



**STATE OF NEW JERSEY**  
**Board of Public Utilities**  
**44 South Clinton Avenue, 9<sup>th</sup> Floor**  
**Trenton, New Jersey 08625-0350**  
[www.nj.gov/bpu/](http://www.nj.gov/bpu/)

ENERGY

IN THE MATTER OF THE VERIFIED PETITION OF	)	DECISION AND ORDER ADOPTING
ROCKLAND ELECTRIC COMPANY FOR	)	INITIAL DECISION AND
APPROVAL OF CHANGES IN ITS ELECTRIC	)	STIPULATION OF SETTLEMENT
RATES, ITS TARIFF FOR ELECTRIC SERVICE,	)	
AND ITS DEPRECIATION RATES; AND FOR	)	BPU DOCKET NO. ER19050552
OTHER RELIEF	)	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. ("2019 Rate Case Petition"). The Company also sought Board approval of a return on equity of 10.40% as well as approval to implement new depreciation rates.

According to the 2019 Rate Case Petition, the Company believes that its current electric distribution rates are unjust and unreasonable as they do not produce an adequate reasonable return on the Company's invested capital nor 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) affirmation that RECO's Storm Hardening Program investments were prudent; 2) affirmation that RECO's implementation of its Advanced Metering Infrastructure ("AMI") Program was prudent, including the approval of its proposal for recovery of the net book value of legacy meters; 3) affirmation 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. On September 27, 2019, the Board further suspended the implementation of rates until February 3, 2020.

On June 3, 2019, this matter was 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. A telephonic pre-hearing conference was held by ALJ Jones on August 12, 2019. On August 29, 2019, a Pre-Hearing Order and Procedural Schedule were issued. Additionally, in the Pre-Hearing Order, ALJ Jones granted Jersey Central Power & Light Company, Atlantic City Electric Company, and Public Service Electric and Gas Company participant status.

On July 30, 2019, RECO updated its 2019 Rate Case 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 approximately \$20.4 million or 9.9% on a total revenue basis. On October 29, 2019, RECO updated its 2019 Rate Case Petition to include 12 months of actual data. As a result, the requested rate increase was modified to approximately \$20.3 million or an increase of 9.5% on a total revenue basis.

On October 11, 2019, the New Jersey Division of Rate Counsel ("Rate Counsel") submitted the direct testimonies of Mr. Paul Alvarez, Ms. Susan Baldwin, Ms. Andrea Crane, Mr. James Garren, Mr. Matthew Kahal, Mr. David Peterson and the joint testimony of Messrs. Charlie Salamone and Maximilian Change.

On November 15, 2019, RECO submitted rebuttal testimonies of Yukari Saegusa, the Accounting Panel, the Depreciation Panel, the Capital and Plant Addition Panel, the Electric Rate Panel, David Braunfotel, Keith Scerbo and Dr. James Vander Weide.

On November 26, 2019, Board Staff ("Staff") requested that the OAL enter the Independent Review of RECO's AMI Business Case ("Capstone Report") into the record. On November 27, 2019, Rate Counsel filed an objection letter in response to Staff's request to submit the Capstone Report into the record on both substantive and procedural grounds. On December 6, 2019, Staff filed a letter in response identifying a sponsoring witness to support the document and requesting that the Capstone Report be subject to discovery.

Public hearings were held in Mahwah, New Jersey on December 13, 2019 at 4:30 pm and 5:30 pm, with ALJ Jones presiding. One (1) member of the public attended speaking in support of the 2019 Rate Case Petition. All comments were transcribed by the court reporter and are part of the record. The Board received written comments in opposition of the 2019 Rate Case Petition due to the proposed rate increases by the Company.

## **STIPULATION**

After discovery and comprehensive settlement discussions, on January 9, 2020, the Company, Rate Counsel and Staff, (collectively, "Parties") reached a stipulation of settlement ("Stipulation"), the key elements of which are as follows:<sup>1</sup>

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<sup>1</sup> Although summarized in this Order, the detailed terms of the Stipulation control, subject to the findings and conclusions of the Order. Paragraphs are numbered to coincide with the Stipulation.

