentives to provide for innovation and infrastructure investment.

While the three ILECs (Verizon, CenturyLink & Alteva) operate under PARs approved by the Board, they are not subject to uniform Service Quality standards. Verizon follows a set of 21 metrics that are memorialized in the Order approving its PAR. The 21 metrics measure carrier provisioning of service and performance, including out of service repair data, customer trouble reports per 100 lines, repair commitments negotiated with customers, installation intervals and customer interaction and other key performance statistics necessary to assess Service Quality.

However, CenturyLink and Alteva are governed by the Service Quality Standards, and Service Quality Standards contain minimum standards of service installation, operator handled calls, direct dialed calls, customer trouble reports and technical resistance design standards.

Compliance with the metrics form an essential part of Verizon's PAR and provides the Board with a gauge upon which to measure the Company's performance. On May 19, 2015, the Board approved a Stipulation of Settlement between Verizon and Board Staff resolving Verizon's Petition seeking the reclassification of certain services as competitive. As part of the Stipulation, the service quality standards set forth by prior decisions of the Board for residential basic local service and single line business remained unchanged. As outlined in the Stipulation at the end of year three, the Board would determine whether the existing service quality standards (metrics) should apply for the duration of the Stipulation and thereafter.

On May 22, 2018, the Board determined that the existing standards would remain in effect until such time as the Board engages in a review of the standards. In addition, the Board directed the Company to report on two metrics which it unilaterally decided to eliminate from its quarterly reports.

Staff recommended that the Board on its own Motion commences a proceeding to initiate a comprehensive service quality review which shall at a minimum include public hearings to allow comment on the existing service quality standards and recommendations for revisions.

DECISION: After discussion, 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 Gordon	Aye

5. WATER

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

A. Docket No. WR18080882 – In the Matter of the Petition of Aqua New Jersey, Inc., Maxim Wastewater Division, for Approval of a 2017 Purchased Wastewater Adjustment Clause True-up and Other Required Approvals.

BACKGROUND AND DISCUSSION: On August 10, 2018, Aqua New Jersey's Maxim Wastewater Division (Aqua Maxim) filed a petition with the Board for approval of a Purchased Sewerage Treatment Adjustment Clause (PSTAC) true-up for calendar year 2017 and to set rates prospectively for calendar year 2019. Aqua Maxim originally filed for an overall increase in PSTAC revenues totaling \$47,997.00 or approximately 5.92% above current PSTAC revenues of \$810,361.00.

Aqua Maxim services approximately 2,586 wastewater customers in a portion of Howell Township in Monmouth County, New Jersey.

Aqua Maxim is engaged in the collection and transmission of sewage. The Ocean County Municipal Utilities Authority receives and treats all of the sewage transmitted by Aqua Maxim.

This matter was transmitted to the Office of Administrative Law and assigned to Administrative Law Judge Caliguire as a contested case. A public comment hearing was held on this matter and no members of the public were in attendance. After serving discovery upon Aqua Maxim, which was fully responded to, the Parties, consisting of Aqua Maxim, the New Jersey Division of Rate Counsel and Board Staff engaged in a settlement teleconference and as a result, reached a settlement on all issues in the case. The Parties entered into and fully executed a Stipulation of Settlement (Stipulation).

The Stipulation calls for an increase in Aqua Maxim's PSTAC revenues totaling \$44,647.00 or approximately 5.49% above current PSTAC revenues of \$813,711.00.

The average residential customer would see an increase in his annual wastewater bill from \$608.53 to \$625.77, which equates to an overall increase in the total wastewater bill of \$17.24 or approximately 2.83%.

Therefore Staff recommended that the Board adopt the Initial Decision, which adopts the Stipulation of the Parties.

DECISION: After discussion, 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 Gordon	Aye

B. Docket No. WR18080948 – In the Matter of the Petition of Middlesex Water Company for Approval to Change the Levels of its Purchased Water Adjustment Clause Pursuant to N.J.A.C. 14:9-7.1 et seq.

BACKGROUND AND DISCUSSION: On August 24, 2018, Middlesex Water Company (Middlesex or Company) filed a petition with the Board seeking approval for an increase in its Purchased Water Adjustment Clause to recover increased purchased water costs together with deferred costs and associated expenses. The Company originally requested an increase in annual revenue of \$369,764.00 over pro forma present rate revenues of \$81,847,991.00, which represented an overall revenue increase of approximately 0.45%.

