



Agenda Date: 12/12/16
Agenda Item: 8A

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

DIVISION OF ENERGY AND
OFFICE OF CLEAN ENERGY

IN THE MATTER OF THE PETITION OF PIVOTAL)	ORDER APPROVING
UTILITY HOLDINGS INC., D/B/A ELIZABETHTOWN)	STIPULATION AND ON
GAS FOR AUTHORITY TO EXTEND THE TERM OF)	MOTION TO PARTICIPATE
ENERGY EFFICIENCY PROGRAMS WITH CERTAIN)	
MODIFICATIONS AND APPROVAL OF ASSOCIATED)	
COST RECOVERY MECHANISM)	
)	DOCKET NO. GO15050504
AND)	
)	
IN THE MATTER OF THE PETITION OF PIVOTAL)	
UTILITY HOLDINGS, INC. D/B/A ELIZABETHTOWN)	
GAS FOR AUTHORITY TO EXTEND ENERGY)	
EFFICIENCY PROGRAMS WITH CERTAIN)	
MODIFICATIONS AND APPROVAL OF ASSOCIATED)	
COST RECOVERY MECHANISM)	DOCKET NO. GR16070618

Parties of Record:

Mary Patricia Keefe, Esq., for Elizabethtown Gas
Stefanie A. Brand, Esq., Director, New Jersey Division of Rate Counsel
Samuel A. Wolfe, Esq., for Public Service Electric & Gas Company

BY THE BOARD:

BACKGROUND AND PROCEDURAL HISTORY

On January 13, 2008, The Global Warming Response Act, L. 2007, c. 340, was signed into law ("Act") based on the New Jersey Legislature's findings that energy efficiency and conservation measures are 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 are essential to maximizing energy efficiency. N.J.S.A. 26:2C-45.

Pursuant to Section 13 of the Act, codified as N.J.S.A. 48:3-98.1, an electric or gas public utility may, amongst 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. N.J.S.A. 48:3-98.1 further requires that the Board decide cost recovery issues within one hundred eighty (180) days ("Review Period"). If the petition is deemed complete, the Review Period begins to run from the date the petition is filed. If the petition is not deemed complete, the Review Period commences from the date the petition is deemed complete.

By Order dated August 3, 2009 ("August 3, 2009 Order"), the Board approved a stipulation among the Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas ("ETG" or "Company"), Board Staff, and the New Jersey Division of Rate Counsel ("Rate Counsel") (collectively the "Parties") authorizing the Company to implement six (6) Energy Efficiency Programs ("EE Programs") designed to enhance or supplement New Jersey's Clean Energy Program ("NJCEP") commencing August 3, 2009 through December 31, 2010.¹ See August 3, 2009 Order at p. 4.

By Order dated January 19, 2011, the Board approved a January 12, 2011 stipulation among the Parties authorizing ETG to extend its EE Programs for a one-year period ending December 31, 2011.²

By Order dated April 11, 2012, the Board authorized the Company to continue its EE Programs, subject to certain modifications.³

ETG's current EE Programs were authorized by Board Order dated August 21, 2013 ("August 2013 Order").⁴ The EE Programs approved by the August 21, 2013 Order are: 1) Residential Gas Heating, Ventilation, and Air Conditioning ("HVAC") and Gas Hot Water Incentive Program; 2) Commercial Customer Energy Efficiency Program; and 3) Customer Education and Outreach/Dashboard Program. See August 21, 2013 Order at p. 4. These programs were to be in effect for a two year period ending September 1, 2015. These programs were further

¹ In the Matter of Energy Efficiency Programs and Associated Cost Recovery Mechanisms, BPU Docket No. EO09010056 and In the Matter of The Petition of Pivotal Holdings, Inc. d/b/a Elizabethtown Gas for Approval of Energy Efficiency Programs and a Regional Greenhouse Gas Initiative Cost Recovery Rider, BPU Docket No. GO09010060, Order dated August 3, 2009.

² In the Matter The Petition of Pivotal Holdings, Inc. d/b/a Elizabethtown Gas to Revise its Regional Greenhouse Gas Initiative Rider Rate, BPU Docket No. GO10070446 and In the Matter of The Petition of Pivotal Holdings, Inc. d/b/a Elizabethtown Gas to Extend the Term of Energy Efficiency Programs with Certain Modifications and Approval of Associated Cost Recovery Mechanism and Deferral Accounting Treatment, BPU Docket No. GO10100735, Order dated January 19, 2011.