1. Effective Date. The Parties agree that the Board should issue a written Order approving the Stipulation so that revenue recovery and rates set forth in the Stipulation shall become effective for service rendered on and after February 1, 2020 (the "Effective Date").
2. Test Year. The Parties agree that the proper test year for establishing rates is the 12-month period ended September 30, 2019.
3. Distribution Revenue Requirement and Rate Adjustment. In the interest of achieving a satisfactory resolution of the issues to be decided in this proceeding, the Parties agree to an addition to annual distribution revenues of \$12.0 million, which equates to an increase in overall revenues of 5.6%. The Parties agree that RECO's rates will be just and reasonable after they are adjusted to generate an additional \$12.0 million in annual distribution revenues for service rendered on and after the Effective Date, and will provide a level of revenues necessary so that the Company can continue to provide safe, adequate, and proper service.
4. Rate Base. The rate base is \$229,875,000.
5. Rate of Return. The overall rate of return, before income tax gross up, for purposes of the Stipulation, is 7.11%, as set forth in Schedule A attached to the Stipulation. This is based upon a return on common equity of 9.50% and an embedded cost rate of long-term debt of 4.88%. The Parties agree that the capital structure for purposes of the Stipulation is 51.68% long-term debt and 48.32% common equity.
6. Determination of Revenue Requirement. The determination of the stipulated revenue requirement is reflected on attached Schedule A of the Stipulation.
7. Consolidated Tax Adjustment. The Parties acknowledge that the stipulated revenue increase reflects consideration of a consolidated income tax adjustment.
8. Rates. The Parties agree that Schedule B of the Stipulation summarizes the revised electric distribution rates that shall be implemented on the Effective Date and that shall be included in revised Tariff leaves. The revised rates set forth in Schedule B of the Stipulation implement the terms of the Stipulation regarding revenue requirements and rates. The revised rates set forth in Schedule B of the Stipulation were designed with consideration of the Company-sponsored embedded cost of service study surplus and deficiency indications. Before applying any revenue increase, revenue neutral changes were implemented in Service Classification ("SC") Nos. 1, 2, and 5 as described in Paragraph 17. Thereafter, distribution rates were developed within each SC by applying uniform percentage increases, specific to each SC: (1) to all distribution rates, excluding customer charges in non-demand billed classes; and (2) to demand distribution rates only in demand-billed classes. Increases to any SC were limited such that no SC would receive a distribution increase that was more than 1.1 times the overall distribution increase percentage. The customer charges for the SC Nos. 1 and 5 classes were increased at the overall distribution increase percentage while customer charges for the remaining SCs, except for SC No. 7 – High Voltage Distribution, were increased to move the customer charges closer to the cost of service study indications. The SC No. 7 High Voltage Distribution customer charge

was kept at its current level. The Parties agree that Schedule C, attached to the Stipulation, demonstrates that the rates to be implemented by RECO are designed to produce an additional \$12.0 million in revenues. SC No. 1 (Residential Service) will include an increase in the monthly customer charge from \$4.25 to \$5.07, exclusive of applicable sales taxes, among other rate changes.

9. Additionally, the Company agrees to submit, as part of its next base rate case, the Staff average and peak cost of service study. Submission of the Staff cost of service study in the next base rate case does not imply endorsement of the Staff methodology by the Company. The Company, as well as any other party in the future proceeding, is free to submit its preferred cost of service and supporting work papers.
10. Residential Bill Impacts. As a result of the Stipulation, a typical residential customer using 925 kWh per month will receive an annualized monthly increase of approximately \$10.08 or 6.1% on a total revenue basis from \$165.66 to \$175.74.
11. Depreciation. RECO will implement the depreciation lives, life tables, rates and amortizations for electric distribution and general plant as shown on Schedule D of the Stipulation.
12. Net Salvage. The Parties agree that from January 1, 2017 through September 30, 2019, RECO incurred actual negative net salvage costs (i.e., gross salvage less gross removal costs) of \$5,238,077, which exceeded by \$2,454,900 (the "Net Salvage Deficiency") the Company's net salvage allowance for that period of \$2,783,177 (based on an annual allowance of \$1,024,000). RECO shall recover the Net Salvage Deficiency in rates over a three (3)-year amortization period such that RECO annually shall recover \$818,300 of the Net Salvage Deficiency. In addition, the Parties also agree that the rates established in the Stipulation reflect a going-forward annual net salvage recovery allowance of \$1,285,464.
13. Accumulated Depreciation Reserve. In the 2017 Base Rate Order, the Board recognized a \$9,781,234 surplus in the accumulated reserve for depreciation on RECO's distribution plant assets as of February 28, 2017, and approved RECO's return of that amount in rates over a 15-year amortization period such that RECO annually shall return \$652,082. The rates established in the Stipulation continue the annual return of \$652,082 of the surplus over the remaining 12 years and one (1) month of the 15-year amortization period established in BPU Docket No. ER16050428.
14. Regulatory Assets/Deferral Balances. The Parties acknowledge that the stipulated revenue increase includes \$4.783 million annually for the recovery over a four (4)-year period of regulatory assets requested in this rate filing. This amount does not include the amortization of the accumulated depreciation reserve surplus and the recovery of net salvage, which are addressed in other paragraphs of the Stipulation. This amortization does not include any carrying charges. In the event that the Company files a base rate case ("Subsequent Rate Case"), with base rates to become effective within four (4) years of the Effective Date, the Company will be allowed to recover any unrecovered balance of regulatory assets requested in this rate filing (as reflected in the first sentence of Paragraph 14) in the Subsequent Rate Case. Regardless of when RECO files its next base rate case, the Parties

agree that the \$4.783 million amortization will be eliminated on February 1, 2024 and rates will be reduced to reflect the elimination of the \$4.783 million amortization. The rate decrease shall not be offset by alleged cost increases. The reduction of \$4.783 million will be accomplished through a uniform percentage decrease to base distribution charges to all SCs. The uniform percentage decrease will not be applied to customer charges. The base distribution rates that are revised as a result of the elimination of the amortization will be calculated using the billing determinants underlying the distribution rates established in this proceeding. If necessary, the Company will make a tariff filing by December 1, 2023 with the revised rates to be effective February 1, 2024.

