



**STATE OF NEW JERSEY**  
**Board of Public Utilities**  
**44 South Clinton Avenue, 9<sup>th</sup> Floor**  
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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 February 19, 2020, 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 9, 2020 at the State House Annex, Committee Room 11, 125 West State Street, Trenton, New Jersey 08625.

## CONSENT AGENDA

### I. AUDITS

#### A. Energy Agent and/or Energy Consultant Initial Registrations

EE19111444L	BKE Mechanical, Inc. d/b/a BKE Energy, Inc.	I – EA
EE19080948L	Intelligen Resources, LP	I - EA
EE19101386L	Onix Energy, LLC	I – EA
EE19050604L	Technology Resource Solutions, Inc.	I – EA
EE19080923L	Novera Energy, LLC	I – EA/EC
GE19080924L		

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

EE19091222L	Tri State Energy Consultants, Inc.	R – EA
EE19121519L	Troy and Banks, Inc.	R – EA
EE19111477L	Broadway Energy Group Corp.	R – EA
EE19111455L	Energy Advisory Service, LLC	R – EA
EE19091321L	Lighthouse Business Consulting Development and Services, LLC	R – EA
EE19111464L	Yardi Systems, Inc.	R – EA
EE19080890L	Vervantis, Inc.	R – EA
EE19080912L	The O.E. Group d/b/a Optimal Energy	R – EA
EE19070795L	ABC Energy, LLC	R – EA
EE19111474L	Kinect Energy, Inc.	R – EA/PA
GE19111475L		
EE19060733L	Secure Energy Solutions, LLC	R – EA/PA
GE19060734L		
EE19060713L	SourceOne, Inc. (DE)	R – EA/PA/EC
GE19060714L		
EE19091279L	Commercial Utility Consultants, Inc.	R – EA/PA/EC
GE19091280L	d/b/a Commercial Utility Consultants	
EE19101390L	Big Bang Energy Group, LLC	R – EA/PA/EC
GE19101391L	d/b/a VETAL	

**BACKGROUND:** The Board must register all energy agents, private aggregators, and consultants, and the Board must license all third party electric power suppliers and natural gas suppliers. On May 10, 2019, P.L. 2019, c. 100-101 was signed into law providing that third party electric power and natural gas supplier licenses issued by the Board may be renewed without expiring if certain conditions are met. An electric power supplier and/or natural gas supplier license shall not expire so long as the licensee pays to the Board a license renewal fee accompanied by an annual information update on a form prescribed by the Board. The renewal fee and annual information update form must be submitted within 30 days prior to the anniversary date of the last approved licensing application. P.L. 2019, c. 100-101 became operative 60 days following the date of enactment. As such, any third party suppliers with a license expiring prior to July 9, 2019 were still required to submit the previous renewal application form. Any third party supplier renewal application that was filed prior to July 9, 2019 has been, and will continue to, be processed by Board

Staff for approval or denial in accordance with N.J.A.C. 14:4-5.7. The anniversary date for companies with a pending application will be the date that the renewal application receives Board approval. 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 and natural gas suppliers, as well as energy agents, private aggregators, and energy consultants, are required to renew timely their licenses and registrations in order to continue to do business in New Jersey.

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

- BKE Mechanical, Inc. d/b/a BKE Energy, Inc.
- Intelligen Resources LP
- Onix Energy LLC
- Technology Resources Solutions, Inc.
- Novera Energy, 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:

- Tri State Energy Consultants Inc.
- Troy & Banks, Inc.
- Broadway Energy Group Corp.
- Energy Advisory Service, LLC
- Lighthouse Business Consulting Development & Services LLC
- Yardi Systems, Inc.
- Vervantis Inc.
- The O.E. Group d/b/a Optimal Energy
- ABC Energy, LLC
- Kinect Energy, Inc.
- Secure Energy Solutions, LLC
- SourceOne, Inc. (DE)
- Commercial Utility Consultants, Inc. d/b/a Commercial Utility Consultants
- Big Bang Energy Group, LLC d/b/a VETAL

**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

**A. Docket No. TF19121510 – In the Matter of the Verified Petition of Level 3 Communications, LLC, Broadwing Communications, LLC, Global Crossing Telecommunications, Inc., Global Crossing Local Services, Inc., Level 3 Telecom of New Jersey, LP, TelCove Operations, LLC, and WiTel Communications, LLC for Approval to Participate in Certain Financing Arrangements.**

**BACKGROUND:** On December 6, 2019, Level 3 Communications, LLC, Broadwing Communications, LLC, Global Crossing Telecommunications, Inc., Global Crossing Local Services, Inc., Level 3 Telecom of New Jersey, LP, TelCove Operations, LLC, and WiTel Communications, LLC (collectively, the Petitioners), filed a petition with the Board requesting approval to participate in financing arrangements in connection with the issuance of \$750 million aggregate principal amount of 3.400% Senior Notes due 2027 and \$750 million aggregate principal amount of 3.875% Senior Notes due 2029 (together the Senior Notes) by their parent company, Level 3 Financing, Inc. (Financing) and the entrance by Financing into a new term loan arrangement in the aggregate principal amount of \$3,110,500,000.00 (the Term Loan).

The Petitioners requested approval: 1) to act as guarantors for the Senior Notes and Term Loan upon receipt of the required regulatory approvals, including from the Board; and 2) for their equity and other assets to be pledged in support of the Senior Notes and Term Loan. Additionally, Level 3 LLC has amended and restated the existing intercompany demand note issued to Financing as part of its prior 2017 financing arrangement which was previously approved by the Board. The Petitioners requested approval to permit the amended and restated Intercompany Demand Note used in exchange for the proceeds of the Term Loan and Senior Notes to remain unpaid for more than 12 months from the date of issuance.