³ In the Matter of The Petition of Pivotal Holdings, Inc. d/b/a Elizabethtown Gas for Authority to Extend the Term of Energy Efficiency Programs with Certain Modifications and Approval of Associated Cost Recovery, BPU Docket No. GO11070399, Order dated April 11, 2012.

⁴ In the Matter of The Petition of Pivotal Holdings, Inc. d/b/a Elizabethtown Gas for Authority to Extend the Term of Energy Efficiency Programs with Certain Modifications and Approval of Associated Cost Recovery Mechanism, BPU Docket No. GO12100946, Order dated August 21, 2013.

extended by Board Orders dated August 27, 2015 and December 16, 2015.⁵ Currently, authorization for ETG to offer these programs expires in December 2016.

July 1, 2016 Filing

By petition dated July 1, 2016, ETG filed the instant petition with the Board. In the filing, the Company seeks approval to continue its Residential Gas HVAC and Gas Hot Water Heater Incentive Program over a four-year period commencing January 1, 2017. The petition also requests approval of the following programs through the same time period:

- 1) Residential Home Energy Assessment Program
- 2) Residential Home Energy Report (Opower) Program
- 3) Residential Home Weatherization for Income Qualified Customers Program
- 4) Residential Financing Program
- 5) Commercial Financing Program
- 6) Commercial Steam Trap Survey and Repair Program

Together, the extended HVAC/Gas Hot Water Heater program and the six new programs are designated as the "Proposed EE Programs."

ETG estimated a total program budget of approximately \$14.3 million over the four-year term. Of this amount, approximately \$6.6 million is related to operations and maintenance ("O&M") expenditures ETG expects to incur to operate the Proposed EE Programs. ETG proposes to recover the costs through an EEP Rider Surcharge rate that will be reconciled as needed in its next proceeding to true-up that rate.

By Order dated July 29, 2016, the Board determined that this matter should be retained by the Board for review and hearing, and, as authorized by N.J.S.A. 48:2-32, designated Commissioner Solomon as the presiding officer who is authorized to rule on all motions that arise during the proceeding, and modify any schedule that may be set as necessary to secure just and expeditious determination of the issues. By Order dated August 17, 2016 ("August 17 Order"), Commissioner Solomon approved a procedural schedule in this matter.

On September 15, 2016, Public Service Electric & Gas Company ("PSE&G") moved to participate in the above-docketed matter. No parties oppose this motion. PSE&G states that the Board's Order on this matter could have precedential effect and therefore affect PSE&G and its customers. The movant also avers that no other party can represent its interests and alleges that its experience in the provision of electric and gas services is likely to make its participation in the proceedings constructive. Finally, PSE&G pledges to abide by the schedule set in this proceeding and not to attempt involvement beyond that allowed by N.J.A.C. 1:1-16.6.

⁵ In the Matter of The Petition of Pivotal Holdings, Inc. d/b/a Elizabethtown Gas for Authority to Extend the Term of Energy Efficiency Programs with Certain Modifications and Approval of Associated Cost Recovery Mechanism, BPU Docket No. GO15050504, Order dated August 27, 2015 and In re the Petition of Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas for Authority to Extend the Term of Energy Efficiency Programs with Certain Modifications and Approval of Associated Cost Recovery Mechanism AND In re the Petition of Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas for Authority to Extend the Term of Energy Efficiency Programs with Certain Modifications and Approval of Associated Cost Recovery Mechanism, BPU Docket Nos. GO12100946 and GO15050504, Order dated December 16, 2015. ("December 2015 Order")

Public hearings were held on October 17, 2016 in Flemington, New Jersey and October 19, 2016 in Union, New Jersey. No members of the public attended.

