



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

A Regular Board meeting of the Board of Public Utilities was held on March 13, 2019, at the State House Annex, Committee Room 11, 125 West State Street, Trenton, New Jersey 08625.

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

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

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

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 March 29, 2019 at the State House Annex, Committee Room 11, 125 West State Street, Trenton, New Jersey 08625.

CONSENT AGENDA

I. AUDITS

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

EE18101147L	National Energy Advisory, LLC	I – EA
EE19010055L	Trane Energy Choice, LLC	I – EA/PA
GE19010056L	f/k/a Global Energy Market Services, LLC	
EE19020204L	Health Resource Network, Inc.	I – EA/PA/EC
GE19020205L		
EE18121341L	Enel X North America, Inc.	I – EA/PA/EC
GE18121342L	f/k/a EnerNOC, Inc.	

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

EE19010051L	Meretz Energy Group, LLC	R – E
EE19010045L	Resource Energy Systems, LLC	R – EA
EE19010011L	Goldstar Energy Group, Inc.	R – EA/PA/EC
GE19010012L		

Natural Gas Supplier Initial License

GE18060624L	ENGIE Resources, LLC	I – GSL
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Electric Power and/or Natural Gas Supplier Renewal Licenses

EE19010118L	Barclays Services Corporation	R – ESL
EE19020192L	All American Power and Gas NJ, LLC d/b/a AAP&G	R – ESL
EE18080879L	Josco Energy USA, LLC	R – EGSL
GE18080878L		
EE19010122L	Marathon Power, LLC	R – EGSL
GE19010121L		

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:

- National Energy Advisory, LLC
- Health Resource Network, Inc.
- Enel X North America, Inc. f/k/a EnerNOC, Inc.

Staff also recommended that the following applicant be issued initial registrations as an energy agent and private aggregator for one year. This company's previous registration numbers, EA-0126 and PA-0097, were set to expire on May 20, 2015. The Company filed their renewal application 15-days after their expiration date, but due to the amnesty program (DKT No. ES15060650) being in place the company qualified for amnesty. As a result of the Company's name change, an initial application was required to be submitted to the Board.

- Trane Energy Choice, LLC f/k/a Global Energy Market Services, LLC

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

- Meretz Energy Group, LLC
- Resource Energy Systems, LLC
- Goldstar Energy Group, Inc.

In addition, Staff recommended that the following applicants be issued initial license as a natural gas supplier for one year:

- ENGIE Resources, LLC

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

- Barclays Services Corporation
- All American Power and Gas NJ, LLC d/b/a AAP&G
- Josco Energy USA, LLC
- Marathon Power, LLC

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

II. ENERGY

There were no items in this category.

III. CABLE TELEVISION

There were no items in this category.

IV. TELECOMMUNICATIONS

There were no items in this category.

V. WATER

There were no items in this category.

VI. RELIABILITY & SECURITY

There were no items in this category.

VII. CUSTOMER ASSISTANCE

There were no items in this category.

VIII. CLEAN ENERGY

A. 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.

BACKGROUND: On January 14, 2019, the Mid-Atlantic Renewable Energy Coalition (MAREC) filed a motion for reconsideration of the Board's December 18, 2018 Order which addressed implementation of provisions of the Clean Energy Act of 2018 (CEA). The CEA increased the solar Renewable Portfolio Standards (RPS) obligation and exempts Basic Generation Service (BGS) supply with existing supply contracts and requires non-exempt BGS supply to account for the increase Solar Renewable Energy Certificates retirement.

MAREC requested the Board reconsider its decision to change the RPS compliance policy. This change makes the solar obligation a true "carve out" of the NJ Class I obligation for non-exempt supply; that is, the solar MWdc counted toward satisfaction of the solar RPS count toward the satisfaction of the Class I RPS as well. MAREC requested that the Board state that the carve out rule, if retained, applies only to the 2019 BGS auction, and does not apply, unless the Board takes further action to make the care out rule applicable, to any future BGS auction, to the rulemaking the Board is presently, or to any other proceedings the Board convenes implementing the relevant provisions of the CEA.

Staff recommended that the Board take additional time to review the motion and approve the issuance of a Secretary's letter to MAREC that informs the movant that the Board is continuing its review of the petition and will act on it beyond the 60-day time limit set forth in N.J.A.C. 14:1-8.7(c).

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

IX. MISCELLANEOUS

A. Approval of the Minutes for the January 17, 2019, Agenda Meeting.

BACKGROUND: Staff presented the minutes of January 17, 2019, and recommended that 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

AGENDA

1. AUDITS

There were no items in this category.