15. Storm Reserve/Future Deferral. The Parties agree that the rates established in the Stipulation include an annual funding recovery allowance for the storm reserve of \$1 million. RECO's storm costs for an individual storm shall qualify for deferred accounting if RECO incurs incremental costs of \$300,000 and the storm caused 10% or more of the customers located in either (i) RECO's Bergen County service territory (approximately 58,600 customers), or (ii) RECO's combined Passaic County and Sussex County service territories (approximately 13,400 customers) to be without electric service. The Parties agree that RECO may petition the Board for approval of deferred accounting treatment for storm costs related to individual storms that are not subject to deferred accounting under the foregoing sentence.
16. Prior Proceedings. In its January 28, 2016 Decision and Order Approving Stipulation in I/M/O the Verified Petition of Rockland Electric Company For Establishment of a Storm Hardening Surcharge, Docket No. ER14030250 ("Storm Hardening Program Order"), the Board approved a Storm Hardening Program pursuant to which the Company would make a capital investment of up to \$15,724,100, with cost recovery pursuant to periodic rate adjustments on an interim basis (subject to refund), with prudence review and rate finalization in subsequent base rate cases. Certain Storm Hardening Program project costs were included in final base rates approved in the Board's 2017 Base Rate Order. The remaining Storm Hardening Program project costs were included in base rates for recovery on a provisional basis pursuant to (i) the Board's March 26, 2018 Decision and Order Approving Stipulation in I/M/O the Petition of Rockland Electric Company for Approval of Electric Base Rate Adjustments Pursuant to the Storm Hardening Program, BPU Docket No. ER17101066 ("2018 SHP Order"); and (ii) the Board's March 13, 2019 Decision and Order Approving Stipulation in I/M/O the Petition of Rockland Electric Company for Approval of Electric Base Rate Adjustments Pursuant to the Storm Hardening Program, BPU Docket No. ER18101114 ("2019 SHP Order"). The Parties agree that the Stipulation finalizes the base rate recovery for all Storm Hardening Program costs, including for costs approved on a provisional basis pursuant to the 2018 SHP Order and the 2019 SHP Order. The Parties agree that the Stipulation resolves AMI Program cost recovery and all other outstanding issues from the Board's August 23, 2017 Decision and Order in I/M/O the Petition of Rockland Electric Company For Approval Of An Advanced Metering Program; and for Other Relief, BPU Docket No. ER16060524.
17. Tariff Changes. The Parties agree that it is appropriate for the Company to make the following revenue neutral changes to rates: (i) the block rates paid by SC No. 1 and SC No. 5 customers were set equal; and (ii) for SC No. 2 – Secondary

Demand Billed, 25% of the current usage rate differentials and a corresponding portion of demand rate differentials were eliminated and 2% of usage revenues were shifted to demand revenues. The Parties agree to making the following changes to the Tariff: (i) amend the Standby Service tariff definitions as described in the Electric Rate Panel's direct testimony with a clarification that Standby Service charges apply only to the technologies listed in N.J.S.A. 48:2-21.37; and (ii) add new LED light fixtures to SC Nos. 4 and 6. The Parties agree that all of the foregoing changes described in Paragraph 17 will be reflected in the compliance Tariff to be filed pursuant to Paragraph 18 below.

18. Compliance Tariff Filing. Upon approval of the Stipulation by the Board and the Board's issuance of a written Order, the Company will file a compliance Tariff filing showing the issued and effective dates to implement the terms of the Stipulation and the Board's written Order, and the revised Tariff leaves shall become effective on the Effective Date. The Company attached the Tariff leaves for Staff's and Rate Counsel's review in draft format as Schedule E of the Stipulation. In addition, since the distribution block rate structures of SC Nos. 1 and 5 are now equal, the Company will make a tariff filing to eliminate SC No. 5 after the Board approves common Basic Generation Service rates and Transmission Surcharge Rates for SC Nos. 1 and 5 in separate proceedings. If the Board does not approve either of these changes, the Company will not make such filing.

On January 15, 2020, ALJ Jones issued an Initial Decision accepting the terms of the Stipulation.

### **DISCUSSION AND FINDINGS**

In evaluating a proposed settlement, the Board must review the record, balance the interests of the ratepayers and the shareholders, and determine whether the settlement represents a reasonable disposition of the issues that will enable the Company to provide its New Jersey customers with safe, adequate and proper service at just and reasonable rates. In re Petition of Pub. Serv. Elec. & Gas, 304 N.J. Super. 247 (App. Div.), cert. denied, 152 N.J. 12 (1997). The Board recognizes that the parties worked diligently to negotiate a compromise that attempts to meet the needs of as many stakeholders as possible. The Board further recognizes that the Stipulation represents a balanced solution considering the many complex issues that were addressed during the proceeding.