STIPULATION

On October 14, 2016, the Company filed a stipulation to extend the 180-day review period and to extend the programs approved in the December 2015 Order. The stipulation was subsequently withdrawn and on November 29, 2016, ETG filed a revised stipulation ("Stipulation") to extend the 180-day period, establish a new procedural schedule to enable the parties to continue to review this matter, and extend the programs approved in the December 2015 Order through July 2017. The salient terms are set forth below.⁶

1. The Parties agree that additional time is needed to complete a comprehensive review of ETG's July 1 Petition. Through the Stipulation, the Parties agree that ETG shall extend its existing Board approved EE Programs, with the exception of the Dashboard, through no later than July 31, 2017, consistent in all other respects with the Board's December 16 Order, or until the date set in the instant proceeding by a Board Order authorizing the implementation of revised or new ETG EE programs. The existing EE Programs as approved by the December 16 Order include the Residential Gas Heating Ventilation and Air Conditioning and Gas Hot Water Heater Incentive Program, Commercial Customer Energy Efficiency Program and Customer Education and Outreach Program.
2. Based on ETG's historical spending on the EE Program during the period of December 15, 2015 through October 31, 2016, ETG will need a total of approximately \$430,000.00 to fund program expenditures and O&M expenses associated with the EE Program during the EE Program Extension Period. To fund program expenditures and O&M expenses associated with the EE Program during the EE Program Extension Period, the Company will utilize (1) the approximately \$253,760 that remains in ETG's EE Program budget as of October 31, 2016 and (2) is seeking approval for approximately \$180,000.00 in additional funding. (attached to the Stipulation as Attachment A is a schedule that reflects the historical spending for the period of December 15, 2015 through October 2016 and projected spending through the EE Program Extension Period).
3. The Parties agree to engage in settlement discussions in good faith in order to reach a timely resolution of this proceeding.
4. The Parties further agree that Rate Counsel shall have until February 17, 2017 to file its direct testimony and the Parties propose the amended procedural schedule attached to the Stipulation as Attachment B.
5. The Parties also agree to extend the 180-day RGGI review period applicable to the July 1 Petition to allow for a Board determination by the first scheduled Board agenda meeting in July, 2017.

⁶ Although described in this Order, should there be any conflict between this summary and the stipulation, the terms of the stipulation control, subject to the findings and conclusions contained in this Order.

DISCUSSION AND FINDING

The Board carefully reviewed the record to date. The Board is satisfied and **HEREBY FINDS** that the Stipulation extending the existing EE Programs to allow for a Board determination by the first scheduled Board agenda meeting in July, 2017 on the same terms and conditions set forth in the December 16, 2015 Order is reasonable and is in the public interest. ETG will discontinue the Dashboard program. In addition, the Company will provide rebates to Commercial Customer Energy Efficiency Program projects that are currently in progress, but otherwise that program will be discontinued as of December 31, 2016. With these two exceptions, ETG will extend its existing Board approved EE Programs through July 31, 2017, consistent in all other respects with the Board's December 16, 2015 Order, or an earlier date set in the instant proceeding by a Board Order authorizing the implementation of revised or new ETG EE programs. All authority to continue the existing EE Programs ends on July 31, 2017, unless authorized by further Board Order. The Board further notes that there will be no change in the EE rate in adopting the Stipulation.

The costs and expenditures of the extended EE Programs are subject to the budget described in the Stipulation, and will be deferred and be the subject of a full review for reasonableness and prudence in future annual true-up proceedings. The program extension will provide additional time for a thorough review of the July 1, 2016 Petition, and will allow sufficient time for the development of a full and complete record for review by the Board while permitting ETG to continue offering its EE Programs.

Procedural Schedule

ETG circulated a proposed procedural schedule to Staff and to Rate Counsel. Both Staff and Rate Counsel provided feedback and the schedule was finalized on November 29, 2016. The procedural schedule is attached as Appendix B to the Stipulation. The Board has reviewed the proposal for an amended schedule, to which all parties have consented. The Board **HEREBY ISSUES** the attached amended procedural schedule identified as Exhibit B to the Stipulation, and **HEREBY DIRECTS** all parties, as well as participants, to comply with its terms.

Motion to Participate

After reviewing PSE&G's motion, the Board **HEREBY FINDS**, pursuant to N.J.A.C. 1:1-16.6(b), that the participation of PSE&G is likely to add constructively to the case without causing undue delay or confusion. Accordingly, the Board **HEREBY GRANTS** the motion to participate, limited to the right to argue orally and file a statement or brief as set out in N.J.A.C. 1:1-16.6(c)(1) and (2).