This matter was transmitted to the Office of Administrative Law for hearings and was assigned to Administrative Law Judge (ALJ) Tricia Caliguire. ALJ Caliguire conducted a public hearing on November 5, 2018 in Fords, NJ. No members of the public appeared to provide comments.

The parties to this proceeding, Middlesex, the New Jersey Division of Rate Counsel and Board Staff entered into a Stipulation that agrees to an increase in annual revenues of \$52,096.00, which represents an overall revenue increase of 0.06%. The bill for a typical residential customer using 17,204 gallons of water per quarter, will increase from \$152.88 to \$152.99 per quarter, an increase of \$0.11 per quarter or 0.07%.

ALJ Caliguire issued an Initial Decision in this matter, and Staff recommended that the Board adopt the initial Decision of ALJ Caliguire which adopts the Stipulations of the Parties.

DECISION: After discussion, 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 Gordon	Aye

C. Docket No. WM18080904 – In the Matter of the Joint Petition of New Jersey-American Water Company, Inc.; and Roxbury Water Company for: (1) New Jersey-American Water Company, Inc. to Acquire Control of Roxbury Water Company, Inc.; (2) for Roxbury Water Company, Inc. to Transfer Upon its Books all of its Capital Stock to New Jersey-American Water Company, Inc.; (3) Shortly thereafter, for Roxbury Water Company, Inc. to be Merged into New Jersey-American Water Company, Inc.; and (4) for Such Other Approvals as may be Necessary to Complete the Proposed Transaction.

BACKGROUND AND DISCUSSION: On August 17, 2018, New Jersey-American Water Company and Roxbury Water (NJAW, Roxbury or Petitioners) filed a Joint Petition with the Board seeking approval: (1) for NJAW to acquire control of Roxbury; (2) for Roxbury to transfer upon its books all of its capital stock to NJAW; (3) shortly thereafter, for Roxbury to be merged into NJAW; (4) to move Roxbury customers to a monthly billing cycle; and (5) post-merger, to close Roxbury's Succasunna payment office.

The proposed merger will not have an impact on the rates charged by NJAW as rates will not change or increase as a result of the proposed merger.

Staff recommended that the Board approve the Petitioners' request to merge Roxbury into NJAW, with NJAW being the remaining entity; for Roxbury to transfer upon its books all of its capital stock to NJAW, for Roxbury to be merged into NJAW, to move Roxbury customers to a monthly billing cycle, and post-merger, to close Roxbury's Succasunna payment office.

DECISION: After discussion, 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 Gordon	Aye

6. RELIABILITY & SECURITY

There were no items in this category.

7. CUSTOMER ASSISTANCE

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

A. Docket Nos. BPU EC17121255U and OAL PUC 04267-18 – In the Matter of Kyle Kubs, Petitioner v. Jersey Central Power and Light Company, Respondent – Billing Dispute.

BACKGROUND AND DISCUSSION: This matter involved a billing dispute between Kyle Kubs (Petitioner) and Jersey Central Power & Light Company (JCP&L or Company). The petition was transmitted to the Office of Administrative Law for hearing as a contested case, and on October 15, 2018, Administrative Law Judge (ALJ) Judge Anthony Tiscornia filed an Initial Decision in this matter with the Board.

The Petitioner stated that JCP&L billed his account unreasonable and excessive charges and fees. The Petitioner further claimed that his service was shut off, a lock placed on the meter pan, and he was told by the Company that his meter was damaged due to tampering. The Petitioner claimed that there was no tampering and that a Company employee damaged the meter when it was removed.

JCP&L, in its answer filed January 11, 2018, stated that it complied with all applicable laws, regulations and standards when billing the Petitioner. JCP&L further contended that services were supplied and billed in accordance with terms and conditions and rate schedules set forth in its Board approved Tariff. JCP&L requested that the relief sought be denied on the basis that the Petitioner failed to set forth a claim upon which relief may be granted.

ALJ Tiscornia, in his Initial Decision concluded that the Petitioner had not proved by a preponderance of the evidence that his JCP&L electric utility bills and associated fees were incorrect or inaccurate for the time period in dispute. Specifically, ALJ Tiscornia found that the Petitioner is bound by JCP&L's tariff, and that the contested charges were properly assessed by JCP&L in accordance with that tariff. Therefore, ALJ Tiscornia ruled that the petition be dismissed and that the outstanding balance of \$1,498.02 remains the responsibility of the Petitioner.