2. ENERGY

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

A. Docket No. GR18060675 – In the Matter of the Petition of Public Service Electric and Gas Company to Revise its Weather Normalization Charge for the 2018-2019 Annual Period.

BACKGROUND AND DISCUSSION: On June 26, 2018, Public Service Electric and Gas Company (PSE&G or Company) filed a petition with the Board seeking approval to adjust its Weather Normalization Clause (WNC). In the 2018 WNC Petition, PSE&G sought to recover \$14,297,150.00 to be collected over the 2018-2019 Winter Period.

The Company proposed a WNC rate of \$0.009676 [\$0.010317 including New Jersey Sales and Use Tax (SUT)] per balancing therm applicable to aforementioned rate schedules. The 2018 WNC Petition would result in an annual impact on a typical residential heating customer using 165 therms in a winter month and 1,010 therms on an annual basis would experience a decrease in their annual bill from \$879.22 to \$871.42, a difference of \$7.80.

By Order dated October 29, 2018, the Board approved a stipulation for provisional rates executed by PSE&G, Board Staff, and the New Jersey Division of Rate Counsel (collectively, the Parties) that authorized PSE&G to implement its proposed WNC rate on a provisional basis, subject to refund.

On February 11, 2019, the Parties executed a Stipulation of Settlement (Settlement) whereby the Parties requested that the Board approve PSE&G's provisional WNC rate for 2018-2019 Winter Period as final.

Staff recommended that the Board issue an Order approving the Settlement. In addition Staff recommended that the Board direct PSE&G to file sheets consistent with its Order by April 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. ER18101114 – In the Matter of the Petition of Rockland Electric Company for Approval of Electric Base Rate Adjustments Pursuant to the Storm Hardening Order.

BACKGROUND AND DISCUSSION: On October 15, 2018, Rockland Electric Company (RECO or Company) filed a petition (October 2018 Petition) with the Board seeking approval to establish rates to recover an annualized increase in electric revenue requirements of \$416,647.00 related to the Company's Storm Hardening Program (SHP). The October 2018 Petition was based on expenditures associated with the SHP placed in service through December 31, 2018, including 1) expenditures made but not included in rates on or before August 31, 2018, pursuant to any prior rate filing and 2) expenditures forecasted to be placed in service from September 1, 2018 through December 31, 2018.

On January 15, 2019, the Company provided an updated schedule, which replaces the estimated data in the original schedules with actual data through December 31, 2018. This resulted in an electric revenue requirement that was higher than originally proposed. The updated schedules reflect a \$307.00 increase in the proposed revenue requirement from \$416,647.00 to \$416,954.00, a monthly increase of \$0.31.

On February 28, 2019, the Company, the New Jersey Division of Rate Counsel and Board Staff (collectively, the Parties) agreed to a stipulation of settlement (Stipulation) that allows the Company to recover a revenue requirement increase of \$416,647.00, as provided in the October 2018 Petition.

Staff recommended that the Board approve the Stipulation of the Parties. Staff further recommended that the Board direct RECO to file revised tariff prior to April 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

C. Docket No. ER18121290 – In the Matter of the Provision of Basic Generation Service and the Compliance Tariff Filing Reflecting Changes to Schedule 12 Charges.

BACKGROUND AND DISCUSSION: On December 6, 2018, Atlantic City Electric Company, Jersey Central Power & Light Company, Public Service Electric and Gas Company (PSE&G), and Rockland Electric Company (collectively, the EDCs) filed a joint petition (December 2018 Petition) with the Board requesting recovery of Federal Energy Regulatory Commission (FERC) approved changes in firm transmission service related charges. By Order dated January 17, 2019, the Board approved the transmission charges resulting from the FERC approved changes, effective February 1, 2019.

On January 25, 2019, the EDCs filed revised tariffs sheets and supporting exhibits to update the EDCs' initial filing. (January 2019 Update)

The EDCs' proposed tariff revisions reflect changes to the Basic Generation Service (BGS) Residential/Small Commercial Pricing (BGS-RSCP) and Commercial and Industrial Energy Pricing (BGS-CIEP) rates to customers resulting from changes to the PJM Open Access Transmission Tariff (OATT). The OATT changes were made in response to a January 18, 2019 revised informational filing made by PSE&G to implement revisions to PSE&G's Formula Rate Template approved by FERC on December 28, 2018 in Docket No. ER19-04-000.