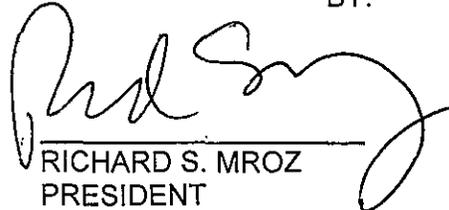
Having reviewed the record and the Stipulation, and the Board **HEREBY FINDS** that the attached Stipulation extending Elizabethtown's current EE program and extending the 180-day review period is reasonable, in the public interest, and in accordance with the law. Therefore, the Board **HEREBY ADOPTS** the Stipulation, attached hereto, including all attachments and schedules, as its own, incorporating by reference the terms and conditions of the Stipulation, as if they were fully set forth at length herein.

The Board **FURTHER ORDERS** that this matter shall proceed in accordance with this Order and Commissioner Solomon continue to preside over this proceeding consistent with the Board's July 29, 2016 Order.

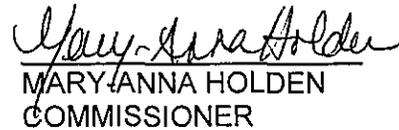
The Order shall be effective as of December 22, 2016.

DATED: 12/12/16

BOARD OF PUBLIC UTILITIES
BY:

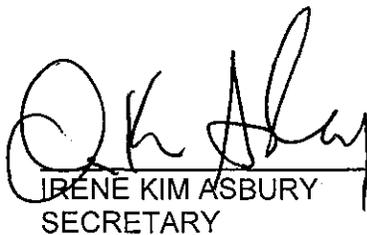

RICHARD S. MROZ
PRESIDENT


JOSEPH L. FIORDALISO
COMMISSIONER

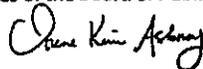

MARY ANNA HOLDEN
COMMISSIONER


DIANNE SOLOMON
COMMISSIONER


UPENDRA J. CHIVUKULA
COMMISSIONER

ATTEST: 
IRENE KIM ASBURY
SECRETARY

I HEREBY CERTIFY that the within document is a true copy of the original in the files of the Board of Public Utilities



Attachment B

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 with Certain Modifications and Approval of Associated Cost Recovery Mechanism - Docket Number GR16070618

Proposed Procedural Schedule

<i>Board designates a Presiding Commissioner</i>	<i>July 29, 2016</i>
<i>Discovery Requests on Initial Testimony+</i>	<i>August 12, 2016</i>
<i>Responses to Discovery on Initial Testimony</i>	<i>August 25, 2016</i>
<i>Motions to Intervene/Participate Due</i>	<i>August 23, 2016</i>
<i>Opposition to Intervention/Participation Motions due</i>	<i>August 30, 2016</i>
Additional Rounds of Discovery	October 14, 2016 through January 16, 2017
Responses to Additional Rounds of Discovery	To be completed by January 27, 2017
Public Hearings	October 17 and 19, 2016
Discovery/Settlement Conferences	Weeks of December 5, 12 and 19, 2016
Settlement Conferences	Weeks of January 2 and 9, 2017
Intervener/ Respondent Testimony Due	February 17, 2017
Settlement Conference	February 24, 2017
Discovery on Intervener/Respondent Testimony	February 28, 2016
Responses to Discovery on Intervener/Respondent Testimony	March 15, 2017
Rebuttal Testimony	March 17, 2017
Discovery on Rebuttal Testimony	March 24, 2017
Responses to Discovery on Rebuttal Testimony	April 7, 2017
Evidentiary Hearings (if necessary)*	TBD from weeks of April 17 through May 1, 2017
Briefing Schedule	TBD

+ - Petitioner agrees that discovery is ongoing and will endeavor to answer all discovery within seven business days of service.

* - Subject to Presiding Commissioner's availability. Intervenors/respondents may present oral surrebuttal at ev

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D/B/A ELIZABETHTOWN GAS FOR AUTHORITY TO EXTEND THE TERM OF ENERGY
EFFICIENCY PROGRAMS WITH CERTAIN MODIFICATIONS AND APPROVAL OF
ASSOCIATED COST RECOVERY MECHANISM

BPU DOCKET NO. GO15050504 and GR16070618

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November 29, 2016

Via Federal Express and Electronic Mail

Irene Kim Asbury, Secretary
Board of Public Utilities
44 South Clinton Ave, 3rd Floor, Suite 314
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**Re: 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 With Certain Modifications And Approval Of Associated Cost
Recovery Mechanism
BPU Docket No. GR16070618**

**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 with
Certain Modifications and Approval of Associated Cost Recovery Mechanism
BPU Docket No. GO15050504**

Dear Secretary Asbury:

Enclosed for filing in the above proceedings are an original and ten copies of a Stipulation to extend the 180-day review period applicable to this matter which has been executed by representatives of Pivotal Utility Holdings Inc. d/b/a Elizabethtown Gas ("Elizabethtown"), the Staff of the Board of Public Utilities and the Department of the Public Advocate, Division of Rate Counsel. Elizabethtown respectfully requests that the Board consider and approve this Stipulation as expeditiously as possible.