The Petitioners also requested approval to participate in a debt financing arrangement (the financing arrangement) as addressed and described in greater detail in the Petition. Financing has issued \$1.5 billion aggregate principal amount of its Senior Notes in a private offering that was not registered under the Securities Act of 1933. Concurrently with the issuance of the Senior Notes, Financing entered into a Term Loan in the aggregate principal amount of \$3,110,500,000.00, with a maturity date of 2027. The aggregate proceeds from the Senior Notes and the Term Loan, together with cash available to Financing, were used to prepay Financing's Tranche B 2024 Term Loan in an aggregate principal amount of \$4,610,500,000.00, which was set to mature in 2024. Financing has lent funds equal to the \$4,610,500,000.00 net aggregate proceeds of the Senior Notes and Term Loan to its subsidiary Level 3 LLC in return for an amended and restated version of a previously issued intercompany demand note. The Petitioners stated that the amended and restated Intercompany Demand Note is in substantially the same form as the note utilized for the financing approved by the Board in January 2018. Since there are now multiple sources of original proceeds used by Financing to fund the loan to Level 3 LLC, specifically the Senior Notes and the new Term Loan, the Intercompany Demand Note now references those multiple sources of original proceeds.

The Petitioners stated that the financing arrangement will enable Financing and Level 3 Parent to take advantage of lower interest rates and more favorable maturity terms,

thereby significantly reducing interest expenses. According to the Petition, the financing arrangement will provide the Petitioners with the financial flexibility to maintain and expand their networks and services. The Petitioners further asserted that the financing arrangement will enable them to continue delivering services to new markets, thus allowing more consumers to benefit from their competitive services.

The Office of the Economist, after review of the information submitted in this proceeding, found that the action requested is in accordance with the law and in the public interest and therefore recommended approval of this petition.

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

**B. Docket No. TM19121536 – In the Matter of the Verified Joint Petition of Lingo Communications, LLC, Lingo Communications of the Northeast, LLC , Matrix Telecom, LLC and Garrison LM LLC for Approval of Proposed Changes in Control of Lingo Communications of the Northeast, LLC and Matrix Telecom, LLC to Garrison LM, LLC.**

**BACKGROUND:** On December 20, 2019, Lingo Communications, LLC, Lingo Communications of the Northeast, LLC, Matrix Telecom, LLC (collectively, the Licensees), and Garrison LM LLC (collectively, the Petitioners), submitted a Petition to the Board requesting approval, to the extent required, for proposed changes in control of Licensees, to Garrison LM LLC upon the occurrence or non-occurrence of certain events relating to the repayment of debt (the Transaction).

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 January 16, 2020, the New Jersey Division of Rate Counsel (Rate Counsel) advised that it did not oppose Board approval of this petition provided conditions are imposed to ensure continued service quality in connection with potential future employment attrition in New Jersey. As a condition of approval, Rate Counsel urged that the Board require the Petitioners to notify the Board and Rate Counsel when New Jersey employees are slated for a workforce reduction that is greater than fifteen percent, throughout a three year period following approval.

Staff shares the concern of Rate Counsel to avoid the potential for diminished service, service quality and customer service capability based on post-transaction employment attrition. Staff also concurred with Rate Counsel that there is a need for the Board to be notified when there is a reduction in staff, and consistent with the Board's findings in similar merger reviews.

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

Therefore, Staff recommended that those provisions adopted in previous cases are appropriate and should be maintained. Accordingly, no additional pre-reduction reporting requirements should be imposed at this time. Staff also recommended the Petitioners must notify the Board, providing a written explanation following a net loss of New Jersey

employees of the Petitioners that is greater than 15% of its total employee headcount for a 3-year period after the date of closing. Finally, Staff recommended that the Petitioners be allowed to proceed with the Transaction, 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. WR20010056 – In the Matter of the Petition of Aqua New Jersey, Inc. for Approval of an Increase in Rates for Wastewater Service and Other Tariff Changes.

**BACKGROUND:** On January 21, 2020, Aqua New Jersey, Inc. (Aqua, Company or Petitioner), filed a petition with the Board seeking to increase rates for wastewater service in the amount of \$1,089,968.00 or 22.2% above the annual level of revenues for the test year ending April 30, 2020.

The Petitioner provides wastewater service to approximately 6,300 customers through the operation of several wastewater systems located throughout the State of New Jersey. The Company has generally organized its water and wastewater business by the following division: the Northern Division (based in Phillipsburg), the Central Division (Based in Hamilton), the Eastern Division (based in Berkeley), and the Southern Division (based in Blackwood). The Company's wastewater facilities are located in its Northern, Central and Southern Divisions.

This matter was transmitted to the Office of Administrative Law for hearing(s) and once assigned, hearings will proceed accordingly.

Staff recommended that the Board issue an Order suspending Aqua's proposed rate increase until June 21, 2020.

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

## VI. RELIABILITY AND SECURITY

There were no items in this category.

## VII. CUSTOMER ASSISTANCE

There were no items in this category.

**VIII. CLEAN ENERGY**

There were no items in this category.

**IX. MISCELLANEOUS**

**A. Approval of the Minutes for the January 22, 2020 Agenda Meeting.**

**BACKGROUND:** Staff presented the meeting minutes of January 22, 2020, 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.**

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

## AGENDA

### 1. AUDITS

Alice A. Bator, Director, Division of Audits, presented these matters.

**A. Docket Nos. EO20020094, EE19070804L and GE19070803L – In the Matter of the Alleged Failure of National Gas and Electric, LLC to Comply with Certain Provisions of N.J.S.A. 48:3-78 et seq. and the New Jersey Administrative Code, N.J.A.C. 14:4-1.1 et seq.**

**BACKGROUND AND DISCUSSION:** This matter involved potential violations under the Electric Discount and Energy Competition Act (the Act), and N.J.A.C. 14:4-1.1 et seq. (the Regulations) by National Gas & Electric, LLC (NGE), which has been operating as an electric power and natural gas supplier to provide services to residential and small commercial customers in New Jersey. As a result of correspondence and telephone conversations between Staff and NGE, NGE submitted an Offer of Settlement (Offer) regarding its alleged violations. In the Offer of Settlement, NGE made a monetary offer in the amount of \$5,000.00 in order to resolve all issues concerning the violations.

This matter also involved the application filed by NGE seeking an initial license to provide electric and gas supply service. Staff recommended that the Board approve the initial license application and issue licenses to NGE with ESL-0244 and GSL-0215 as the new license numbers, contingent upon the Board's acceptance of NGE's Offer of Settlement.