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

DECISION: After discussion, 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 Gordon	Aye

B. Docket Nos. BPU EC17040358U and OAL PUC 13320-17 – In the Matter of Eke Nkechinyere, Petitioner v. Public Service Electric and Gas Company, Respondent – Billing Dispute.

BACKGROUND AND DISCUSSION: Commissioner Gordon recused himself from voting on this matter. This matter involved a billing dispute between Nkechinyere Eke (Petitioner) and Public Service Electric & Gas Company (PSE&G or Company). The petition was transmitted to the Office of Administrative Law for hearing as a contested case, and on November 5, 2018, Administrative Law Judge (ALJ) Julio C. Morejon filed an Initial Decision in this matter with the Board. No exceptions to the Initial Decision have been received by the Board.

The Petitioner stated that she was wrongly billed by PSE&G. The Petitioner also claimed that she was billed for the wrong meter by the Company.

PSE&G, in its answer dated May 2, 2017, stated that it complied with all applicable laws, regulations and standards when billing the Petitioner. PSE&G further contended that services were supplied and billed in accordance with terms and conditions and rate schedules set forth in its Board approved Tariff. PSE&G requested that the relief sought be denied on the basis that the Petitioner failed to set forth a claim upon which relief may be granted.

ALJ Morejon, in his Initial Decision, concluded that the Petitioner failed to prove by a preponderance of the evidence under either theory is correct. In customer billing disputes before the Board, the Petitioner bears the burden of proof. In this case, the Petitioner failed to present any testimony or documentary evidence during the hearing. Therefore, ALJ Morejon ruled that the petition of the Petitioner be dismissed.

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

DECISION: After discussion, 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 Gordon	recused

8. CLEAN ENERGY

B. Scott Hunter, Manager, Division of Clean Energy, presented these matters.

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

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. QO18050591 – ACCP NJ Solar, LLC – Hopatcong Borough Landfill.

BACKGROUND AND DISCUSSION: On May 18, 2018, ACCP NJ SOLAR I, LLC (ACCP) submitted an application to the Board to have its project certified as being located on a properly closed sanitary landfill facility pursuant to N.J.S.A. 48:3-87(t) (Subsection (t)) of the Solar Act. ACCP 3.9 MWdc project is proposed to be constructed on the property, which is owned by Hopatcong Borough and located at Block 10002, Lots 1 and 1.01, on Durban and Flora Avenues in Hopatcong Borough, Sussex County, New Jersey.

Staff received advisory recommendations from the New Jersey Department of Environmental Protection (NJDEP) for the application described below and recommended that the Board grant conditional certification to ACCP for its proposal to build a 3.9 MWdc solar facility project proposed to be located at Hopatcong Borough Landfill located in Hopatcong Borough, New Jersey. Staff also recommended that the Board direct the applicant to file its Solar Renewable Energy Certificates (SRECs) registration within 14 days of the date of the Order and explicitly grant conditional certification.

Staff recommended that the Board grant conditional certification of the Applicant's proposed solar electric generation facility. Staff also recommended the Board direct the Applicant to demonstrate to Staff that there are no outstanding requirements under the closure and Post-Closure plan approval and that all NJDEP or Federal requirements have been satisfied.

Staff further recommended that the Board direct that the Applicant has ensured compliance and obtain any relevant approvals.

DECISION: After discussion, 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 Gordon	Aye

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

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. QO18040429 – HESP Solar, Inc. – Mount Arlington Borough Landfill.

BACKGROUND AND DISCUSSION: On April 16, 2018, HESP Solar, LLC (HESP) submitted an application to the Board to have its project certified as being located on a properly closed sanitary landfill facility pursuant to N.J.S.A. 48:3-87(t) (Subsection (t)) of the Solar Act. HESP Solar, LLC 2.2925 MWdc project is proposed to be constructed on the property, which is owned by Mount Arlington Borough and located at Block 8, Lot 3, on Berkshire Avenue in Mount Arlington Borough, Morris County, New Jersey.

Staff received advisory recommendations from New Jersey Department of Environmental Protection (NJDEP) and recommended that the Board grant conditional certification to HESP for its proposal to build a 2.2925 MWdc solar facility project proposed to be located at Mount Arlington Borough Landfill located in Mount Arlington, New Jersey.

The NJDEP determined that the approximately 36.611 acre area on which the solar electric power generation facility will be located constitutes a “properly closed sanitary landfill” pursuant to the Solar Act.