Therefore, based on the Board's review and consideration of the record in this proceeding, the Board **HEREBY FINDS** the Initial Decision and Stipulation to be reasonable, in the public interest, and in accordance with the law. Accordingly, the Board **HEREBY ADOPTS** the attached Initial Decision and Stipulation in their entirety, and **HEREBY INCORPORATES** their terms and conditions as though fully set forth herein, subject to any terms and conditions set forth in this Order.

As a result of the Stipulation, a typical residential customer using 925 kWh per month will receive an annualized monthly increase of approximately \$10.08, or 6.1%.

The rates approved by this Order will become effective for service rendered on and after February 1, 2020.

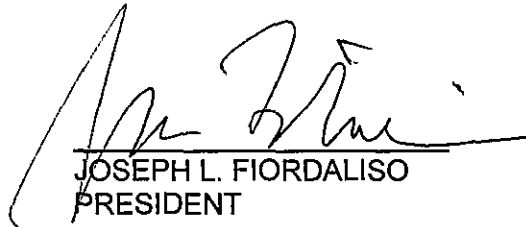
The Company is **HEREBY DIRECTED** to file tariff sheets consistent with this Order by February 1, 2020.

The Company's rates remain subject to audit by the Board. This Decision and Order shall not preclude the Board from taking any actions deemed to be appropriate as a result of any Board audit.

This Order shall be effective on January 30, 2020.

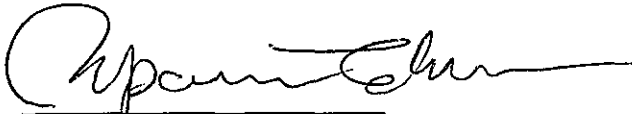
DATED: 1/22/20

BOARD OF PUBLIC UTILITIES  
BY:

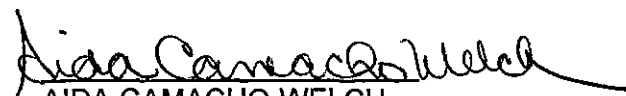
  
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COMMISSIONER

  
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.

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  
OAL DOCKET NO. PUC 07548-2019

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STATE OF NEW JERSEY  
OFFICE OF ADMINISTRATIVE LAW

INITIAL DECISION

SETTLEMENT

OAL DKT. NO. PUC 07548-19

AGENCY DKT. NO. ER19050552

IN THE MATTER OF THE VERIFIED PETITION  
OF ROCKLAND ELECTRIC COMPANY FOR APPROVAL OF  
CHANGES IN ELECTRIC RATES, ITS TARIFF FOR  
ELECTRIC SERVICES, AND ITS DEPRECIATION  
RATES; AND FOR OTHER RELIEF,

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**James C. Meyer**, Esq., Riker Danzig Scherer Hyland & Perritt, LLP, and  
**John L. Carley**, Esq., Associate General Counsel, for the Petitioner,  
Rockland Electric Company

**Brian O. Lipman**, Esq., Litigation Manager, **Ami Morita**, Deputy Rate Counsel,  
**Christine M. Juarez**, Esq., **Maria Novas Ruiz**, Esq., **T. David Wand**, Esq.,  
Assistant Deputies Rate Counsel, Division of Rate Counsel (Stefanie A.  
Brand, Esq., Director)

**Matko Ilic** and **Peter Van Brunt**, Deputy Attorneys Generals, for the Staff of the  
New Jersey Board of Public Utilities (Gurbir S. Grewal, Attorney General of  
New Jersey)

Record Closed: January 9, 2020

Decided: January 15, 2020

Before **IRENE JONES**, ALJ

**STATEMENT OF THE CASE**

On May 3, 2019, Petitioner, Rockland Electric Company ("Petitioner" or "Company") filed a Verified Petition with the State Board of Public Utilities ("Board") seeking to increase its base rates by approximately \$19.9 million or 9.6%. Additionally, the Company sought approval of other changes to its rates and tariffs as set forth in the petition. On October 29, 2019, the Company updated its filing on 12 + 0 basis and projected a revenue deficiency of \$20.3 million or 9.5% on a total revenue basis.

On or about June 5, 2019, the Board transmitted the matter to the Office of Administrative Law for hearing as contested case pursuant to N.J.S.A. 52:14B-1 to 15 and N.J.S.A. 52:14F-1 to 13. A prehearing conference was held on August 12, 2019 wherein a procedural schedule was established. Present at the prehearing conference was the Company, the Board Staff and the Division of Rate Counsel. Public hearings were held in the Company's service territory on December 13, 2019.

Prior to the start of the evidentiary hearings, the parties exchanged extensive discovery and engaged in numerous discovery and settlement conferences. On January 9, 2020, the parties filed a Stipulation of Settlement with the undersigned.

I have reviewed the record and the terms of the Stipulation of Settlement and I  
**FIND:**

1. The parties have voluntarily agreed to the settlement as evidenced by their signatures or the signatures of their representatives.
2. The settlement fully disposes of all issues in controversy and is consistent with the law.