Staff recommended that the Board issue an order accepting the Offer of Settlement of \$5,000.00 as it represents a reasonable settlement of potential violations with five conditions:

- 1) NGE will pay to the State of New Jersey the sum of \$5,000.00 in full and final settlement of any and all potential violations under the Act and/or the Regulations which have been or could have been alleged by the Board or the Staff against NGE, up to and including January 23, 2020.
- 2) The Offer of Settlement shall not relieve NGE or its parents, affiliates, subsidiaries or successors, from any violations, if any, of the Act, the Regulations, or Board Orders that may occur after January 23, 2020.
- 3) Any future repeated violation(s) of the Act, the Regulations, or Board Orders by NGE or its parent, affiliates, subsidiaries, or successors that may now or in the future provide energy services that is the subject of this Offer of Settlement, shall be deemed to be a second, third, or subsequent violation, as appropriate.
- 4) NGE will comply with all provisions of the Act and Regulations regarding third party supplier licensing requirements.
- 5) The execution of this Offer of Settlement shall not be relied upon by NGE or its affiliates, subsidiaries or successors in any attempt to mitigate any future claim that any such entity has violated the terms and conditions of the Act, the Regulations, or any Board Order.

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

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

Staff also recommended that the Board approve the initial application filed by NGE.

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

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

**B. Docket Nos. EO20020095 and GE19060728L – In the Matter of the Alleged Failure of Shell Energy North America (US), LP to Comply with Certain Provisions of N.J.S.A. 48:3-78 et seq., and the New Jersey Administrative Code, N.J.A.C. 14:4-1.1 et seq.**

**BACKGROUND AND DISCUSSION:** This matter involved potential violations under the Electric Discount and Energy Competition Act (the Act), and N.J.A.C. 14:4-1.1 et seq. (the Regulations) by Shell Energy North America (US), LP (Shell Energy), which has been operating as a gas supplier to provide services to commercial and industrial customers in New Jersey. As a result of correspondence and telephone conversations between Staff and Shell Energy, Shell Energy submitted an Offer of Settlement (Offer) regarding its alleged violations. In the Offer of Settlement, Shell Energy made a monetary offer in the amount of \$1,000.00 in order to resolve all issues concerning the violations.

This matter also involved the application filed by Shell Energy seeking an initial license to provide gas supply service. Staff recommended that the Board approve the initial license application and issue a license to Shell Energy with GSL-0214 as the new license number, contingent upon the Board's acceptance of Shell Energy's Offer of Settlement.

Staff recommended that the Board issue an order accepting the Offer of Settlement of \$1,000.00 as it represents a reasonable settlement of potential violations with five conditions:

- 1) Shell Energy will pay to the State of New Jersey the sum of \$1,000.00 in full and final settlement of any and all potential violations under the Act and/or the Regulations which have been or could have been alleged by the Board or the Staff against Shell Energy, up to and including January 13, 2020.
- 2) The Offer of Settlement shall not relieve Shell Energy or its parents, affiliates, subsidiaries or successors, from any violations, if any, of the Act, the Regulations, or Board Orders that may occur after January 13, 2020.

- 3) Any future repeated violation(s) of the Act, the Regulations, or Board Orders by Shell Energy or its parent, affiliates, subsidiaries, or successors that may now or in the future provide energy services that is the subject of this Offer of Settlement, shall be deemed to be a second, third, or subsequent violation, as appropriate.
- 4) Shell Energy will comply with all provisions of the Act and Regulations regarding third party supplier licensing requirements.
- 5) The execution of this Offer of Settlement shall not be relied upon by Shell Energy or its affiliates, subsidiaries or successors in any attempt to mitigate any future claim that any such entity has violated the terms and conditions of the Act, the Regulations, or any Board Order.

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

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

Staff also recommended that the Board approve the initial application filed by Shell Energy.

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

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

**C. Docket Nos. EO20010044 and EE19060707L – In the Matter of the Alleged Failure of Blue and Silver Energy Consulting LLC d/b/a Pro-Star Energy Services (PSES) to Comply with Certain Provisions of N.J.S.A. 48:3-78 et seq., and the New Jersey Administrative Code, N.J.A.C. 14:4-1.1 et seq.**

**BACKGROUND AND DISCUSSION:** This matter involved potential violations under the Energy Discount and Energy Competition Act (the Act), and N.J.A.C. 14:4-1.1 et seq. (the Regulations) by Pro-Star Energy Services (PSES), which has been operating as an energy agent to provide service to commercial and Industrial customers, but has only one customer in New Jersey. As a result of correspondence and telephone conversations between Staff and PSES, PSES submitted an Offer of Settlement (Offer) regarding its alleged violations. In the Offer of Settlement, PSES made a monetary offer in the amount of \$600.00 in order to resolve all issues concerning the violations.

Through administrative inadvertence, PSES did not file a timely application for a renewal of its energy agent registration. Staff directed the Company to file an initial application for a new registration.

Staff recommended that the Board issue an order accepting the Offer of Settlement of \$600.00 as it represents a reasonable settlement of potential violations with five conditions:

- 1) PSES will pay to the State of New Jersey the sum of \$600.00 in full and final settlement of any and all potential violations under the Act and/or the Regulations, which have been or could have been alleged by the Board or the Staff against PSES up to and including December 20, 2019.
- 2) The Offer of Settlement shall not relieve PSES or its parents, affiliates, subsidiaries or successors, from any violations, if any, of the Act, the Regulations, or Board Orders that may occur after December 20, 2019.
- 3) Any future repeated violation(s) of the Act, the Regulations, or Board Orders by PSES or its parent, affiliates, subsidiaries, or successors that may now or in the future provide energy services that is the subject of this Offer of Settlement, shall be deemed to be a second, third, or subsequent violation, as appropriate.
- 4) PSES will comply with all provisions of the Act and Regulations regarding Registrant renewal requirements.
- 5) The execution of this Offer of Settlement shall not be relied upon by PSES or its affiliates, subsidiaries or successors in any attempt to mitigate any future claim that any such entity has violated the terms and conditions of the Act, the Regulations, or any Board Order.