Staff recommended that the Board conditionally certify the applicant’s project as a “properly closed sanitary landfill” pursuant to Subsection (t). Staff also recommended that the Board direct the applicant to file its Solar Renewable Energy Certificate (SREC) registration within 14 days of the date of the Order and explicitly grant conditional certification.

Staff further recommended that the Board direct the Applicant to demonstrate to Staff that the Applicant has ensured compliance and obtain any relevant approvals.

DECISION: After discussion, 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 Gordon	Aye

C. Docket No. QO18070708 – In the Matter the State Energy Program for Program Year July 1, 2018 – June 30, 2019; and

Docket QO18090980 – In the Matter of Approval of a Memorandum of Understanding between New Jersey Board of Public Utilities and New Jersey Department of Environmental Protection – Electric Vehicle Charging Program.

Michael Hornsby, Chief Project Development Officer, Bureau of New Technology, presented this matter.

BACKGROUND AND DISCUSSION: This matter involved Staff seeking approval to enter into a Memorandum of Understanding (MOU) with the New Jersey Department of Environmental Protection (NJDEP) to fund \$200,000.00 towards the joint NJDEP-Board program “It Pay\$ to Plug In: New Jersey’s Electric Vehicle (EV) Charging Grant Program.” The program will provide grants to partially offset the cost of purchasing and installing EV charging stations. The availability of charging infrastructure can be an important factor in encouraging consumers to purchase EVs.

The MOU stated that the Board will allocate \$200,000.00 of its US Department of Energy – State Energy Program Grant to fund the joint program. NJDEP will provide a cost match in the amount of \$40,000.00. The program period will commence on the date of Board approval and end on June 30, 2019 or when funds have been fully executed, whichever occurs first.

Accelerating EV adoption is a recognized State goal. This program will accelerate the deployment of EV chargers and therefore contribute to the goal. Accordingly, Staff recommended that the Board approve the MOU in accordance with Board Order Docket No. QO18090980 and the US Department of Energy’s State Energy Program’s Assistance Agreement approved on November 11, 2018.

Staff recommended that the Board approve the MOU in accordance with Board Order Docket No. QO18090980 and the US Department of Energy’s State Energy Program’s Assistance Agreement approved on November 11, 2018.

DECISION: After discussion, 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 Gordon	Aye

D. Docket No. QO17080939 – In the Matter of Approval of Contract between Rutgers’ Bloustein School – Center for Green Buildings and the New Jersey Clean Energy Program – Amendment # 3 – See Executive Session.

Jessica Brand, Program Administrator, Energy Efficiency, Division of Clean Energy, presented this matter.

BACKGROUND AND DISCUSSION: This matter was first discussed in executive session, and it involved Staff recommending that the Board approve the amendment to the contract for evaluation and research services between the Board through the Office of Clean Energy and the Rutgers Center for Green Buildings, and authorized President Fiordaliso to execute the contract amendment on behalf of Board.

DECISION: After discussion, 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 Gordon	Aye

E. Docket No. QO18121289 – In the Matter of the New Jersey Board of Public Utilities Offshore Wind Solicitation for 1,100 MW – Evaluation of the Offshore Wind Applications – See Executive Session.

James A. Boyd, Jr., Esq., Administrative Practice Officer, Office of Chief Counsel, presented this matter.

BACKGROUND AND DISCUSSION: This matter was first discussed in executive session, and it involved a Request for Proposal which was released by Staff and issued on October 29, 2018 to engage contractors to provide expertise on offshore wind economic analysis and development.

In essence, the contractor would assist Staff and work in the evaluation of the solicitation for 1100 megawatts for offshore wind, which is due on December 28, 2018. Staff sent a request for quotation to 13 contractors and the bids were due on November 28 at 2:00 p.m. at the 44 South Clinton Avenue Board of Public Utilities office. There were two bids that were received by Staff and subsequent to that, another response was delivered which was a late bid.

However, upon investigation, staff discovered that the package was properly addressed and was, in fact, delivered prior to 2:00 pm to the wrong building, a building across the street and adjacent and signed for by somebody who is not a Board staffer. Therefore, under the circumstances, the Board, in its discretion, may waive that under certain circumstances.

Staff recommended that the under the circumstances, with all the facts being presented, that the Board waived this requirement and allow Staff to consider the third bidder.