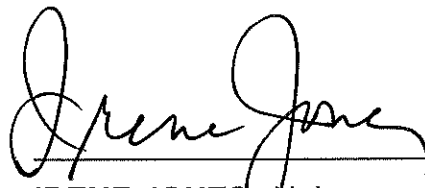
Therefore, it is **ORDERED** that the parties comply with the settlement terms and that these proceedings be and are hereby **CONCLUDED**.

I hereby **FILE** my initial decision with the **BOARD OF PUBLIC UTILITIES** for consideration.

This recommended decision may be adopted, modified or rejected by the **BOARD OF PUBLIC UTILITIES**, which by law is authorized to make a final decision in this matter. If the Board of Public Utilities does not adopt, modify or reject this decision within forty-five (45) days and unless such time limit is otherwise extended, this recommended decision shall become a final decision in accordance with N.J.S.A. 52:14B-10.

January 15, 2020

\_\_\_\_\_  
DATE

  
\_\_\_\_\_  
IRENE JONES ALJ

Date Received at Agency:

January 15, 2020

Date Mailed to Parties:

\_\_\_\_\_

mm



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Partner

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ATTORNEYS AT LAW

January 9, 2020

**Via Email and Hand Delivery**

Hon. Irene Jones  
Administrative Law Judge  
Office of Administrative Law  
33 Washington Street  
Newark, New Jersey 07102

Re: 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

Dear Judge Jones:

Enclosed please find three copies of a Stipulation of Settlement executed by Petitioner Rockland Electric Company ("RECO"), the Division of Rate Counsel ("Rate Counsel") and Staff of the Board of Public Utilities ("Board"), who are the full parties to this matter.

It is the parties' intention that the Stipulation should be addressed by the Board at its January 22, 2020 agenda meeting so that rates may become effective February 1, 2020 as reflected in the Stipulation. We therefore respectfully request that Your Honor review the Stipulation expeditiously.

Kindly have your staff stamp the extra copied filed and return in the enclosed postage-paid envelope.

Thank you for your kind consideration of this matter.

Respectfully submitted,

A blue ink signature of James C. Meyer, consisting of stylized initials and a surname.

James C. Meyer

c: Attached Service List (by email, with mail to designees)

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## SERVICE LIST

I/M/O 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 [December 23, 2019]

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## SERVICE LIST

I/M/O 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 [December 23, 2019]

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## SERVICE LIST

I/M/O 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 [December 23, 2019]

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STATE OF NEW JERSEY  
BOARD OF PUBLIC UTILITIES  
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I/M/O THE VERIFIED PETITION OF	:	
ROCKLAND ELECTRIC COMPANY FOR	:	BPU Docket No. ER19050552
APPROVAL OF CHANGES IN ELECTRIC	:	OAL Docket No. PUC 07548-2019
RATES, ITS TARIFF FOR ELECTRIC	:	
SERVICE, AND ITS DEPRECIATION	:	
RATES; AND FOR OTHER RELIEF	:	
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**STIPULATION OF SETTLEMENT**

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THIS STIPULATION OF SETTLEMENT (“Stipulation” or “Settlement”) is made as of January 8, 2020 by and among Rockland Electric Company (“RECO” or “Company”), the New Jersey Division of Rate Counsel (“Rate Counsel”) and Staff of the New Jersey Board of Public Utilities (“Staff”) (referred to herein individually as a “Party” and collectively as the “Parties”).

On May 3, 2019, RECO filed a Verified Petition (“Petition”) in the base rate proceeding captioned above in BPU Docket No. ER19050552 (“Base Rate Case”). The Petition consisted of the following: 1) A request for an increase in RECO’s base electric distribution rates and charges; 2) Changes to certain electric and general plant depreciation rates, various tariff changes; 3) A determination of prudence of Storm Hardening Program investments; 4) A

determination that implementation and costs of its Advanced Metering Infrastructure (“AMI”) Program were prudent, including approval of its proposal for recovery of the net book value of legacy meters, 5) Rate design and tariff determinations, and other relief. The Company’s filing contained the Petition, Exhibits to the Petition, various schedules, and pre-filed direct testimony. The Petition provided that the increased distribution rates and charges in the Company’s proposed tariff were designed to produce additional revenues of \$19.9 million, or a 9.6% increase based upon total revenues calculated using the Company’s current rates and projected sales for the 12-month test year period ended September 30, 2019, subject to increase or decrease upon the Company’s filing of updated information.

On May 28, 2019, the Board issued an Order Suspending Increases, Changes or Alterations in Rates for Service that suspended proposed revised rates until October 2, 2019. On September 27, 2019, the Board issued a further Order Suspending Increases, Changes or Alterations in Rates for Service that suspended proposed revised rates until February 3, 2020.

The Petition was transmitted to the Office of Administrative Law (“OAL”) for evidentiary hearings and assigned to the Honorable Irene Jones, Administrative Law Judge (“ALJ”) (Retired on recall). ALJ Jones held an in-person Prehearing Conference on August 12, 2019. ALJ Jones issued a Prehearing Order dated August 29, 2019, establishing a procedural schedule, including evidentiary hearings on January 13-17, 2020. No motions to intervene were filed. The Company, Staff and Rate Counsel are therefore the only full parties to the Base Rate Case. Public Service Electric and Gas Company, Jersey Central Power & Light Company and Atlantic City Electric Company moved for and were granted participant status by ALJ Jones.

