



Philip D. Murphy
Governor

Sheila Y. Oliver
Lt. Governor

State of New Jersey
BOARD OF PUBLIC UTILITIES
44 South Clinton Avenue, 9th Floor
Trenton, New Jersey 08625-0350
www.nj.gov/bpu/

Aida Camacho-Welch
Secretary of the Board
Tel. # (609) 292-1599

October 15, 2019

To the Service List:

Re: In the Matter of the Verified Petition of Rockland Electric Company for Approval of Changes in its Electric Rates, its Tariff for Electric Service, and its Depreciation Rates, and for Other Relief
BPU Docket No. ER19050552, OAL Docket No. PUC 07548-2019

Agenda Date: September 27, 2019 – Consent Agenda Item: IIA

Please be advised that the Board of Public Utilities is reissuing the Order for the above-referenced agenda item that was approved by the Board of Public Utilities ("Board") at the September 27, 2019 Board agenda meeting to correct a typographical error. On page two, the first numbered point of the fourth paragraph states "... the proposed revisions are suspended until February 3, 2019, unless prior..." to "... the proposed revisions are suspended until February 3, 2020, unless prior..."

This is the only change to the Order, which will be re-distributed to the parties of record and the attached service list.

Sincerely,

A handwritten signature in blue ink that reads "Aida Camacho-Welch".

Aida Camacho-Welch
Secretary of the Board

/ac

IN THE MATTER OF THE VERIFIED PETITION OF ROCKLAND ELECTRIC COMPANY FOR
APPROVAL OF CHANGES IN ELECTRIC RATES, ITS TARIFF FOR ELECTRIC SERVICE,
AND ITS DEPRECIATION RATES; AND FOR OTHER RELIEF
BPU DOCKET NO. ER19050552
OAL DOCKET NO. PUC07548-2019

SERVICE LIST

BPU

Board of Public Utilities
44 South Clinton Avenue 9th Floor
Trenton, NJ 08625-0350

Aida Camacho-Welch, Board Secretary
board.secretary@bpu.nj.gov

Paul Flanagan, Esq.
Executive Director
paul.flanagan@bpu.nj.gov

Division of Energy

Stacy Peterson, Director
stacy.peterson@bpu.nj.gov

Paul Lupo, Bureau Chief
paul.lupo@bpu.nj.gov

Kevin Moss, Bureau Chief
kevin.moss@bpu.nj.gov

Scott Sumliner
scott.sumliner@bpu.nj.gov

Ryan Moran
ryan.moran@bpu.nj.gov

Jacqueline Galka
jacqueline.galka@bpu.nj.gov

Bart Kilar
bart.kilar@bpu.nj.gov

Oneil Hamilton
oneil.hamilton@bpu.nj.gov

Beverly Tyndell
beverly.tyndell@bpu.nj.gov

Stephan Luma
stephan.luma@bpu.nj.gov

David Brown
david.brown@bpu.nj.gov

Sri Medicherla
sri.medicherla@bpu.nj.gov

Counsel's Office

Carol Artale, Esq.
Deputy General Counsel
carol.artale@bpu.nj.gov

Andrea Hart, Esq.
andrea.hart@bpu.nj.gov

Heather Weisband, Esq.
Senior Counsel
heather.weisband@bpu.nj.gov

Economist Office

Ben Witherell, Chief Economist
benjamin.witherell@bpu.nj.gov

Dr. Son Lin Lai
son-lin.lai@bpu.nj.gov

Jackie O'Grady
jackie.ogrady@bpu.nj.gov

Department of Law and Public Safety

Richard J. Hughes Justice Complex
Public Utilities Section
25 Market Street, P.O. Box 112
Trenton, NJ 08625

Geoffrey Gersten, DAG
geoffrey.gersten@law.njoag.gov

Peter Van Brunt, DAG
peter.vanbrunt@law.njoag.gov

Caroline Vachier, DAG
caroline.vachier@law.njoag.gov

Division of Rate Counsel

140 East Front Street, 4th Floor
Post Office Box 003
Trenton, NJ 08625-0003

Stefanie A. Brand, Esq., Director
sbrand@rpa.nj.gov

Brian Lipman, Litigation Manager
blipman@rpa.nj.gov

Ami Morita, Esq.
amorita@rpa.nj.gov

Christine Juarez, Esq.
cjuarez@rpa.nj.gov

Maria Novas-Ruiz, Esq.
Mnovas-ruiz@rpan.nj.gov

James Glassen, Esq.
jglassen@rpa.nj.gov

Brian Weeks, Esq.
bweeks@rpa.nj.gov

Debora Layugan, Paralegal
dlayugan@rpa.nj.gov

Celeste Clark
cclark@rpa.nj.gov

Rockland Electric Company

John L. Carley, Esq.
Assistant General Counsel
Consolidated Edison Co. of New York, Inc.
Law Department, Room 1815-S
4 Irving Place
New York, NY 10003-0987
carleyj@coned.com

James Meyer, Esq.*
Riker Danzig Scherer Hyland &
Perretti LLP
Headquarters Plaza
One Speedwell Avenue
P.O. Box 1981
Morristown, NJ 07962-1981
jmeyer@riker.com

John DeLaBastide
Director, Financial Services
Orange and Rockland Utilities, Inc.
One Blue Hill Plaza – 4th Floor
Pearl River NY 10965-3104
delabastidej@oru.com

Cheryl Ruggiero
Department Manager
Rate Engineering Department
Consolidated Edison Co. of New York, Inc.
4 Irving Place
New York, NY 10003-0987
cruggiero@coned.com



STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 9th Floor
Post Office Box 350
Trenton, New Jersey 08625-0350
www.nj.gov/bpu/

ENERGY

IN THE MATTER OF THE VERIFIED PETITION OF)	CORRECTED ¹ ORDER
ROCKLAND ELECTRIC COMPANY FOR)	SUSPENDING INCREASES,
APPROVAL OF CHANGES IN ITS ELECTRIC)	CHANGES OR ALTERATIONS IN
RATES, ITS TARIFF FOR ELECTRIC SERVICE,)	RATES FOR SERVICE
AND ITS DEPRECIATION RATES; AND FOR)	
OTHER RELIEF)	BPU DOCKET NO. ER19050552
)	OAL DOCKET NO. PUC 07548-2019

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 sought Board approval to implement new depreciation rates. RECO's petition requested 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 also sought 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

¹ A corrected Order is being issued to address a typographical error on page 2.

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.

By Order dated May 28, 2019, the Board suspended the proposed rate increase until October 2, 2019 pending further action on this matter. This matter was subsequently transmitted to the Office of Administrative Law (“OAL”) as a contested case, and was assigned to Administrative Law Judge (“ALJ”) Irene Jones for consideration and hearing.

On July 30, 2019, RECO updated its petition to include nine (9) months of actual data and three (3) months of estimated data. As a result, the requested rate increase was modified to \$20.4 million.

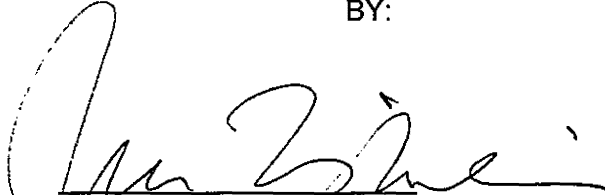
In light of the fact that this matter will not be completed by October 2, 2019, and to allow the ALJ sufficient time to conduct the case, it is **HEREBY ORDERED** that:

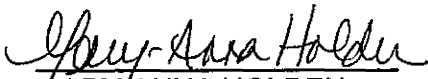
- (1) Pursuant to N.J.S.A. 48:2-21(d), the proposed revisions are suspended until February 3, 2020, unless prior to that date the Board makes a determination disposing of the petition or enters an Order further suspending the proposed revisions;
- (2) RECO shall, at least 10 days prior to the date set for hearing on the petition by the 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 September 30, 2019.

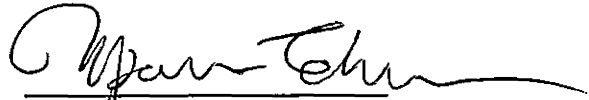
DATED: 9/27/19

BOARD OF PUBLIC UTILITIES
BY:

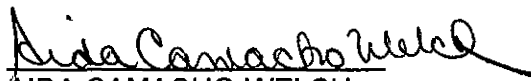

JOSEPH L. FIORDALISO
PRESIDENT


MARY-ANNA HOLDEN
COMMISSIONER


DIANNE SOLOMON
COMMISSIONER


UPENDRA J. CHIVUKULA
COMMISSIONER


ROBERT M. GORDON
COMMISSIONER

ATTEST: 
AIDA CAMACHO-WELCH
SECRETARY

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

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Rockland Electric Company

John L. Carley, Esq.
Assistant General Counsel
Consolidated Edison Co. of New York, Inc.
Law Department, Room 1815-S
4 Irving Place
New York, NY 10003-0987
carleyj@coned.com

James Meyer, Esq.*
Riker Danzig Scherer Hyland &
Perretti LLP
Headquarters Plaza
One Speedwell Avenue
P.O. Box 1981
Morristown, NJ 07962-1981
jmeyer@riker.com

John DeLaBastide
Director, Financial Services
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4 Irving Place
New York, NY 10003-0987
cruggiero@coned.com

Board of Public Utilities
44 South Clinton Avenue, 3rd Floor, Suite 314
Post Office Box 350
Trenton, NJ 08625-0350

Aida Camacho-Welch, Board Secretary
aida.camaco@bpu.nj.gov

Paul Flanagan, Esq.
Executive Director
paul.flanagan@bpu.nj.gov

Division of Energy

Stacy Peterson, Director
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Paul Lupo, Bureau Chief
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Oneil Hamilton
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Stephan Luma
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Counsel's Office

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Deputy General Counsel
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son-lin.lai@bpu.nj.gov

Jackie O'Grady
jackie.ogrady@bpu.nj.gov

Division of Rate Counsel

140 East Front Street, 4th Floor
Post Office Box 003
Trenton, NJ 08625-0003

Stefanie A. Brand, Esq., Director
sbrand@rpa.nj.gov

Brian Lipman, Litigation Manager
blipman@rpa.nj.gov

Ami Morita, Esq.
amorita@rpa.nj.gov

Christine Juarez, Esq.
cjuarez@rpa.nj.gov

Maria Novas-Ruiz, Esq.
Mnovas-ruiz@rpan.nj.gov

James Glassen, Esq.
jglassen@rpa.nj.gov

Brian Weeks, Esq.
bweeks@rpa.nj.gov

Debora Layugan, Paralegal
dlayugan@rpa.nj.gov

Celeste Clark
cclark@rpa.nj.gov

Division of Law

124 Halsey Street
Post Office Box 45029
Newark, NJ 07101-45029

Geoffrey Gersten, DAG
geoffrey.gersten@law.njoag.gov

Peter Van Brunt, DAG
peter.vanbrunt@law.njoag.gov

Caroline Vachier, DAG
caroline.vachier@law.njoag.gov

Jenique Jones, Paralegal
jenique.jones@law.njoag.gov