DECISION: After discussion, 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 Gordon	Aye

F. Docket No. QO18040393 – In the Matter of the Clean Energy Programs and Budgets for Fiscal Year 2019; and

Docket QO18070685 – In the Matter of the Multifamily Program Compliance Filing.

Jessica Brand, Program Administrator, Energy Efficiency, Division of Clean Energy, presented this matter.

BACKGROUND AND DISCUSSION: This matter involved memorializing action taken by the Board at its December 18, 2018 public meeting, where the Board considered the approval of a new Multifamily Program, and its associated Fiscal Year 2019 (FY19) budget, within the New Jersey's Clean Energy Program (NJCEP).

In its Order setting NJCEP programs and budgets for FY19, the Board approved, among other things, certain proposed changes to NJCEP programs, which would require further development before implementation, with such development entailing "further opportunities for public and stakeholder input and comment as details are developed and further review and approval by the Board Order. The proposed changes were described in Volume 2 of the FY19 Compliance Filing for programs administered by the Program Administrator, TRC

Energy Solutions (TRC), and included a new Multifamily Program that would pull into a single point of entry projects that would otherwise have been potentially eligible for eight other NJCEP programs and program pathways, none of which at present are tailored specifically for the unique features of multifamily buildings. The Order also approved a FY19 overall budget of \$6,000,000.00 for the Multifamily Program and contemplated the adoption of a detailed Program budget (i.e. one allocated among cost categories) simultaneous to the adoption of the Program.

Prior to the entry of the Order, Board Staff and TRC conducted several rounds of drafts, comments, and discussions with Program stakeholders and the public, regarding the potential Multifamily Program, including, among other things, at meetings of the energy efficiency (EE) committee held on March 27, April 10, and May 2, 2018.

Additionally, after the entry of the Order, on September 26, 2018, a notice was distributed to the EE listserv and posted on the NJCEP website; the notice included the proposed, fully-detailed Multifamily Program described below in the present Order (Proposal), and it invited the submission of comments to Board Staff by October 10, 2018. The proposed Multifamily Program was also presented to and discussed at an EE Committee meeting held after the entry of the Order, on September 27, 2018.

The Revised Proposal will benefit customers and is consistent with the NJCEP objectives. Further, the revised Proposal will provide environmental benefits beyond those provided by other existing programs and is otherwise reasonable and appropriate. Therefore, Staff recommended Board approve the revised Proposal.

DECISION: After discussion, 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 Gordon	Aye

G. Docket No. QO17091011 - In the Matter of Approval of Contract between Rutgers University, Department of Marine and Coastal Sciences and the New Jersey Board of Public Utilities, Office of Clean Energy – See Executive Session.

Anne Marie McShea, Offshore Wind Program Administrator, Division of Economic Development & Planning, Division of Clean Energy, presented this matter.

BACKGROUND AND DISCUSSION: This matter was first discussed in executive session, and it involved a contract between Rutgers University, Department of Marine and Coastal Sciences and the Board. Since 2010, Rutgers Department of Marine and Coastal Sciences has been conducting atmospheric research for New Jersey's Clean Energy Program in assisting the Board in evaluating offshore wind resources by developing an advanced multi-spatial model capable of estimating and forecasting wind speeds and other parameters in New Jersey's coastal waters and throughout our offshore wind lease area which now encompasses more than 500,000 acres.

This model has been instrumental in delineating the parameters of the existing leases, as well as understanding implications of those leases being proposed in Hudson South. In the

contract between the Board and Rutgers for year two would be extended from November 1, 2018 to December 31, 2019, and exceed \$250,000.00.

Staff recommended Board approval to extend the contract for one year for research and evaluation services in accordance with the established requirements under Treasury and Office of Management and Budget and the State's standard terms and conditions.

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

H. Docket No. QO18080843 – In the Matter of the Petition of Nautilus Offshore Wind, LLC for the Approval of the State Waters Wind Project and Authorizing Offshore Wind Renewable Energy Certificates.

Kenneth J. Sheehan, Esq., Director, Division of Clean Energy, presented this matter.

BACKGROUND AND DISCUSSION: This matter involved consideration of State Waters Wind Project and Offshore Wind Renewable Energy Certificates, which is known as the Nautilus project.

The Nautilus requested approval of an offshore wind generation facility off the coast of Atlantic City, NJ. The 25-megawatt nameplate capacity project was explicitly authorized for application by state law and is required to satisfy the requirements of the Offshore Wind Economic Development Act (OWEDA) before the Board can grant it a subsidy through the Offshore Wind Renewable Energy Certificate Program (OREC).