After proper notice to Municipal Clerks and County Executive Directors and public advertisement in a newspaper with circulation in the Company’s service territory, public

hearings on RECO's proposed distribution base rate increase were held on December 13, 2019, at 4:30 p.m. and 5:30 p.m., in Mahwah, New Jersey. No customers or public officials attended the public hearings and placed their comments on the record. A single representative from Local 825 Operating Engineers commented in support of RECO's rate filing. The Board received several letters in opposition to RECO's rate filing.

On July 30, 2019, the Company provided an update consisting of nine (9) months of actual data and three (3) months of estimated data ("9+3 Update") to the ALJ and the Parties. The 9+3 Update reflected an updated additional revenue requirement of \$20.4 million, or an increase of 9.9% on a total revenue basis. On October 29, 2019, the Company provided an update consisting of 12 months of actual data ("12+0 Update"), reflecting actuals for the full test year, to the ALJ and the Parties. The 12+0 Update reflected an additional revenue requirement of \$20.3 million, or an increase of 9.5%, on a total revenue basis.

On October 11, 2019, Rate Counsel filed the pre-filed direct testimony of its witnesses. On November 15, 2019, the Company filed the pre-filed rebuttal testimony of its witnesses.

Rate Counsel, Staff, and the Company engaged in extensive discovery. In total, the Company responded to approximately 700 formal discovery requests (not including additional subparts or responses to informal information requests) from Rate Counsel and Staff. Rate Counsel also responded to discovery directed to the testimony of its witnesses.

On November 25, 2019, and December 5, 2019, the Parties held in-person settlement conferences, followed by additional telephonic settlement conferences on December 10, 2019, and December 16, 2019. On December 19, 2019, the Parties advised ALJ Jones that they had reached a settlement in principle and would be submitting a stipulation for her consideration.

The Parties have reviewed the Petition and updates, discovery, detailed pre-filed

testimony, and information exchanged during the period of settlement discussions. As a result, the Parties have agreed to resolve reasonably, fully and finally all factual and legal issues in this Base Rate Case by this Stipulation. In consideration of the recitals and mutual promises and covenants set forth herein, the Parties DO HEREBY STIPULATE AND AGREE:

1. Effective Date. The Parties agree that the Board should issue a written Order approving this Stipulation so that revenue recovery and rates set forth herein shall become effective for service rendered on and after February 1, 2020 (the “Effective Date”).
2. Test Year. The Parties agree that the proper test year for establishing rates is the 12-month period ended September 30, 2019.
3. Distribution Revenue Requirement and Rate Adjustment. In the interest of achieving a satisfactory resolution of the issues to be decided in this proceeding, the Parties agree to an addition to annual distribution revenues of \$12.0 million, which equates to an increase in overall revenues of 5.6%. The Parties agree that RECO’s rates will be just and reasonable after they are adjusted to generate an additional \$12.0 million in annual distribution revenues for service rendered on and after the Effective Date, and will provide a level of revenues necessary so that the Company can continue to provide safe, adequate, and proper service.
4. Rate Base. The rate base is \$229,875,000.
5. Rate of Return. The overall rate of return, before income tax gross up, for purposes of this Settlement, is 7.11%, as set forth in Schedule A attached hereto. This is based upon a return on common equity of 9.50% and an embedded cost rate of long-term debt of 4.88%. The Parties agree that the capital structure for purposes of this Settlement is 51.68% long-term debt and 48.32% common equity.

6. Determination of Revenue Requirement. The determination of the stipulated revenue requirement is reflected on attached Schedule A.

7. Consolidated Tax Adjustment. The Parties acknowledge that the stipulated revenue increase reflects consideration of a consolidated income tax adjustment.

8. Rates. The Parties agree that Schedule B summarizes the revised electric distribution rates that shall be implemented on the Effective Date and that shall be included in revised Tariff leaves. The revised rates set forth in Schedule B implement the terms of this Stipulation regarding revenue requirements and rates. The revised rates set forth in Schedule B were designed with consideration of the Company-sponsored embedded cost of service study surplus and deficiency indications. Before applying any revenue increase, revenue neutral changes were implemented in Service Classification (“SC”) Nos. 1, 2, and 5 as described in Paragraph 17. Thereafter, distribution rates were developed within each SC by applying uniform percentage increases, specific to each SC: (1) to all distribution rates, excluding customer charges in non-demand billed classes; and (2) to demand distribution rates only in demand-billed classes. Increases to any SC were limited such that no SC would receive a distribution increase that was more than 1.1 times the overall distribution increase percentage. The customer charges for the SC Nos. 1 and 5 classes were increased at the overall distribution increase percentage while customer charges for the remaining SCs, except for SC No. 7 – High Voltage Distribution, were increased to move the customer charges closer to the cost of service study indications. The SC No. 7 High Voltage Distribution customer charge was kept at its current level. The Parties agree that Schedule C, attached hereto, demonstrates that the rates to be implemented by RECO are designed to produce an additional \$12.0 million in revenues. SC No. 1 (Residential Service) will include an increase in the monthly customer charge from \$4.25 to \$5.07, exclusive of

applicable sales taxes, among other rate changes.