The enclosed Stipulation is intended to replace the Stipulation previously submitted in this matter on October 14, 2016. Accordingly, it is further respectfully requested that the October 14 Stipulation be withdrawn.

Please let us know if you have any questions or require further information.

Respectfully submitted,

/s/ Deborah M. Franco

Deborah M. Franco

Of Counsel to

Pivotal Utility Holdings, Inc.

d/b/a Elizabethtown Gas

cc: Service List
Commissioner, Dianne Solomon

**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 WITH CERTAIN MODIFICATIONS AND
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BPU DOCKET NO. GR16070618**

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**STATE OF NEW JERSEY
BOARD OF PUBLIC UTILITIES**

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In the Matter of the Petition of Pivotal : **STIPULATION TO EXTEND**
Utility Holdings, Inc. d/b/a Elizabethtown : **180-DAY REVIEW PERIOD**
Gas for Authority to Extend the Term of : **AND ENERGY EFFICIENCY**
Energy Efficiency Programs with Certain : **PROGRAMS**
Modifications and Approval of Associated :
Cost Recovery Mechanism : **BPU Docket No. GR16070618**
:
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 with Certain :
Modifications and Approval of Associated :
Cost Recovery Mechanism : **BPU Docket No. GO15050504**
:
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APPEARANCES:

Kenneth T. Maloney and Deborah M. Franco (Cullen and Dykman LLP), Attorneys for the Petitioner, Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas
Mary Patricia Keefe, Vice President for Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas

Felicia Thomas-Friel, Esq. Managing Attorney – Gas, Division of Rate Counsel, **Maura Caroselli, Esq., Sarah H. Steindel, Esq., and Kurt S. Lewandowski, Esq.**, Assistant Deputy Rate Counsels, Division of Rate Counsel (Stefanie A. Brand, Director, Division of Rate Counsel)

Alex Moreau and Renee Greenberg, Deputy Attorneys General, for the Staff of the New Jersey Board of Public Utilities (Christopher S. Porrino, Attorney General of New Jersey)

TO THE NEW JERSEY BOARD OF PUBLIC UTILITIES:

1. Pursuant to the New Jersey Regional Greenhouse Gas Initiative (“RGGI”) legislation, an electric or natural gas utility can offer and invest in regulated energy efficiency and conservation programs within its service territory. *N.J.S.A. 48:3-98.1.* Furthermore, utilities are authorized to seek approval from the New Jersey Board of Public Utilities (“Board”) for recovery of costs related to such programs. *Id.*

2. On July 1, 2016, Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas (“Elizabethtown” or “Company”) filed a petition (“Petition” or “July 1 Petition”) in BPU Docket No. GO16070618 to extend the term of the energy-efficiency program (“EE Program”) made available to Elizabethtown’s customers pursuant to *N.J.S.A.* 48:3-98.1 for a four-year period effective January 1, 2017. The individual programs that comprise Elizabethtown’s existing EE Program, described more fully below, were first authorized by an August 3, 2009 Board Order (“August 3 Order”) in Docket Nos. EO09010056 and GO09010060 *et al.*, which approved a Stipulation of Settlement (“Stipulation”) among Elizabethtown, Board Staff and the Division of Rate Counsel (“Rate Counsel”). In that Stipulation, the parties agreed to the implementation of the EE Program and the establishment of a surcharge to enable the Company to recover the costs associated with its EE Program. The Board subsequently authorized a number of extensions of Elizabethtown’s EE Program in BPU Docket Nos. GO11070399, GO12100946 and GO15050504. The currently effective EE Program, which was authorized in GO15050504 by BPU Order dated December 16, 2015 (“December 16 Order”), are effective through December 31, 2016. The individual programs, which comprise the EE Program are described below. Recovery of the costs necessary to deliver these programs, including grants, incentives, incremental operations and maintenance (“O&M”) expenses and carrying costs is provided through Rider G to the Company’s Tariff (“EE Program Rate”).