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

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

Staff also recommended that the Board approve the initial application filed by PSES.

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

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

## 2. ENERGY

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

**A. Docket No. ER19091238 – In the Matter of the Verified Petition of Jersey Central Power and Light Company for Approval of Rate Adjustments Pursuant to the JCP&L Reliability Plus Infrastructure Investment Program (September 2019 JCP&L Reliability Plus Rate Filing).**

**BACKGROUND AND DISCUSSION:** On September 16, 2019, Jersey Central Power & Light Company (JCP&L or Company) filed a petition with the Board requesting authority to increase the Company's rates related to JCP&L's Reliability Plus Infrastructure Program (Reliability Plus or Program). In the September 2019 Petition, the proposed annual increase in revenue requirements is \$3,354,457.00 based on the recovery of capital costs associated with the September 2019 Petition that are anticipated to be in service by November 30, 2019. The Petition included actual costs through August 31, 2019 and projected information for the period September 1, 2019 to November 30, 2019.

According to the Petition, as of August 31, 2019, the costs for the project components which have been completed and placed into service is \$8,284,851.00 and the Company projects the cost for the project components that will be completed placed into service by November 30, 2019 will total \$30,642,195.00. The Company provided an update of each of the approved projects in the three categories: (1) Overhead Circuit Reliability and Resiliency; (2) Substation Reliability; and (3) Distribution Automation.

On December 15, 2019, the Company provided an update on that status of the projects and investments through November 30, 2019. (December Update). According to the December Update, JCP&L has spent \$32,764,964.00 on the project components mentioned above that are in service as of November 30, 2019. As a result of the December Update, the Company's proposed revenue requirement increased to \$3,518,287.00.

Following a review of the Petition, the December Update, and discovery responses, JCP&L, Board Staff (Staff) and the New Jersey Division of Rate Counsel executed a stipulation of settlement (Stipulation) that would allow JCP&L to increase its rates consistent with the December Update.

Staff recommended that the Board issue an Order approving the Stipulation. Staff further recommended that the Board direct JCP&L to file tariffs consistent with the Board's Order by March 1, 2020.

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

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

**B. Docket Nos. GR19060699 and OAL PUC 13596-2019N – In the Matter of the Petition of Public Service Electric and Gas Company’s 2019/2020 Annual BGSS Commodity Charge Filing for its Residential Gas Customers Under its Periodic Pricing Mechanism and for Changes in its Balancing Charge.**

**BACKGROUND AND DISCUSSION:** On May 31, 2019, Public Service Electric and Gas Company (PSE&G or Company) filed a petition (2019 BGSS Petition) with the Board requesting authority to decrease the Company’s Basic Gas Supply Service (BGSS) Residential Gas Service (BGSS-RSG) rate from \$0.349059 per therm [including losses and Sales and Use Tax (SUT)] to \$0.340221 per therm (including losses and SUT) effective October 1, 2019. In the 2019 BGSS Petition, the Company is also seeking authority to change its’ Balancing Charge period from five billing months, November through March, to eight billing months, October through May. This change would result in a decrease of the Balancing Charge from \$0.102825 per therm to \$0.098620 per therm. As a result of requests in the 2019 BGSS Petition, the Company’s BGSS revenues would be decreased by approximately \$12 million annually.

On September 11, 2019, the Board issued an Order in this docket, which approved a Stipulation executed by the Parties. (September 2019 Provisional Order). The September 2019 Provisional Order authorized PSE&G to implement a BGSS-RSG rate of \$0.340221 per therm on a provisional basis and a Balancing Charge of \$0.098620 for services rendered on and after October 1, 2019. The Balancing Charge period was also altered from a five month billing period of November to March, to an eight month billing period of October to May. For a typical residential customer using 1,040 therms on an annual basis, the provisionally approved changes in the BGSS-RSG and Balancing Charge rates resulted in a decrease of \$5.89 in the annual bill (based on rates in effect as of August 1, 2019, and assuming the customer receives BGSS service from PSE&G).

On September 26, 2019, the Board transmitted this matter to the Office of Administrative Law as a contested case where it was subsequently assigned to Administrative Law Judge (ALJ) Irene Jones.

Subsequent to the Board’s issuance of the September 2019 Provisional Order, PSE&G made compliance filings in response to the Board’s Orders in two matters. First, on September 27, 2019, PSE&G made a compliance filing as a result of a Board Order in the Company’s Petition for Approval of Gas Base Rate Adjustments Pursuant to its Gas System Modernization Program. As a result of the GSMP Roll in Order, PSE&G’s BGSS-RSG rate was decreased from \$0.340221 per therm to \$0.340185 per therm. Second, on November 22, 2019, PSE&G made a compliance filing in response to the Board’s Order in the Company’s Petition for Approval of Gas Base Rate Adjustments Pursuant to its Next Phase of its Gas System Modernization Program. As a result of the GSMP II Roll in Order, PSE&G’s BGSS-RSG rate was further decreased from \$0.340185 per therm to \$0.340127 per therm.

On December 20, 2019, PSE&G filed a notice of a self-implementing BGSS-RSG rate reduction of two cents per therm, effective January 1, 2020. This rate reduction further decreased the BGSS-RSG Commodity Charge from the rate of \$0.340127 per therm to \$0.320127 per therm. As a result of this rate reduction, a typical residential gas heating customer using 1,040 therms on an annual basis, would experience a decrease in their annual bill of \$20.80, or approximately 2.32%.

On January 23, 2020, the Company, Board Staff and New Jersey Division of Rate Counsel (the Parties) executed a stipulation of settlement (Stipulation) whereby the Parties requested that the Board approve the updated BGSS-RSG rate of \$0.320127 and the requested Balancing Charge rate as final.

On January 24, 2020, PSE&G filed a notice of a self-implementing BGSS-RSG two-month bill credit of 7.5 cents per therm (including New Jersey Sales and Use Tax, SUT) effective February 1, 2020 through March 31, 2020. As a result of this two-month bill credit, a typical residential gas heating customer using a total of 344 therms during this period (172 therms in February and 172 therms in March), would experience a credit of \$25.80, or approximately 9.29%, on their bill over the two-month period.