The EDCs reiterated the requests for approval set forth in their December 2018 Petition, and requested that the Board approve the revisions to each EDC's tariff sheets. This includes the requested authorization to compensate BGS suppliers for the changes to the OATT resulting from the implementation of the revised PSE&G Network Integration Transmission Service Charges rate, subject to the terms and conditions of the applicable Supplier Master Agreement(s) (SMAs). Any difference between the payments to BGS suppliers and charges to customers would flow through each EDC's BGS Reconciliation Charge. In the January 2019 Update, the EDCs also requested a waiver of the 30-day filing requirement that would otherwise apply to this type of submission, because BGS suppliers will begin paying the revised transmission charges for service in January 2019.

Staff recommended that the Board authorize the EDCs to collect from BGS customers the costs associated with the January 2019 Update, effective April 1, 2019. However, with respect to the reallocations derived from the ConEd Wheel Order, American Electric Power Transmission Company's Order, and Hudson Transmission Partners' and Linden Linden VFT, LLC's Orders, Staff recommended that the EDCs be authorized to collect these costs from BGS customers and track such collections until receipt of Final FERC Orders in these matters. For the remaining changes, Staff recommended that the EDCs be authorized to compensate BGS suppliers subject to the terms and conditions of their applicable SMAs. Staff further recommended that the Board direct the EDCs to file tariffs and rates consistent with the Board's findings prior to April 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

D. Docket No. ER18080925 & OAL Docket No. PUC 14569-2018S – In the Matter of the Petition of Atlantic City Electric Company for Approval of Amendments to its tariff to Provide for an Increase in Rates and Charges for Electric Service Pursuant to N.J.S.A. 48:2-21 and N.J.S.A. 48:2-21.1 and for other Appropriate Relief (2018).

BACKGROUND AND DISCUSSION: On August 21, 2018, Atlantic City Electric Company (ACE or Company) filed a petition with the Board seeking authority to: (i) increase rates and charges for electric service that would result from the proposed amendments to the Company's tariff; (ii) create a regulatory asset to record the costs to achieve merger synergy savings and to amortize those costs over a five year period; (iii) incorporate the results of its cost of service study and consider the unitized rate of return for each customer rate class in the allocation of overall revenue requirements among rate classes; and (iv) modify certain charges, including monthly customer charges, and

update its tariff for certain tariff modifications. The requested rate increase was \$109.3 million [excluding Sales and Use Tax (SUT)] at the time of the filing.

Additionally, the Company requested that the Board: (i) not adopt an alternative rate design filed using the Peak and Average Coincident Peak method as required by the Board in the Order issued in connection with in Docket No. ER03020110; (ii) approve a 10.10% return on equity; (iii) approve a revenue decoupling mechanism; and (iv) approval to use the Company's depreciation study to update its depreciation rates.

On November 19, 2018, ACE updated its petition to include nine months of actual data and three months of estimated dated. The requested rate increase was modified to \$121.9 million (excluding SUT). On February 14, 2019, ACE further updated the petition, including revised schedules demonstrating the Company's actual results for the 12 month test year. The February 2019 Update reflected a revenue requirement of \$130.2 million (excluding SUT).

The Company, Board Staff, the New Jersey Division of Rate Counsel (Rate Counsel) as well as other parties held numerous discovery and settlement conferences. Following discussions among the parties, the Company, Board Staff, Rate Counsel, Walmart, and Covia (collectively, Signatory Parties) executed a stipulation of settlement (Stipulation) resolving this matter. PSE&G submitted a letter of non-objection. On March 5, 2019, Administrative Law Judge Tricia M. Caliguire issued her Initial Decision in this matter approving the Stipulation of the Signatory Parties, finding that the Stipulation was voluntary, consistent with the law and fully disposes of all issues in controversy.

Staff recommended that the Board adopt the Initial Decision and approve the Stipulation for service rendered on or after April 1, 2019. Staff further recommended that the Board direct ACE to file tariffs consistent with its order prior to April 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

Cynthia L. M. Holland, Esq., Director, Office of Federal and Regional Policy, presented these matters.

E. Docket No. ER19010009 – In the Matter of Federal Energy (FERC) Items for 2019 – FERC Docket No. EL19-8 PJM Interconnection, LLC re: Maintenance Adder Revisions to Operating Agreement; and

Docket No. ER19010009 – In the Matter of Federal Energy (FERC) Items for 2019 – FERC Docket No. ER19-210 PJM Interconnection, LLC re: Maintenance Adder Revisions to PJM Tariff.