3. By Order dated July 29, 2016 (“July 29 Order”), the Board designated Commissioner Dianne Solomon as the presiding officer who is authorized to rule on all motions and modify schedules. The July 29 Order further authorized Commissioner Solomon to render a decision on a stipulation to extend the 180-day review period applicable to these proceedings to the extent the stipulation is signed by all parties and it is limited to a single extension of the 180-day review period, with any further extension to be directed by

the Board. The parties to this proceeding are the Company, Board Staff and Rate Counsel (collectively "Parties"). By Order dated August 17, 2016 ("August 17 Order"), Commissioner Solomon approved a procedural schedule applicable to this proceeding which the Parties requested be held in abeyance to allow the development of a new schedule as reflected in this Stipulation. On September 15, 2016, Public Service Electric and Gas Company moved to participate in this proceeding, which by letter dated September 16, 2016, Elizabethtown indicated it did not oppose. On October 14, 2016, a separate Stipulation to extend the 180-day period was filed and subsequently withdrawn by the Parties, by the Company's November 29, 2016 letter to the Board to enable the parties to establish a new procedural schedule as reflected herein. Discovery is ongoing in this proceeding and public hearings were held on October 17, 2016 in Flemington, New Jersey and October 19, 2016 in Union, New Jersey. No members of the public attended.

STIPULATION

4. The Parties agree that additional time is needed to complete a comprehensive review of Elizabethtown's July 1 Petition. Through this Stipulation, the Parties agree that Elizabethtown shall extend its existing Board approved EE Programs, with the exception of the Dashboard, through July 31, 2017 ("EE Program Extension Period"), consistent in all other respects with the Board's December 16 Order, or until the date set in the instant proceeding by a Board Order authorizing the implementation of revised or new Elizabethtown EE programs. In addition, the Company will provide rebates to Commercial Customer Energy Efficiency Program projects that are currently in progress, but otherwise that program will be discontinued as of December 31, 2016. The individual existing programs that comprise Elizabethtown's EE Program as approved by the December 16 Order include the Residential Gas Heating Ventilation and Air Conditioning and Gas Hot Water Heater Incentive Program, Commercial Customer Energy Efficiency Program and Customer

Education and Outreach Program. All authority to continue the EE Program ends on July 31, 2017, unless otherwise ordered by the Board.

5. Based on Elizabethtown's historical spending on the EE Program during the period November 15, 2015 through October 31, 2016; Elizabethtown will need a total of approximately \$430,000.00 to fund program expenditures and O&M expenses associated with the EE Program during the EE Program Extension Period. To fund program expenditures and O&M expenses associated with the EE Program during the EE Program Extension Period, Elizabethtown will utilize (1) the approximately \$253,760 that remains in Elizabethtown's EE Program budget as of October 31, 2016 and (2) additional funding of approximately \$180,000. Attached as Attachment A is a schedule that reflects Elizabethtown's historical spending for the period November 15, 2015 through October 31, 2016 and projected spending through the EE Program Extension Period.

6. There will be no change to the EE Program Rate by virtue of this Stipulation and all costs will be reviewed in the Company's next annual EE Program Rate reconciliation proceeding to be filed in July 2017.

7. The Parties agree to engage in settlement discussions in good faith in order to reach a timely resolution of this proceeding.

8. The Parties further agree that Rate Counsel shall have until February 17, 2017 to file its direct testimony and the Parties propose the amended procedural schedule attached hereto as Attachment B.

9. The Parties also agree to extend the 180-day RGGI review period applicable to the July 1 Petition to allow for a Board determination by the first scheduled Board agenda meeting in July 2017.

10. This Stipulation represents a mutual balancing of interests, contains interdependent provisions and, therefore, is intended to be accepted and approved in its

entirety. In the event any particular aspect of this Stipulation is not accepted and approved in its entirety by the Board, any Party aggrieved thereby shall not be bound to proceed with this Stipulation and shall have the right to litigate all issues addressed herein to a conclusion. More particularly, in the event this Stipulation is not adopted in its entirety by the Board, in any applicable Order(s), then any Party hereto is free to pursue its then available legal remedies with respect to all issues addressed in this Stipulation as though this Stipulation had not been signed.

11. It is the intent of the Parties that the provisions hereof be approved by the Board as being in the public interest. The Parties further agree that they consider the Stipulation to be binding on them for all purposes herein.