On January 28, 2020, ALJ Jones issued an Initial Decision approving the Stipulation of the Parties finding that the Parties had voluntarily agreed to the terms of the Stipulation and that the Stipulation fully disposes of all matters and is consistent with law.

Staff recommended that the Board issue an Order approving the Initial Decision and the Stipulation. In addition, Staff recommended that the Board direct PSE&G to file tariffs consistent with the Order by March 15, 2020.

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

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

**C. Docket No. GR19060761 – In the Matter of Public Service Electric and Gas Company to Revise its Weather Normalization Charge for the 2019-2020 Annual Period.**

**BACKGROUND AND DISCUSSION:** On June 27, 2019, Public Service Electric and Gas Company (PSE&G or Company) filed a petition with the Board seeking approval to credit \$8,251,009 million related to its Weather Normalization Charge (WNC) over the 2019-2020 Winter Period. (2019 WNC Petition). The WNC would be collected from PSE&G gas customers receiving service under Rate Schedules Residential Service, General Service and Large Volume Gas.

Additionally, in the Company's pending Basic Gas Supply Service (BGSS) filing submitted on June 1, 2019, PSE&G proposed an adjustment to its Balancing Charge, which includes changing the balancing period from five billing months (November through March) to eight billing months (October through May). The proposed WNC is based upon the proposed eight months balancing period.

In crediting the excess of \$8,251,009.00 over the 2019-2020 Winter Period, the Company proposed a WNC rate of \$0.004800 [\$0.005118 including New Jersey Sales and Use Tax (SUT)] per balancing therm applicable to aforementioned rate schedules. As filed, the 2019 WNC Petition would result in an annual impact on a typical residential heating customer using 172 therms in a winter month and 1,040 therms on an annual basis would

experience a decrease in their annual bill from \$893.03 to \$882.95, a difference of \$10.08 or approximately 1.13%, based on delivery and commodity rates in effect on June 1, 2019, with WNC set to the rate that was in effect for the 2018-2019 WNC Winter Period, and assuming the customer receives gas commodity service from PSE&G.

By Order dated September 11, 2019, the Board approved a stipulation executed by PSE&G, Board Staff (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 November 1, 2019, PSE&G updated the filing with actual results for the months of June through September 2019, which resulted in a total WNC balance to be credited of \$8,201,995.00.

On January 27, 2020, the Parties executed a stipulation of settlement (Stipulation) whereby the Parties requested the Board approve PSE&G's provisional WNC rate for 2019-2020 Winter Period as final.

Staff recommended that the Board issue an Order approving the Stipulation. In addition, Staff recommended that the Board direct PSE&G to file tariff sheets consistent with its Order by March 15, 2020.

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

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

**D. Docket No. ER16060524 – In the Matter of the Petition of Rockland Electric Company for Approval of an Advanced Metering Program; and for Other Relief.**

**Heather Weisband, Esq., Senior Counsel, Counsel's Office,** presented this matter.

**BACKGROUND AND DISCUSSION:** This matter involved the Board moratorium on preapproval of Advanced Metering Infrastructure (AMI) programs, and potential next steps toward statewide AMI implementation.

On May 13, 2016, Rockland Electric Company (RECO or Company) filed a Petition with the Board seeking a change in base rates and other relief (2016 Base Rate Case).

On June 29, 2016, the Board retained the AMI portion of the Company's 2016 Base Rate Case and transferred the remainder of the case to the Office of Administrative Law (OAL) (June 29, 2016 Order).

On August 23, 2017, the Board authorized RECO to implement its AMI program, but ordered that the Company's costs and benefits be subject to a prudency review in a subsequent base rate case after AMI deployment. (2017 AMI Order)

Staff recommended that an independent consultant run a comprehensive Cost Benefit Analysis (CBA) of RECO's AMI program, and that RECO's program serve as an AMI case study.

The Board placed a moratorium on pre-approval of all AMI programs until such time that the Board made a determination that AMI was a prudent investment.

On May 3, 2019, after completion of AMI deployment, RECO filed a petition for approval of an increase in its operating revenues of approximately \$19.9 million for electric service provided on or after June 2, 2019 (2019 Base Rate Case).

Pursuant to the Board's mandate in the 2017 AMI Order, on October 7, 2019, Navigant Consulting, Inc. (Navigant) was retained by the Board to conduct two independent studies: (1) a CBA of RECO's AMI program (Capstone Report); and (2) a nationwide AMI gold standard analysis (AMI Gold Standards Report). The Capstone Report was filed with the Board on November 6, 2019, and the AMI Gold Standards Report was filed on November 27, 2019. Both Reports were accepted by the Board and placed for public review on the Board's website.

The AMI Gold Standards Report provides that AMI and Smart Meters are quickly becoming "the norm". The installation of smart meters nationwide is anticipated to grow at an annual rate of 4.6%, from 92.1 million in 2019, to 138.4 million in 2028. The Gold Standards Report provides that AMI benefits the distribution system, streamlines and modernizes utility operations, provides an enhanced customer experience, and benefits the environment. AMI also reduces labor costs, provides volt optimization, conservation, outage detection, increased opportunity for data collection, faster service restoration, improved billing accuracy, theft detection, energy efficiency and demand response, and an enhanced customer experience.

After discovery and settlement negotiations, the parties entered into a Stipulation of Settlement (Stipulation) in the 2019 Base Rate Case, and Administrative Law Judge Jones issued an Initial Decision finding that the Stipulation was just and in accordance with the law. On January 22, 2020, the Board approved the Initial Decision and Stipulation.

On January 27, 2020 Governor Murphy unveiled the 2019 Energy Master Plan: Pathway to 2050 (EMP).

Staff recommended that the Board find that:

- 1) AMI has the potential to benefit the distribution system, streamline and modernize utility operations, provide an enhanced customer experience, and benefit the environment; and
- 2) AMI is a means to achieve the goals provided in the EMP.