OWEDA was signed into law in August 2010. OWEDA and the implementing regulations at N.J.A.C. 14:8-6 specifically allows for a 25-megawatt nameplate capacity offshore wind project in territorial waters, that is within 3 nautical miles, to be considered as a qualified offshore wind facility eligible to receive ORECs, but only if it meets the application requirements stipulated under OWEDA and demonstrates for the state a net economic and environmental benefit.

By order dated September 17, 2018, the Board retained the Nautilus petition for hearing and designated President Fiordaliso as presiding officer. The Board also directed at that time any entities seeking to intervene or participate in this matter file the appropriate application.

Subsequently, two entities, the New Jersey Laborers-Employers Cooperation and Education Trust and the International Union of Operating Energy, Engineers, as well as the National Wildlife Federation and New Jersey Audubon Society filed petitions to intervene.

The New Jersey Division of Rate Counsel opposed the petition, stating that price was too high and the benefits too nebulous. The environmental interveners objected to the petition as the specific location of the petition's turbines place them in migratory path of a number of bird species and, in particular, the endangered Red Knot.

Staff recommended the Nautilus application for designation as an offshore wind facility and their associate OREC process be denied and that the State has been unable to demonstrate that ratepayers and the state will receive net positive benefits for the commitment of ratepayer capital for the next 20 years.

DECISION: After discussion, 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 Gordon	Aye

I. Docket No. QO18121302 – In the Matter of Approval of Contract for Energy Efficiency Technologies Research and Studies – See Executive Session.

Mona Mosser, Energy Efficiency Manager, Division of Clean Energy, presented this matter.

BACKGROUND AND DISCUSSION: This matter was first discussed in executive session, and it involved approval of a contract for Energy Efficiency Technologies Research and Studies.

Staff requested Board approval to enter into a contract for services, for a consultant to conduct a market potential study and prepare a written report. Staff also requested Board approval for Staff to execute the contract.

DECISION: After discussion, 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 Gordon	Aye

James A. Boyd, Jr., Esq., Administrative Practice Officer, Office of Chief Counsel, presented these matters.

J. Docket No. QX18040466 – In the Matter of Clean Energy Offshore Wind Renewable Energy Certificate Funding Mechanism Rule Proposal.

BACKGROUND AND DISCUSSION: The Offshore Wind Economic Development Act (OWEDA), directed the Board to promulgate rules detailing the requirements for offshore wind (OSW) energy projects to qualify for ratepayer-based financing in the form of Offshore Wind Renewable Energy Certificates (ORECs).

Executive Order No. 8 signed by Governor Murphy on January 30, 2018, directed the Board to take all necessary action to fully implement OWEDA and to initiate a rule making proceeding for the OREC Funding Mechanism. On February 28, 2018 the Board directed staff to initiate the rule making proceeding and draft an OREC Funding Mechanism rule proposal which is now presented to the Board for consideration. On July 24, 2018, the Board approved the rule proposal which was sent to the Office of Administrative Law for publication in the New Jersey Register. The Rule Proposal was published in the New Jersey Register on August 20, 2018 and subject to a 60 day public comment period which closed on October 19, 2018.

Based on extensive stakeholder discussions with OSW developers, electric distribution companies (EDCs), suppliers and the New Jersey Division of Rate Counsel, Staff determined that the OREC funding mechanism must provide the following minimum requirements in order to be effective:

1. Protection of Offshore Wind Renewable Energy Certificate revenues from the risk of State appropriation;
2. Provide sufficient payment assurances and credit support for the OSW projects to attract third party financing;
3. Ensure price certainty and reduced risk for suppliers related to the OREC obligation and alternate compliance payments;
4. Ease of administration and implementation by the Board to ensure annual compliance with the renewable portfolio standard OSW carve-out; and
5. Ratepayer protection from undue risks and shifting of costs associated with the OREC funding mechanism consistent with OWEDA.

Staff recommended that the Board adopt the proposed OREC Funding Mechanism Rule with changes in furtherance of implementing Governor Murphy's Executive Order Number 8 which explicitly calls upon the Board to finalize the rules for an OREC Funding Mechanism in advance of a solicitation for 1,100 megawatts of capacity.

DECISION: After discussion, 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 Gordon	Aye

K. Docket No. QO18060647 – In the Matter of Rulemaking to implement certain sections of PL 2018, Chapter 17, regarding closing the SREC program to new registrations following the attainment of 5.1 percent of total kilowatt-hours sold in the State from solar electric power generators connected to the State's electric distribution system.

