



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/

ENERGY

IN THE MATTER OF THE VERIFIED PETITION OF)	ORDER SUSPENDING INCREASES,
ROCKLAND ELECTRIC COMPANY FOR)	CHANGES OR ALTERATIONS IN
APPROVAL OF CHANGES IN ITS ELECTRIC)	RATES FOR SERVICE
RATES, ITS TARIFF FOR ELECTRIC SERVICE,)	
AND ITS DEPRECIATION RATES; AND FOR)	
OTHER RELIEF)	BPU DOCKET NO. ER19050552

Parties of Record:

James C. Meyer, Esq., Riker Danzig Scherer Hyland and Perretti LLP, on behalf of
Rockland Electric Company
Stefanie A. Brand, Esq., Director, Division of Rate Counsel

BY THE BOARD:

On May 3, 2019, pursuant to N.J.S.A. 48:2-18, N.J.S.A. 48:2-21, N.J.S.A. 48:2-21.1, and N.J.A.C. 14:1-5.12, Rockland Electric Company ("RECO" or "Company"), a public utility of the State of New Jersey subject to the jurisdiction of the New Jersey Board of Public Utilities ("Board"), filed a petition for approval of an increase in its operating revenues of approximately \$19.9 million, to be effective for electric service provided on or after June 2, 2019. The Company also seeks Board approval to implement new depreciation rates. RECO's petition requests a return on equity of 10.40%.

According to the petition, the Company's current electric distribution rates are not just and reasonable because they do not produce an adequate, reasonable return on the Company's invested capital and do not provide sufficient revenues to recover the Company's investment in rate base, operating expenses, financing costs and taxes.

The Company is also seeking the following findings: 1) that RECO's Storm Hardening Program investments were prudent; 2) that RECO's implementation of its Advanced Metering Infrastructure Program was prudent, including approval of its proposal for the recovery of the net book value of the legacy meters; 3) that RECO may be relieved from the obligation to file an Average and Peak Cost of Service Method in future base rate cases.

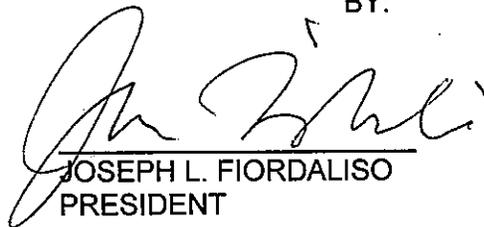
It appearing that the proposed revisions, if approved, will increase existing rates and change or alter existing classifications in RECO's tariff, it is **HEREBY ORDERED** that:

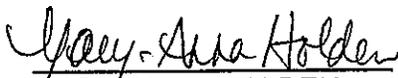
- (1) Pursuant to N.J.S.A. 48:2-21(d), the proposed revisions are suspended until October 2, 2019, unless prior to that date the Board makes a determination disposing of the petition or enters an Order further suspending the proposed revisions;
- (2) RECO shall, at least ten (10) days prior to the date set for hearing on the petition by the Office of Administrative Law ("OAL"), file with the Board and with the OAL, proof of compliance with the notice provisions of N.J.S.A. 48:2-32.2 and N.J.A.C. 14:1-5.12(b) and (c), which notice shall include a statement that any relief found by the Board to be just and reasonable may be allocated by the Board to any class or classes of customers on any rate or schedule as the Board may determine; and
- (3) RECO shall, at the same time it files with the Board, also file proof of service of copies of this Order upon the New Jersey Division of Rate Counsel, the clerks of each affected municipality, the clerks of the Boards of Chosen Freeholders of each affected County, and where appropriate, the executive officer of each affected County within its service area. Service of the petition, notice of hearings and this Suspension Order may be made simultaneously.

This Order shall be effective on June 1, 2019.

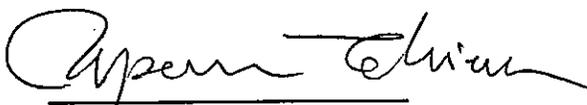
DATED: 5/28/19

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SECRETARY

IN THE MATTER OF THE VERIFIED PETITION OF ROCKLAND ELECTRIC COMPANY FOR
APPROVAL OF CHANGES IN ELECTRIC RATES, IT'S TARIFF FOR ELECTRIC SERVICE,
AND ITS DEPRECIATION RATES; AND FOR OTHER RELIEF
BPU DOCKET NO. ER19050552

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