Staff also recommended that the Board order that:

- 1) The moratorium on pre-approval of AMI programs be lifted; and
- 2) ACE, JCP&L and PSE&G file petitions for AMI implementation, or update previously filed petitions for AMI implementation, with the Board within 180 days from the effective date of the Order.

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

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

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

**E. Docket No. ER20010003 – In the Matter of Federal Energy (FERC) Items for 2020 – FERC Docket No. EL19-91 PJM Interconnection, LLC Re: Order to Show Cause on Immediate Need.**

**BACKGROUND AND DISCUSSION:** This matter involved Staff, on behalf of the Board, filing comments in this proceeding on January 27, 2020. The Board is a party to this case, having intervened on November 7, 2019. This case is one of three Section 206 proceedings where Federal Energy Regulatory Commission (Commission) requested PJM Interconnection, LLC (PJM), ISO New England Inc. and Southwest Power Pool, Inc. to show cause on how their application of the exemption for “immediate need” reliability projects comports with the narrow criteria established in Order No. 1000. PJM provided a response to the Commission’s questions that does not show that the current process satisfies the Commission’s criteria. Staff commented in the docket to highlight this for the Commission and to praise the Commission for promoting competition. Staff recommended the Board ratify the Comments at this time.

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

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

**F. Docket No. ER20010003 – In the Matter of Federal Energy (FERC) Items for 2020 – FERC Docket No. ER20-841 PJM Interconnection, LLC re: Proposed M-4 Tariff Revision on NERC Reliability Standard CIP-014.**

**BACKGROUND AND DISCUSSION:** This matter involved Staff, on behalf of the Board, filing Comments in the above captioned proceeding on February 7, 2020. The Board is a party to this case, because Staff filed an Intervention on January 23, 2020 on behalf of the agency. The Tariff Revision proposes to include Attachment M-4 in the PJM Open Access Transmission Tariff. Attachment M-4 will define planning procedure for CIP-014-2 supplemental projects without publicly disclosing information about the CIP-014-2 critical transmission station or substation. Staff was concerned that the process lacks sufficient transparency and oversight and further reduces competition for transmission projects. Staff recommended the Board ratify the Intervention and Comments at this time.

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

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

**G. Docket Nos. GO18101112 and EO18101113 – In the Matter of the Petition of Public Service Electric and Gas Company for Approval of its Clean Energy Future – Energy Efficiency Program on a Regulated Basis.**

**Stacy Peterson, Director, Division of Energy,** presented this matter.

**BACKGROUND AND DISCUSSION:** On October 11, 2018, Public Service Electric and Gas Company (PSE&G or Company) filed a petition with the Board seeking approval to implement its Clean Energy Future - Energy Efficiency Program (CEF-EE). The CEF-EE filing proposed 22 sub-programs, including seven residential sub-programs, seven commercial and industrial sub-programs, and eight pilot sub-programs (collectively, 2018 EE Programs). The proposed investment for the 2018 EE Programs was approximately \$2.8 billion. In addition, the Company requested Board approval of a decoupling mechanism for recovering lost revenues and an agreement that, following a one year transition period, PSE&G would become the exclusive provider of Board regulated energy efficiency programs within its service territory.

Following extensive discovery, several settlement conferences, two evidentiary hearings, and the submission of initial and reply briefs, PSE&G, Board Staff, New Jersey Division of Rate Counsel, the Eastern Environmental Law Center, the Keystone Energy Efficiency Alliance n/k/a Energy Efficiency Alliance of New Jersey, and the New Jersey Large Energy Users Coalition (collectively, Signatory Parties) executed a stipulation of settlement (Stipulation) that addresses several issues in this matter.

Staff recommended that the Board approve the Stipulation of the signatory Parties, which extends five of PSE&G's current EE sub-programs for six months and extends the period for Board action on the Company's CEF-EE Program from March 16, 2020 until no later than September 30, 2020.

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

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

**3. CABLE TELEVISION**

There were no items in this category.

**4. TELECOMMUNICATIONS**

There were no items in this category.

**5. WATER**

There were no items in this category.

**6. RELIABILITY AND SECURITY**

**A. Docket No. GS19111462 – In the Matter of an Alleged Violation of Pipeline Safety Regulations by New Jersey Natural Gas Company with Respect to an Inspection of the Company’s Natural Gas Pipeline Facilities in Parsippany, New Jersey.**

**James P. Giuliano, Director, Division of Reliability and Security**, presented this matter.

**BACKGROUND AND DISCUSSION:** On November 30, 2017 Board Staff conducted an inspection of pipeline facilities owned and operated by New Jersey Natural Gas Company (NJNG or Company). As a result of the inspection and subsequent investigation, it was determined that NJNG was in probable violation of corrosion control requirements in Part 192 of the Code of Federal Regulations. An inspection of Company records revealed that a pipeline system installed in Parsippany New Jersey in 1987 consisting of sections of 2-inch and 4-inch steel pipe was not monitored for corrosion until July 8, 2016 which is a violation.

In addition to the probable violation, it was determined that NJNG was subject to a Notice of Amendment concerning the Company’s procedural manual for operations, maintenance, and emergencies. Although not a probable violation, NJNG’s standards, operations, maintenance and emergency (SOME) manual did not satisfy the requirements to include, in the manual, procedures to cathodically protect pipelines consistent with external corrosion control in rules.

Cathodic protection is an electrochemical process where electrical current is applied to buried metal pipelines to stop or slow corrosion from occurring on metal surfaces.

By letter dated April 12, 2018, and revised letter dated June 8, 2018, Board staff sent a Notice of Probable Violation (NOPV) and Notice of Amendment (NOA) to NJNG citing a violation “External corrosion control: Monitoring”, and notice to amend the Company’s SOME manual to satisfy the requirement “Procedural manual for operations, maintenance, and emergencies”. In response to the revised NOPV and NOA of June 8, 2018, NJNG agreed to an offer of settlement of a one-time payment in the amount of Fourteen Thousand Dollars (\$14,000.00). In addition to the one-time payment, NJNG also agreed to implement remedies to the findings outlined in the NOPV dated June 8, 2018.