BACKGROUND AND DISCUSSION: This matter involved Staff, on behalf of the Board, filing comments with the Federal Energy Regulatory Commission (Commission or FERC) regarding PJM Interconnection LLC's (PJM) February 14, 2019 filing in the above

referenced docket. PJM's filing came in response to FERC's January 15, 2019 deficiency letter. Staff responded that PJM's proposal did not receive the approval of the PJM stakeholders. Staff also examined the history of the Fuel Cost Policy approval process and explained that major maintenance costs have appropriately been excluded from energy market offers. Staff also reinforced the Board's long-held position, echoed by comments of the Independent Market Monitor that Short Run Marginal Cost is the appropriate basis for energy market offers. The filing also raised concerns about the adverse precedent that could ultimately result, and artificially inflate prices for customers.

On October 29, 2018, PJM submitted revisions to its Operating Agreement and the PJM Tariff, pursuant to Section 206 and 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 maintenance 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 noted that a component already exists in its market rules which allows plants other than CC and CT plants, including steam and nuclear plants, to collect major maintenance costs in a Maintenance Adder component of their energy market offers.

Staff recommended that the Board ratify the comments filed on March 7, 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

F. Docket No. ER19010009 – In the Matter of Federal Energy (FERC) Items for 2019 – FERC Docket No. ER19-105 PJM Interconnection, LLC re: Quadrennial Review.

BACKGROUND AND DISCUSSION: This matter involved Staff, on behalf of the Board, joining with a coalition of end-use customer parties (including the D.C. Office of People's Counsel, among others) in filing comments with the Federal Energy Regulatory Commission (FERC or the Commission) regarding PJM Interconnection LLC's (PJM) response to FERC's deficiency letter in this docket. In the comments, Staff et al. noted that PJM does not sufficiently respond to the Commission's questions. PJM's response narrowly focuses on how combustion turbine (CT) as the reference resource technology is more relevant compared to combined cycle (CC). In the comments, Staff et al. continue to support the use of CC as the more relevant reference technology in PJM's markets on the basis that more CCs are currently being installed in PJM than any other resource. The comments note that the outcome of where Variable Operations & Maintenance Costs are recovered for CCs will likely have a substantially different impact as compared to CTs.

On October 12, 2018, PJM submitted revisions to its Open Access Transmission Tariff (Tariff) to modify certain Reliability Pricing Model auction parameters that are required by the Tariff to be reviewed every four years through an analysis and stakeholder process. PJM is required by the Tariff to review every four years.

PJM proposed to implement all the changes proposed in this filing starting with the 2022/2023 Delivery Year and for all subsequent Delivery Years. PJM requested an effective date of December 12, 2018. The Commission initially set November 2, 2018 as the deadline for comments. In response to the Board's request, on October 26, 2018, PJM submitted an amendment to extend the comment deadline to November 19, 2018 to allow sufficient time to analyze PJM's proposed revisions.

Staff recommended that the Board ratify the comments filed on March 7, 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

3. CABLE TELEVISION

There were no items in this category.

4. TELECOMMUNICATIONS

There were no items in this category.

5. WATER

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

A. Docket No. WF18121333 – In the Matter of the Petition of New Jersey-American Water Company, Inc. for Approval of a Financing Program Involving the Refinancing of Existing Long Term Debt and the Issuance of New Long-Term Debt Through December 31, 2021.

BACKGROUND AND DISCUSSION: On December 12, 2018, New Jersey-American Water Company, Inc. (NJAW or Company) filed a petition with the Board requesting authority to:

- (1) Issue and sell up to \$776,472,550.00 aggregate principal amount of long term debt consisting of one or more series of first mortgage bonds, notes, other bonds or other evidences of indebtedness, whether secured or unsecured, fixed rate or variable, tax-exempt or taxable;
- (2) Execute and deliver one or more series of supplemental mortgage indentures,

loan agreements, notes, and such other documents; and

- (3) Take such actions as the Petitioner determines may be necessary or desirable in connection with any of the foregoing.

NJAW intends to use the net proceeds from its issuance of Long-Term Debt to: (a) provide funds for the Company's ongoing utility plant construction program; (b) refinance outstanding Long-Term Debt of New Jersey-American Water as such debt matures or is retired or can be replaced by lower-cost issues; (c) repay short-term debt incurred in connection with New Jersey-American Water's ongoing capital construction program; (d) provide capital for potential acquisitions; and (e) pay certain issuance costs related to the proposed financings.

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

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

There were no items in this category.