12. It is specifically understood and agreed that this Stipulation represents a negotiated agreement and has been made exclusively for the purpose of these proceedings. Except as expressly provided herein, Elizabethtown, Board Staff and Rate Counsel shall not be deemed to have approved, agreed to, or consented to any principle or methodology underlying or supposed to underlie any agreement provided herein and, in total or by specific item. This Stipulation is in no way binding upon them in any other proceeding, except to enforce the terms of this Stipulation.

WHEREFORE, the Parties hereto do respectfully submit this Stipulation and request that the Board issue a Decision and Order approving it in its entirety, in accordance with the terms hereof, as soon as reasonably possible.

PIVOTAL UTILITY HOLDINGS, INC.
D/B/A ELIZABETHTOWN GAS

STEFANIE A. BRAND,
DIRECTOR, DIVISION OF
RATE COUNSEL

By: Mary Patricia Keefe / KB
Mary Patricia Keefe, Esq.
Vice President, Regulatory
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Secretary

By: Kurt S. Lewandowski
Kurt S. Lewandowski, Esq.
Assistant Deputy Rate Counsel

CHRISTOPHER S. PORRINO
ATTORNEY GENERAL OF NEW JERSEY
Attorney for the Staff of the New Jersey Board of Public Utilities

By: Alex Moreau
Alex Moreau
Deputy Attorney General

Dated: November 29, 2016

PIVOTAL UTILITY HOLDINGS, INC. d/b/a ELIZABETHTOWN GAS
ENERGY EFFICIENCY PROGRAM ("EEP")

Attachment - A

Schedule of Actual and Projected Expenditures

	O&M Recoverable In Period Expended				Program Expenditures - Amortized Over Four Years				
	Labor (1)	Customer Education	Dashboard / Opower	Prog Eval/ Consultant	Total O&M	Customer Financing	Program Expenditures	Program Total	Total
Nov-15	\$9,968	\$1,876	\$13,500	\$0	\$25,344	\$0	\$27,056	\$27,056	\$52,400
Dec-15	\$11,074	\$434	\$0	\$0	\$11,508	\$0	\$67,554	\$67,554	\$79,062
Jan-16	\$10,097	\$1,332	\$0	\$0	\$11,429	\$0	\$5,366	\$5,366	\$16,795
Feb-16	\$9,968	\$1,728	\$0	\$0	\$11,696	\$0	\$139,111	\$139,111	\$150,807
Mar-16	\$11,288	\$5,152	\$13,500	\$0	\$29,940	\$0	\$26,827	\$26,827	\$56,767
Apr-16	\$10,266	\$7,430	\$13,500	\$0	\$31,196	\$0	\$1,132	\$1,132	\$32,328
May-16	\$10,758	\$479	\$0	\$0	\$11,237	\$0	\$4,007	\$4,007	\$15,244
Jun-16	\$10,961	\$2,173	\$0	\$0	\$13,134	\$0	\$25,675	\$25,675	\$38,809
Jul-16	\$10,620	\$2,270	\$13,500	\$0	\$26,390	\$0	\$53,903	\$53,903	\$80,293
Aug-16	\$11,206	\$508	\$0	\$0	\$11,714	\$0	\$1,929	\$1,929	\$13,643
Sep-16	\$10,777	\$34	\$0	\$0	\$10,811	\$0	\$31,675	\$31,675	\$42,486
Oct-16	\$10,267	\$288	\$0	\$0	\$10,555	\$0	\$17,197	\$17,197	\$27,752
Nov-16	* \$10,604	\$2,100	\$13,500	\$0	\$26,204	\$0	\$40,708	\$40,708	\$66,912
Dec-16	* \$10,604	\$2,100	\$0	\$0	\$12,704	\$0	\$32,630	\$32,630	\$45,334
Jan-17	* \$10,604	\$2,100	\$0	\$0	\$12,704	\$0	\$31,230	\$31,230	\$43,934
Feb-17	* \$10,604	\$2,100	\$0	\$0	\$12,704	\$0	\$32,630	\$32,630	\$45,334
Mar-17	* \$10,604	\$2,100	\$0	\$0	\$12,704	\$0	\$34,930	\$34,930	\$47,634
Apr-17	* \$10,604	\$2,100	\$0	\$0	\$12,704	\$0	\$31,230	\$31,230	\$43,934
May-17	* \$10,604	\$2,100	\$0	\$0	\$12,704	\$0	\$32,630	\$32,630	\$45,334
Jun-17	* \$10,604	\$2,100	\$0	\$0	\$12,704	\$0	\$31,230	\$31,230	\$43,934
Jul-17	* \$10,604	\$2,100	\$0	\$0	\$12,704	\$0	\$38,645	\$38,645	\$51,349
Total Nov 15 - Oct 16 Actual	\$127,250	\$23,704	\$54,000	\$0	\$204,954	\$0	\$401,432	\$401,432	\$606,386
Avg 12 Mos Actual	\$10,604	\$1,975	\$4,500	\$0	\$17,080	\$0	\$33,453	\$33,453	\$50,532
Total Nov 16 - Jul 17 Projected	\$95,436	\$18,900	\$13,500	\$0	\$127,836	\$0	\$305,863	\$305,863	\$433,699
Avg 9 mos Projected	\$10,604	\$2,100	\$1,500	\$0	\$14,204	\$0	\$33,985	\$33,985	\$48,189