On June 21, 2018, NJNG sent an Answering Certification accepting the offer of settlement (Settlement) along with a payment in the amount of \$14,000.00 for the alleged violation.

Staff believed that the Settlement is consistent with its findings of probable violations concerning the actions of NJNG, and that the corrective actions will enhance pipeline safety in NJNG’s service area. Staff recommended that the Settlement be approved by the Board.

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

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

**7. CUSTOMER ASSISTANCE**

There were no items in this category.

**8. CLEAN ENERGY**

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

**A. Docket No. GO18070682 – In the Matter of the Petition of Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas for Authority to Extend the Term of Energy Efficiency Programs and Approval of Associated Cost Recovery Mechanism.**

**BACKGROUND AND DISCUSSION:** On June 29, 2018, Elizabethtown Gas (Company, PSE&G) filed a petition with the Board to extend the term of the five subprograms for a one-year period, effective January 1, 2019. After review and discovery, Board Staff, New Jersey Division of Rate Counsel (Rate Counsel) and PSE&G executed a stipulation of settlement (Stipulation) on January 11, 2019 providing for continuation of the Energy Efficiency (EE) Programs through February 29, 2020.

By Order dated February 27, 2019, the Board authorized the Company to continue its existing energy efficiency programs through February 29, 2020, with an authorized budget of approximately \$3 million and to continue to recover costs through its existing Energy Efficiency Programs (EEP) Rider G rate.

On January 16, 2020, the Company filed a letter petition (Petition) with the Board to (a) extend the term of the EE Programs on the same terms and conditions approved in the February 2019 Order; and (b) continue to recover EE Program costs through the EEP Rider rate reflected in Rider E of the Company's tariff (Petition). The Petition incorporated by reference the information submitted by the Company in its June 2018 Petition, in compliance with the minimum filing requirements applicable to the EE Programs.

Following a review of the Petition, Board Staff, the Company, and the Rate Counsel (collectively, the Parties) discussed the issues in this matter. Subsequently, on February 12, 2020, the Parties executed a stipulation.

Staff recommended that the Board find the Stipulation reasonable, in the public interest and in accordance with the law. Staff also recommended that the Board approve the Stipulation in its entirety.

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

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

**Ariane Benrey, Program Administrator, Office of Clean Energy,** presented these matters.

**B. Docket No. QO19010068 – In the Matter of a New Jersey Solar Transition Pursuant to P.L. 2018, c.17 – New Jersey School Board Association – Motion for Reconsideration.**

**BACKGROUND AND DISCUSSION:** On December 26, 2019, the New Jersey School Board Association (NJSBA) filed a motion for reconsideration of the Board’s December 6, 2019 Order which established a “transition incentive” for those solar projects that are in the pipeline of the Legacy Solar Registration Program. Among other elements of the transition program, the December 6 Order approves “factors” for various categories of solar projects. These factors are intended to “right-size” the incentive for each type of project so that the ratepayers provide the minimum subsidy necessary for each type of facility.

NJSBA requested the Board reconsider its decision to provide a factor of point six (.6) for ground-mounted solar facilities. Movant contends that the proceedings leading up to the December 6 Order did not consider or respond to Movant’s multiple comments on this issue; that Movant did not receive Due Process because the Consultant’s analysis supporting the point 6 factor was not provided in full and Staff’s analysis was not provided at all; that the Board did not give appropriate weight to school districts’ need for savings greater than 25%; and did not consider the central place of net metering in State policy.

Staff recommended that the Board take additional time to review the motion and approve the issuance of a Secretary’s letter to NJSBA 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:** After discussion, the Board adopted the recommendation of Staff as set forth above.

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

**C. Docket No. QO19010068 – In the Matter of a New Jersey Solar Transition Pursuant to P.L. 2018, c.17 – Atlantic County Utilities Authority – Motion for Reconsideration.**

**BACKGROUND AND DISCUSSION:** On December 26, 2019, Atlantic County Utilities Authority (ACUA) filed a motion for reconsideration of the Board’s December 6, 2019

Order which established a “transition incentive” for those solar projects that are in the pipeline of the Legacy Solar Registration Program. Among other elements of the Transition Incentive program, the December 6 Order approves “factors” for various categories of solar projects. These factors are intended to right-size the incentive for each type of project so that the ratepayers provide the minimum subsidy necessary for each type of facility.

ACUA requested the Board to reconsider its decision to provide a Factor of .85 for Community Solar projects; if those projects serve exclusively LMI customers, ACUA requested that they receive a Factor of 1.2. Movant contends that the existing Factor is unreasonable, because it is based solely on financial analysis and “does not consider key policy direction from the Governor and the Board”, the financial analysis on which it is based was not fully disclosed; and it does not reflect the comments submitted by ACUA during the course of the proceeding.

Staff recommended that the Board take additional time to review the motion and approve the issuance of a Secretary’s letter to NJSBA 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.

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

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

**D. Docket No. QO18060646 – In the Matter of the New Jersey Community Solar Program Pursuant to P.L. 2018, c.17 – Atlantic County Utilities Authority – Motion for Reconsideration.**

**BACKGROUND AND DISCUSSION:** On January 14, 2020, the Atlantic County Utility Authority (ACUA) filed a motion for reconsideration of the Board’s December 20, 2019 Order which awarded conditional approval to 45 community solar projects.

ACUA was awarded conditional approval for a 2 MWdc project, but requested the Board to reconsider its decision deny ACUA’s request for a waiver from N.J.A.C. 14:89.10(b)(1)(i).

Staff recommended that the Board take additional time to review the motion and approve the issuance of a Secretary’s letter to ACUA 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).

Staff further recommended that the Secretary’s letter include a notice of the same procedural issue that ACUA must address prior to the Board taking action on the substance of the matter.

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

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

**James Ferris, Bureau Chief of New Technology, Division of Clean Energy,** presented these matters.

**E. Docket No. QO16100967 – In the Matter of New Jersey Board of Public Utilities Microgrid Report Town Center DER Microgrid Program – Phase II Detailed Designed Incentive Application.**

**BACKGROUND AND DISCUSSION:** This matter involved Staff requesting that the Board authorize the release of the application for the Phase II Town Center Distributed Energy Resources (TCDER) Microgrid Incentive Program (Phase II TC DER Microgrid Incentive Program or the Program), and the use of the \$4 million in budgeted Clean Energy funding for the Program.