8. CLEAN ENERGY

Sara Bluhm, Director and Benjamin Goldstein, Program Specialist, Division of Clean Energy, presented these matters.

A. Docket No. QO19020197 – In the Matter of the Clean Energy Program Authorization of Commercial and Industrial Program Energy Efficiency Incentives Exceeding \$500,000.00 – Inspira Health Network.

BACKGROUND AND DISCUSSION: Inspira Health Network (Company) submitted an application under the Fiscal Year 2019 Combined Heat and Power & Fuel Cell (CHP/FC) Program pursuant to the New Jersey Clean Energy Program Energy Efficiency and Renewable Energy Program Plan Filing for Fiscal Year 2019. The Company requested Board approval of a financial incentive of \$1,503,364.00 for installation of the cogeneration system at a newly constructed site on Mullica Hill Road in Mullica Hill, NJ that has a total cost of \$5,011,214.00.

The CHP system consists of a GE Jenbacher 1,141 kW unit with 4.451 MMBtu/h of

potential thermal output. The system will operate in a grid-connected operating mode with a fuel consumption value of approximately 10.7 MMBtu/h higher heating value and a resultant fuel conversion efficiency of 77.8%. The projected on-site annual system efficiency is 71.4%. The system will augment the space heating and domestic hot water heating needs of the hospital.

Annually, the project is anticipated to generate 9,128,730.90 kWh of electricity and is estimated to utilize 30,196.60 MMBtu in waste heat. Specifically, the CHP system will provide 24,157.00 MMBtu for space heating and 6,039.60 MMBtu for domestic hot water heating. The system will also reduce electrical grid demand by producing 1,141 kW of its own power. Additionally, the proposed project will have an estimated annual energy cost savings of \$572,326.00. The payback period without incentives is 8.76 years; when factoring in the incentives, the payback period is reduced to 6.13 years.

TRC Environmental Corporation (TRC) received the initial application on September 26, 2018. TRC submitted its Program Manager certification on January 22, 2019 and Program Administrator certification on February 4, 2019.

Based on the certifications and the information provided by the Program Manager and Program Administrator, Staff recommended approval of the application for the total estimated incentive amount of \$1,503,364.00 and issuance of a standard commitment letter to the applicant, setting forth the terms and conditions of this commitment.

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

Benjamin Goldstein, Program Specialist, Division of Clean Energy, presented this matter.

B. Docket No. QO19020176 – In the Matter of the Clean Energy Program Authorization of Commercial and Industrial Program Energy Efficiency Incentives Exceeding \$500,000.00 – Verizon Corporation Services.

BACKGROUND AND DISCUSSION: Verizon Corporate Services (Company) submitted an application under the Fiscal Year 2018 Large Energy Users Program (LEUP) requesting Board approval of a financial incentive of \$972,703.71 for installation of energy efficiency upgrades at the following seven telephone network locations. The total cost of these upgrades are \$2,024,383.00:

- 1100 Orange Ave, Cranford, NJ;
- 114 Paterson St, Paterson, NJ;
- 133 Prospect St, Passaic, NJ;
- 18 Paterson St, New Brunswick, NJ;
- 256 State St, Hackensack, NJ;
- 71 Madison Ave, Jersey City, NJ; and
- 95 William St, Newark, NJ.

The proposed upgrades consist of lighting retrofits to replace outdated lighting fixtures at all the previously listed locations with efficient LED lamps and fixtures. The Company plans to upgrade both existing interior and exterior lights.

Annually, the project is anticipated to save 2,947,587.00 kWh of electricity and reduce peak demand by 565.84 kW. The proposed project will have an estimated annual energy cost savings of \$351,652.35. The payback period without incentives is 5.76 years; when factoring in the incentives, the payback period is reduced to 2.99 years. The required inspection of sites that receive funding through the LEUP following the installation of energy efficient measures will not only help to ensure adherence to agreed-upon performance and energy savings baselines, but will also allow for a more defined pathway for commercial building owners to report their energy usage.

TRC Environmental Corporation (TRC) received the initial application on March 19, 2018. TRC submitted its Program Manager certification on January 25, 2019 and Program Administrator certification on January 29, 2019.

Based on the certifications and the information provided by the Program Manager and Program Administrator, Staff recommended approval of the application for the total estimated incentive amount of \$972,703.71 and issuance of a standard commitment letter to the applicant, setting forth the terms and conditions of this commitment.

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

9. MISCELLANEOUS

There were no items in this category.

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



AIDA CAMACHO-WELCH
SECRETARY OF THE BOARD

Date: April 18, 2019