9. Additionally, the Company agrees to submit, as part of its next base rate case, the Staff average and peak cost of service study. Submission of the Staff cost of service study in the next base rate case does not imply endorsement of the Staff methodology by the Company. The Company, as well as any other party in the future proceeding, is free to submit its preferred cost of service and supporting work papers.

10. Residential Bill Impacts. As a result of this Stipulation, a typical residential customer using 925 kWh per month will receive an annualized monthly increase of approximately \$10.08 or 6.1% on a total revenue basis from \$165.66 to \$175.74.

11. Depreciation. RECO will implement the depreciation lives, life tables, rates and amortizations for electric distribution and general plant as shown on Schedule D.

12. Net Salvage. The Parties agree that from January 1, 2017 through September 30, 2019, RECO incurred actual negative net salvage costs (i.e., gross salvage less gross removal costs) of \$5,238,077, which exceeded by \$2,454,900 (the “Net Salvage Deficiency”) the Company’s net salvage allowance for that period of \$2,783,177 (based on an annual allowance of \$1,024,000). RECO shall recover the Net Salvage Deficiency in rates over a three (3)-year amortization period such that RECO annually shall recover \$818,300 of the Net Salvage Deficiency. In addition, the Parties also agree that the rates established in this Stipulation reflect a going-forward annual net salvage recovery allowance of \$1,285,464.

13. Accumulated Depreciation Reserve. In the 2017 Base Rate Order, the Board recognized a \$9,781,234 surplus in the accumulated reserve for depreciation on RECO’s distribution plant assets as of February 28, 2017, and approved RECO’s return of that amount in rates over a 15-year amortization period such that RECO annually shall return \$652,082. The

rates established in this Stipulation continue the annual return of \$652,082 of the surplus over the remaining 12 years and one (1) month of the 15-year amortization period established in BPU Docket No. ER16050428.

14. Regulatory Assets/Deferral Balances. The Parties acknowledge that the stipulated revenue increase includes \$4.783 million annually for the recovery over a four (4)-year period of regulatory assets requested in this rate filing. This amount does not include the amortization of the accumulated depreciation reserve surplus and the recovery of net salvage, which are addressed in other paragraphs of this Stipulation. This amortization does not include any carrying charges. In the event that the Company files a base rate case (“Subsequent Rate Case”), with base rates to become effective within four (4) years of the Effective Date, the Company will be allowed to recover any unrecovered balance of regulatory assets requested in this rate filing (as reflected in the first sentence of this paragraph) in the Subsequent Rate Case. Regardless of when RECO files its next base rate case, the Parties agree that the \$4.783 million amortization will be eliminated on February 1, 2024 and rates will be reduced to reflect the elimination of the \$4.783 million amortization. The rate decrease shall not be offset by alleged cost increases. The reduction of \$4.783 million will be accomplished through a uniform percentage decrease to base distribution charges to all SCs. The uniform percentage decrease will not be applied to customer charges. The base distribution rates that are revised as a result of the elimination of the amortization will be calculated using the billing determinants underlying the distribution rates established in this proceeding. If necessary, the Company will make a tariff filing by December 1, 2023 with the revised rates to be effective February 1, 2024.

15. Storm Reserve/Future Deferral. The Parties agree that the rates established in this Stipulation include an annual funding recovery allowance for the storm reserve of \$1 million.

RECO's storm costs for an individual storm shall qualify for deferred accounting if RECO incurs incremental costs of \$300,000 and the storm caused 10% or more of the customers located in either (i) RECO's Bergen County service territory (approximately 58,600 customers), or (ii) RECO's combined Passaic County and Sussex County service territories (approximately 13,400 customers) to be without electric service. The Parties agree that RECO may petition the Board for approval of deferred accounting treatment for storm costs related to individual storms that are not subject to deferred accounting under the foregoing sentence.

16. Prior Proceedings. In its January 28, 2016 Decision and Order Approving Stipulation in *I/M/O the Verified Petition of Rockland Electric Company For Establishment of a Storm Hardening Surcharge*, Docket No. ER14030250 ("Storm Hardening Program Order"), the Board approved a Storm Hardening Program pursuant to which the Company would make a capital investment of up to \$15,724,100, with cost recovery pursuant to periodic rate adjustments on an interim basis (subject to refund), with prudence review and rate finalization in subsequent base rate cases. Certain Storm Hardening Program project costs were included in final base rates approved in the Board's 2017 Base Rate Order. The remaining Storm Hardening Program project costs were included in base rates for recovery on a provisional basis pursuant to (i) the Board's March 26, 2018 Decision and Order Approving Stipulation in *I/M/O the Petition of Rockland Electric Company for Approval of Electric Base Rate Adjustments Pursuant to the Storm Hardening Program*, BPU Docket No. ER17101066 ("2018 SHP Order"); and (ii) the Board's March 13, 2019 Decision and Order Approving Stipulation in *I/M/O the Petition of Rockland Electric Company for Approval of Electric Base Rate Adjustments Pursuant to the Storm Hardening Program*, BPU Docket No. ER18101114 ("2019 SHP Order"). The Parties agree that this Stipulation finalizes the base rate recovery for all Storm Hardening Program costs,



including for costs approved on a provisional basis pursuant to the 2018 SHP Order and the 2019 SHP Order. The Parties agree that this stipulation resolves AMI Program cost recovery and all other outstanding issues from the Board's August 23, 2017 Decision and Order in in *I/M/O the Petition of Rockland Electric Company For Approval Of An Advanced Metering Program; And For Other Relief*, BPU Docket No. ER16060524.