The Board initiated the TC DER Microgrid program as a result of Superstorm Sandy. Further measures are needed to help New Jersey become more resilient, particularly with respect to critical facilities. The Board released a Microgrid Report in 2016, and in 2017 established a TC DER Microgrid Feasibility Study Incentive Program. That program (Phase I TC DER Microgrid Incentive Program) funded thirteen Feasibility Studies, which were received by the end of 2018. In 2019, twelve Feasibility Study applicants were informed that their studies met program requirements and that they would be eligible for a Phase II TC DER Microgrid incentive program (one Feasibility Study applicant withdrew from the program).

This Phase II TC DER Microgrid Incentive Program provides incentives for a detailed design of the TC DER Microgrid. The Program requires at least a 30% design, and the application provides an appendix with Guidelines for the Content of Various Levels of Design. This Phase II Microgrid Incentive Program is intended to help move projects towards the development and construction phase.

This Program is open only to those entities who participated in the TC DER Microgrid Feasibility Study Program, and whose Feasibility Study was found to have met the Feasibility Study Program requirements.

Staff issued a straw proposal of the Phase II TC DER Microgrid Incentive Program on November 22, 2019, along with a request for comments on the straw proposal and on other specific TC DER Microgrid issues. On December 10, 2019, a stakeholder meeting was held for the eligible participants and Electric Distribution Companies.

Staff's Microgrid stakeholder process revealed that there are a number of regulatory and statutory barriers constraining the development of Microgrids. To address these constraints, Staff has been in discussion with various stakeholders to identify the specific barriers and to determine how best to remove those barriers to allow for increased

deployment of TCDER Microgrids. Staff intends to continue those discussions and expects to come before the Board at a later date with recommendations regarding this issue.

Staff recommended that the Board authorize the release of the application for the Phase II TCDER Microgrid Incentive Program and the use of the total budgeted amount of \$4 million for awards.

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

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

**F. Docket No. QW18030284 – In the Matter of the Award of Contract in Furtherance of the Matter of the Implementation of Executive Order 8 and Executive Order 92 Offshore Wind – Executive Session.**

**BACKGROUND AND DISCUSSION:** This matter was first discussed in Executive Session, and it involved a modification to the contract between the Board and Ramboll Corporation to prepare the Offshore Wind Strategic Plan.

On January 31, 2018, Governor Murphy signed Executive Order 8 calling upon the Board to fully implement the Offshore Wind Economic Development Act and, among other things, initiate an offshore wind strategic planning process.

By Board order dated February 28, 2018, the Board directed staff to take specific actions to implement Executive Order 8, including to develop an Offshore Wind Strategic Plan. To facilitate the development of the plan, the Board directed staff to solicit the necessary contracts for professional services.

On April 25, 2018, the Board authorized the release of the request for qualifications for the professional services needed to develop a plan. On September 5, 2018, a purchase order was issued to Ramboll U.S. Corporation.

Work on a plan began in September of 2018 and proceeded through November 19, 2019, when Governor Murphy signed Executive Order 92, increasing the State's offshore wind bill to 7500 megawatts by 2035.

As a result of the change in goals, Staff directed Ramboll to stop work on the plan and provide staff with a scope of work and associated budget for updating the draft plan to reflect the new 7500-megawatt goal.

Staff received and reviewed this proposal and recommended that the Board authorize a modification to the Ramboll contract as discussed in executive session.

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

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

**G. Docket No. QO18040433 – In the Matter of Monroe Solar Farm, LLC, Superior Court of New Jersey, Appellate Division, Docket No. A-0011040-19T2, Litigation Review – Executive Session.**

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

**H. Docket No. QO19010068 – In the Matter of a New Jersey Solar Transition Pursuant to P.L. 2018, C.17 - Calculation of 5.1% Milestone for SREC Program Closure.**

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

**BACKGROUND AND DISCUSSION:** On May 23, 2018, Governor Murphy signed into law certain amendments to N.J.S.A. 48:3-51 and -87 that became effective immediately (Clean Energy Act). Among many other mandates, the Clean Energy Act directed the Board to adopt rules and regulations to close the Solar Renewable Energy Certificates Registration Program (SREC Program) to new applications once the Board determines that 5.1 percent of the kilowatt-hours sold in the State by third party electric suppliers and basic generation service providers (TPS/BGS providers) has been generated by solar electric power generators connected to the distribution system (5.1 % Milestone).

On January 8, 2020, the Board approved the 5.1% Calculation Rule for publication in the New Jersey Register. By Order also dated January 8, 2020, the Board provided Staff's current forecast for attainment of the 5.1% Milestone, provided notice to stakeholders of the opportunity to comment on the calculation of the 5.1% Milestone and directed Staff to report to the Board its findings on the refined estimates by January 31, 2020.

Pursuant to the January 8 Order, Staff issued a request for stakeholder input on January 9, 2020. Five responses were received by the January 17, 2020 deadline, and have been posted to the Request for Comments page at NJCleanenergy.com.

Five responses to Staff's request for public comment were received, respondents included Constellation, Vivint Solar (Vivint), New Jersey Division of Rate Counsel, New Jersey Resources and Public Service Electric & Gas.

Staff recommended that the Board issue an order which memorializes the findings and assumptions regarding the monthly solar output factors and the distribution line losses

used in the calculation of the percentage of solar within Board jurisdictional retail kilowatt-hour sales.

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

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

**9. MISCELLANEOUS**

There were no items in this category.

**EXECUTIVE SESSION**

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

**8. CLEAN ENERGY**

**F. Docket No. QW18030284 – In the Matter of the Award of Contract in Furtherance of the Matter of the Implementation of Executive Order 8 and Executive Order 92 Offshore Wind.**

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. QO18040433 – In the Matter of Monroe Solar Farm, LLC, Superior Court of New Jersey, Appellate Division, Docket No. A-0011040-19T2, Litigation Review.**

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: March 27, 2020