Agenda Date: 10/23/12 Agenda Item: LSA

DIVISION OF ENERGY AND



STATE OF NEW JERSEY

Board of Public Utilities 44 South Clinton Avenue, 9th Floor Post Office Box 350 Trenton, NJ 08625-0350 www.nj.gov/bpu/

		OFFICE OF CLEAN ENERGY
IN THE MATTER OF THE PETITION OF PUBLIC ELECTRIC AND GAS COMPANY FOR APPROVAL OF EXTENSION OF A SOLAR GENERATION INVESTMENT PROGRAM AND ASSOCIATED COST RECOVERY MECHANISM AND FOR CHANGES IN THE TARIFF FOR ELECTRIC SERVICE, B.P.U.N.J. NO 15 ELECTRIC PURSUANT TO N.J.S.A. 48:2-21, N.J.S.A.)))))	ORDER DESIGNATING COMMISSIONER AND SETTING MANNER OF SERVICE
48:2-21.1 and <u>N.J.S.A.</u> 48:3-98.1)	DOCKET NO. EO12080721

(NOTIFICATION LIST ATTACHED)

Matthew M. Weissman, **Esq**., Attorney for Petitioner, Public Service Electric and Gas Company **Stefanie A. Brand, Esq.**, Director, New Jersey Division of Rate Counsel

BY THE BOARD1:

BACKGROUND AND PROCEDURAL HISTORY

On January 13, 2008, <u>L.</u> 2007, <u>c.</u> 340 ("Act") was signed into law by former Governor Corzine based on the New Jersey Legislature's findings that energy efficiency and conservation measures must be essential elements of the State's energy future, and that greater reliance on energy efficiency and conservation will provide significant benefits to the citizens of New Jersey. The Legislature also found that public utility involvement and competition in the conservation and energy efficiency industries are essential to maximize efficiencies. <u>N.J.S.A.</u> 26:2C-45.

¹ Commissioner Mary-Anna Holden did not participate in this matter.

Pursuant to Section 13 of the Act, codified as N.J.S.A. 48:3-98.1 (a)(1), an electric or gas public utility may, among other things, provide and invest in energy efficiency and conservation programs in its service territory on a regulated basis. Such investment in energy efficiency and conservation programs may be eligible for rate treatment approved by the New Jersey Board of Public Utilities ("Board"), including a return on equity, or other incentives or rate mechanisms that decouple utility revenue from sales of electricity and gas. N.J.S.A. 48:3-98.1(b). Ratemaking treatment may include placing appropriate technology and program cost investments in the utility's rate base, or recovering the utility's technology and program costs through another ratemaking methodology approved by the Board. An electric or gas public utility seeking cost recovery for any energy efficiency and conservation programs pursuant to N.J.S.A. 48:3-98.1 must file a petition with the Board.

August 2012 Filing

On August 1, 2012, Public Service Electric and Gas Company ("PSE&G" or "Company") filed the instant petition with the Board. By letter dated August 31, 2012, Board Staff notified PSE&G that the filing was administratively incomplete. On September 12, 2012, PSE&G submitted a supplemental filing to address the deficiencies outlined in the August 31 letter from Staff. Subsequently, Board Staff notified PSE&G that with the information submitted in the September 12 supplemental filing, the filing was administratively complete.²

In the petition, PSE&G seeks approval to extend its current Solar 4 All Program through the addition of four distinct segments. ("S4A Extension Program") Under the proposal, PSE&G would develop an additional 136 megawatt ("MW") dc of solar photovoltaic systems ("Solar Systems"). It is estimated that the S4A Extension Program's capital investment will be approximately \$690 million over a five year period. PSE&G proposes to recover all S4A Extension Program costs through a new component of the Regional Greenhouse Gas Initiative Recovery Charge.

DISCUSSION

The Board has determined that the petition described above should be retained by the Board for hearing and, pursuant to N.J.S.A. 48:2-32, HEREBY DESIGNATES President Robert M. Hanna as the presiding officer who is authorized to rule on all motions that arise during the pendency of these proceedings and modify any schedules that may be set as necessary to secure a just and expeditious determination of the issues.

² N.J.S.A. 48:3-98.1 requires the Board to decide cost recovery issues within 180 days. Pursuant to the Board Order issued in response to a further statutory directive within that section, Board Staff must review a petition for completeness within 30 days and, when a petition is determined to be complete, set the beginning of the 180-day period. In the Matter of the Electric Public Utilities and Gas Public Utilities Offering Energy Efficiency and Conservation Programs, Investing in Class I Renewable Energy Resources, and Offering Class I Renewable Energy Programs in their Respective Service Territories on a Regulated Basis Pursuant to N.JS.A. 48:3-98.1, Dkt. No. EO08030164 (May 8, 2008). Accordingly, the 180-day period for a Board determination commenced on September 12, 2012.