BACKGROUND AND DISCUSSION: This matter involved Staff requesting the Board to approve the Rule Adoption for submittal to the Office of Administrative Law to be published in the New Jersey Register which will make the proposed rule become effective on the date of publication.

The Rule contains amendments to N.J.A.C. 14:8-2.4, to conform portions of the current rules to certain provisions of P.L. 2018, c.17 (Clean Energy Act). There are several provisions in the Clean Energy Act that require rulemaking proceedings, the particular amendments proposed in this Rule Proposal concern the Solar Renewable Energy Credit (SREC) Registration Program.

The Clean Energy Act requires the Board to, "adopt rules and regulations to close the SREC program to new applications upon the attainment of 5.1 percent of the kilowatt-hours sold in

the State by each electric power supplier and each basic generation supplier from solar electric power generators connected to the distribution system.” (emphasis added) The Clean Energy Act further requires, “...the closing of the existing SREC program on a date certain but no later than June 1, 2021.” Finally, as it relates to this rulemaking in particular, the Clean Energy Act requires that a full rulemaking procedure concerning the particular requirements identified above shall be completed no later than 180 days after May 23, 2018, the date on which the Clean Energy Act was enacted.

Staff recommended that the Board approve this rule proposal for submittal to the Office of Administrative Law to be published in the New Jersey Register.

DECISION: After discussion, 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 Gordon	Aye

L. Docket No. EX18111244 – In the Matter of Rulemaking proceeding to amend the Renewable Portfolio Standard pursuant to P.L. 2018, c.17.

BACKGROUND AND DISCUSSION: This matter involved Staff proposing amendments to N.J.A.C. 14:8-2.3 and -2.6 to conform the current Renewable Portfolio Standard (RPS) rules to certain provisions of P.L. 2018, c. 17 (Clean Energy Act). The Clean Energy Act made several changes to RPS including increasing the Class I RPS obligation to 50% by 2030; increasing the solar RPS over the current and the next three energy years while exempting Basic Generation Service (BGS) supply from contributing to the increased solar obligations; allocating the avoided increase from the exemption in a competitively neutral manner; setting a cap on the cost to customers of satisfying the Class I RPS that is equal to nine percent of total retail cost to customers in energy years 2019, 2020, and 2021 (EY19, EY20, and EY21) and seven percent of the total retail cost to customers in any energy year thereafter; and removing the provision in the law that allowed BGS Providers/TPS to submit Class I Renewable Energy Certificates (RECs) as well as Class II RECs to satisfy their Class II RPS obligations; The amendments recommended are intended to implement these provisions.

In addition, Staff proposed amendments which, although not expressly mandated by the Clean Energy Act, are necessary to make the processes governed by the RPS rules conform to the Clean Energy Act’s requirements regarding the increases in the Class I and Solar RPS and to reduce the likelihood of triggering the cost cap.

On December 7, 2018, Board staff held a public stakeholder meeting to address questions raised in the BGS auction proceeding about implications of changes required by the Clean Energy Act and address RPS rule amendments to implement those changes. Stakeholders were required to submit comments by December 10, 2018. Thirteen sets of comments were received from stakeholders including New Jersey Division of Rate Counsel, the Electric Distribution Companies, the Retail Electric Supply Association (representing 20 Third Party Electric Suppliers, the NJ School Board Association, New Jersey Solar Renewable Energy Certificates, Community Energy, Carbon Solutions, Mid-Atlantic Renewable Energy Coalition, and private citizens.

Staff recommended that the Board approve the rule proposal.

DECISION: After discussion, 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 Gordon	Aye

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

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

Docket Nos. EO12121108V, EO12121112V and EO12121120V – EffiSolar Development, LLC

Docket No. EO12121138V – Quakertown Farms

Docket No. EO12121095V – RenewTricity

Docket No. EO12121124V – EAI Investments, LLC – See Executive Session.

This matter was deferred.

9. MISCELLANEOUS

A. Docket No. EO18080899 – In the Matter of the Implementation of L. 2018, C. 16 Regarding the Establishment of a Zero Emission Certificate Program for Eligible Nuclear Power Plants – See Executive Session.

Thomas Walker, Director, State Energy Services Division, presented this matter.