* Projected

Balance at October 2015	\$860,146
Spending Nov 15 - Oct 16	\$606,386
Remaining	\$253,760
Additional Requested	\$179,939
Proj Costs Nov 16 - July 17	\$433,699

Attachment B

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 with Certain Modifications and Approval of Associated Cost Recovery Mechanism - Docket Number GR16070618

Proposed Procedural Schedule

<i>Board designates a Presiding Commissioner</i>	<i>July 29, 2016</i>
<i>Discovery Requests on Initial Testimony+</i>	<i>August 12, 2016</i>
<i>Responses to Discovery on Initial Testimony</i>	<i>August 25, 2016</i>
<i>Motions to Intervene/Participate Due</i>	<i>August 23, 2016</i>
<i>Opposition to Intervention/Participation Motions due</i>	<i>August 30, 2016</i>
Additional Rounds of Discovery	October 14, 2016 through January 16, 2017
Responses to Additional Rounds of Discovery	To be completed by January 27, 2017
Public Hearings	October 17 and 19, 2016
Discovery/Settlement Conferences	Weeks of December 5, 12 and 19, 2016
Settlement Conferences	Weeks of January 2 and 9, 2017
Intervener/ Respondent Testimony Due	February 17, 2017
Settlement Conference	February 24, 2017
Discovery on Intervener/Respondent Testimony	February 28, 2017
Responses to Discovery on Intervener/Respondent Testimony	March 15, 2017
Rebuttal Testimony	March 17, 2017
Discovery on Rebuttal Testimony	March 24, 2017
Responses to Discovery on Rebuttal Testimony	April 7, 2017
Evidentiary Hearings (if necessary)*	Week of April 24, 2017
Briefing Schedule	TBD
Anticipated Board Action	July Agenda (date TBD)

+ - Petitioner agrees that discovery is ongoing and will endeavor to answer all discovery within seven business days of service.

* - Subject to Presiding Commissioner's availability. Interveners/respondents may present oral surrebuttal at evidentiary hearings.

**STATE OF NEW JERSEY
BOARD OF PUBLIC UTILITIES**

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In The Matter Of The Petition Of :
Pivotal Utility Holdings, Inc. d/b/a : **BPU Docket No.** _____
Elizabethtown Gas For Authority to :
Extend the Term of Energy :
Efficiency Programs with Certain : **Verified Petition**
Modifications and Approval of :
Associated Cost Recovery Mechanism :
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To The Honorable Board of Public Utilities:

Pursuant to *N.J.S.A. 48:3-98.1 et seq.*, Petitioner Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas ("Petitioner," "Elizabethtown," or "the Company") hereby submits this Petition by which it seeks approval from the Board of Public Utilities ("Board") to extend the term of its existing Energy Efficiency Programs with a number of modifications described herein for a four-year term effective January 1, 2017 through December 31, 2020. Petitioner also seeks approval to continue to recover the costs associated with the extended Energy Efficiency Programs through Petitioner's surcharge contained in Rider G to the Company's Tariff for Gas Service No. 14 entitled the Energy Efficiency Program ("EEP") Rider. Petitioner is not proposing to revise its existing EEP Rider rate at this time. In support of the requested relief, Petitioner states as follows:

1. Petitioner is a public utility corporation organized under the laws of the State of New Jersey. Petitioner's principal office is located at 520 Green Lane, Union, New Jersey, 07083.