In the interests of economy, all parties are <u>HEREBY DIRECTED</u> to serve all documents electronically, while still providing hard copies to the Board for those documents which must be filed with the Board, and also providing two (2) hard copies to each party, unless otherwise requested by the parties. Finally, the Board <u>HEREBY DIRECTS</u> Staff to post this Order on the Board's website.

DATED: 10/23/12-

BOARD OF PUBLIC UTILITIES

BY:

ROBERT M. HANNA

PRESIDENT

JEANNE M FOV

JEANNE M. FOX COMMISSIONER

JOSEPH L. FIORDALISO

COMMISSIONER

NICHOLAS ASSELTA COMMISSIONER

ATTEST:

KRISTI IZZO SECRETARY

HEREBY CERTIFY that the within document is a true copy of the original to the files of the Board of Public

In the Matter of the Petition of Public Service Electric and Gas Company for Approval of an Extension of a Solar Generation Investment Program and Associated Cost Recovery Mechanism and for Changes in the Tariff for Electric Service, Pursuant to N.J.S.A. 48:2-21, N.J.S.A. 48:2-21.1 and N.J.S.A. 48:3-98.1 DOCKET NO. E012080721

NOTIFICATION LIST

BOARD OF PUBLIC UTILITIES				
Jerome May	Alice Bator	Michael Winka		
Board of Public Utilities	Board of Public Utilities	Board of Public Utilities		
44 S. Clinton Avenue, 9th Floor	44 S. Clinton Avenue, 9th Floor	44 S. Clinton Avenue, 9th Floor		
P.O. Box 350	P.O. Box 350	P.O. Box 350		
Trenton, NJ 08625-0350	Trenton, NJ 08625-0350	Trenton, NJ 08625-0350		
Scott Hunter	Naji Ugoji	John Zarzycki		
Board of Public Utilities	Board of Public Utilities	Board of Public Utilities		
44 S. Clinton Avenue, 9th Floor	44 S. Clinton Avenue, 9th Floor	44 S. Clinton Avenue, 9th Floor		
P.O. Box 350	P.O. Box 350	P.O. Box 350		
Trenton, NJ 08625-0350	Trenton, NJ 08625-0350	Trenton, NJ 08625-0350		
Kristi Izzo, Secretary	Stacy Peterson			
Board of Public Utilities	Board of Public Utilities			
44 S. Clinton Avenue, 9th Floor	44 S. Clinton Avenue, 9th Floor			
P.O. Box 350	P.O. Box 350	,		
Trenton, NJ 08625-0350	Trenton, NJ 08625-0350			
	DIVISION OF RATE COUNSEI			
Stefanie A. Brand, Esq.,	Paul Flanagan, Esq.	Felicia Thomas-Friel, Esq.		
Director	Division of Rate Counsel	Division of Rate Counsel		
Division of Rate Counsel	31 Clinton Street, 11th Floor	31 Clinton Street, 11th Floor		
31 Clinton Street, 11th Floor	P.O. Box 46005	P.O. Box 46005		
P.O. Box 46005	Newark, NJ 07101	Newark, NJ 07101		
Newark, NJ 07101				
Kurt Lewandowski, Esq.	Maria Novas-Ruiz, Esq.	Sara H. Steindel, Esq.		
Division of Rate Counsel	Division of Rate Counsel	Division of Rate Counsel		
31 Clinton Street, 11th Floor	31 Clinton Street, 11th Floor	31 Clinton Street, 11th Floor		
P.O. Box 46005	P.O. Box 46005	P.O. Box 46005		
Newark, NJ 07101	Newark, NJ 07101	Newark, NJ 07101		
	ARTMENT OF LAW & PUBLIC S	AFETY		
Caroline Vachier, DAG	Babette Tenzer, DAG	Alex Moreau, DAG		
Division of Law	Division of Law	Division of Law		
124 Halsey Street,	124 Halsey Street,	124 Halsey Street,		
P.O. Box 45029	P.O. Box 45029	P.O. Box 45029		
Newark, NJ 07101	Newark, NJ 07101	Newark, NJ 07101		
David Wand, DAG				
Division of Law				
124 Halsey Street				
P.O. Box 45029				
Newark, NJ 07101				

PSE&G				
Matthew M. Weissman, Esq. PSEG Services Corporation 80 Park Plaza, T5G P.O. Box 570 Newark, NJ 07102	Sheree L. Kelly, Esq. PSEG Services Corporation 80 Park Plaza, T5G P.O. Box 570 Newark, NJ 07102			