BACKGROUND AND DISCUSSION: This matter was first discussed in executive session, and it involved the Zero Emissions Certificate Program, specifically selecting a consultant to assist staff with the analysis, evaluation of the eligibility, and ranking of any eligible applications, as well as setting the application fee. The open solicitations for a Request for Qualifications were sent out by staff on October 3, 2018 and were due November 1, 2018.

Staff requested the Board approve the evaluation team's recommendation for a selection of a consultant. Additionally, Staff recommended the Board establish the application fee at \$250,000.00.

DECISION: After discussion, 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 Gordon	Aye

B. Docket No. QO18121273 – In the Matter of Approval of Contract between the Montclair State University Center for Clean Energy and Sustainability Analytics Center and the New Jersey Board of Public Utilities – See Executive Session.

Benjamin Witherell, Chief Economist, Office of the Economist, presented this matter.

BACKGROUND AND DISCUSSION: This matter was first discussed in executive session, and it involved a proposed agreement with Montclair State University's (MSU) Clean Energy and Sustainability Analytic Center (CESAC) in the amount of \$199,965.00. Through the proposed agreement, the Board assisted in developing and implementing Montclair State University Clean Energy and Sustainability Analytics Center.

The CESAC is developing a suite of economic models, including an input/output model, a computable general equilibrium model, and an integrated energy, economic, and environmental model. These models will assist the Board in its responsibilities to evaluate utility filings and evaluate policy initiatives for cost-effectiveness and a cost analysis.

The Board needed access to various energy modeling evaluations to assess various Clean Energy Programs and options under development as directed by the enactment of the Clean Energy Act (CEA) of 2018. The Board is under aggressive target dates under the CEA. The need for economic evaluation will increase over the next few years while implementing these Clean Energy Programs and policies. In addition, the management of utility planning through different tariffs and rate structures as a result of this CEA will likewise increase complexity as systems become more distributed, further increasing the need to increase the capacity for energy and economic analysis to improve the Board's understanding of these changes. The MSU Center will be able to assist provide an ongoing economic, energy evaluation and assessment.

It is consistent with Treasury Circular 0514-Office of Management and Budget's (OMB), which set an expressed preference for state agencies to use state colleges and universities where applicable and appropriate rather than outside private vendors, provide services to assist with evaluation of new policy initiatives and legislative mandates.

This contract will be managed by the Office of the Economist on behalf of the Board. Staff recommended that the Board approve the agreement between the Board and Montclair State University in accordance with established OMB requirements and per the state's standard terms and conditions and authorize President Fiordaliso to execute the agreement on behalf of the Board.

DECISION: After discussion, 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 Gordon	Aye

EXECUTIVE SESSION

After appropriate motion, the following matters, which involved pending litigation attorney/client privilege and contract negotiations to the Open Public Meetings Act at N.J.S.A. 10:4-12(b)7 was discussed in Executive Session.

8. CLEAN ENERGY

D. Docket No. QO17080939 – In the Matter of Approval of Contract between Rutgers’ Bloustein School – Center for Green Buildings and the New Jersey Clean Energy Program – Amendment # 3.

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

E. Docket No. QO18121289 – In the Matter of the New Jersey Board of Public Utilities Offshore Wind Solicitation for 1,100 MW – Evaluation of the Offshore Wind Applications.

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

G. Docket No. QO17091011 – In the Matter of Approval of Contract between Rutgers University, Department of Marine and Coastal Sciences and the New Jersey Board of Public Utilities, Office of Clean Energy.

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

I. Docket No. QO18121302 – In the Matter of Approval of Contract for Energy Efficiency Technologies Research and Studies.

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

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

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

Docket Nos. EO12121108V, EO12121112V and EO12121120V – EffiSolar Development, LLC

Docket No. EO12121138V – Quakertown Farms

Docket No. EO12121095V – RenewTricity

Docket No. EO12121124V – EAI Investments, LLC.

This matter was deferred.

9. MISCELLANEOUS

- A. Docket No. EO18080899 – In the Matter of the Implementation of L. 2018, C. 16 Regarding the Establishment of a Zero Emission Certificate Program for Eligible Nuclear Power Plants.**

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

- B. Docket No. QO18121273 – In the Matter of Approval of Contract between the Montclair State University Center for Clean Energy and Sustainability Analytics Center and the New Jersey Board of Public Utilities.**

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

After appropriate motion, the Board reconvened to Open Session.

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



AIDA CAMACHO-WELCH
SECRETARY OF THE BOARD

Date: February 27, 2019