17. Tariff Changes. The Parties agree that it is appropriate for the Company to make the following revenue neutral changes to rates: (i) the block rates paid by SC No. 1 and SC No. 5 customers were set equal; and (ii) for SC No. 2 – Secondary Demand Billed, 25% of the current usage rate differentials and a corresponding portion of demand rate differentials were eliminated and 2% of usage revenues were shifted to demand revenues. The Parties agree to making the following changes to the Tariff: (i) amend the Standby Service tariff definitions as described in the Electric Rate Panel's direct testimony with a clarification that Standby Service charges apply only to the technologies listed in N.J.S.A. 48:2-21.37; and (ii) add new LED light fixtures to SC Nos. 4 and 6. The Parties agree that all of the foregoing changes described in this Paragraph will be reflected in the compliance Tariff to be filed pursuant to Paragraph 18 below.

18. Compliance Tariff Filing. Upon approval of this Stipulation by the Board and the Board's issuance of a written Order, the Company will file a compliance Tariff filing showing the issued and effective dates to implement the terms of this Stipulation and the Board's written Order, and the revised Tariff leaves shall become effective on the Effective Date. The Company attached the Tariff leaves for Staff's and Rate Counsel's review in draft format as Schedule E. In addition, since the distribution block rate structures of SC Nos. 1 and 5 are now equal, the Company will make a tariff filing to eliminate SC No. 5 after the Board approves common Basic Generation Service rates and Transmission Surcharge Rates for SC Nos. 1 and 5 in separate

proceedings. If the Board does not approve either of these changes, the Company will not make such filing.

19. Schedules. All schedules referenced in and attached to this Stipulation are incorporated by reference herein as if set forth in the body of this Stipulation.

20. Voluntariness. The Parties agree that this Stipulation is voluntary, consistent with law, and fully dispositive of the issues addressed herein. The Parties have entered this Stipulation after consideration of the Petition and updates, the pre-filed testimony of the Parties, and discovery in this matter.

21. Board Approval. The Parties agree that the Board should issue an Order that adopts this Stipulation and thereby: (i) authorizes RECO to increase its electric distribution rates to achieve an additional \$12.0 million in annual revenues; and (ii) approves the agreed-upon electric distribution rates set forth in Schedule B and Schedule E as just and reasonable on the Effective Date determined in accordance with this paragraph. Each Party agrees to use its best efforts to ensure this Stipulation is submitted to the ALJ and Board in a timely fashion and to urge the ALJ and Board to issue expeditiously their approvals of this Stipulation as the earliest date practicable, and issuing and serving a written Order approving this Stipulation and the revenue recovery and rates and charges established herein expeditiously thereafter. The Parties hereby request that the Board: (i) address this matter no later than at its agenda meeting scheduled for January 22, 2020; (ii) that the Board thereafter expeditiously issue and serve a written Order approving this Stipulation and the revenue recovery and rates and charges established herein and set an expedited Effective Date; and (iii) that the Board set an Effective Date of February 1, 2020, because the Company will request an expedited order in accordance with the Board Secretary's protocols therefor. The Parties' agreements above are consistent with

their understanding that the Board's written Order approving this Stipulation will become effective in accordance with N.J.S.A. 48:2-40 upon the service of said Order or upon such date after service as the Board may specify.

22. Waiver of Rights of Appeal. Each Party specifically waives any right it may have to seek reconsideration of or to appeal an order by the Board that approves this Stipulation in the manner provided for herein without modification.

23. Rights Upon Disapproval or Modification. This Stipulation contains mutually balancing and interdependent provisions and is intended to be accepted and approved in its entirety. This Stipulation is an integral settlement and the various parts hereof are not severable without upsetting the balance of agreements and compromises achieved among the Parties. In the event the Board disapproves this Stipulation as a whole, it shall be null and void. In the event that any particular aspect of this Stipulation is not accepted and approved by the Board in its entirety, without modification, or is modified by a court of competent jurisdiction: (i) the Parties are not waiving any legal or procedural rights, arguments or claims they may have before the Board or in any forum, and (ii) this Stipulation shall, at the option and discretion of any Party aggrieved thereby, exercised by written notice to the other Parties within ten (10) days after receipt of any such adverse decision, be null and void in which case the Parties shall be placed in the same position that they were in immediately prior to its execution.

24. Party Reservations. This Stipulation represents a negotiated compromise resolution that has been made exclusively for the purpose of resolving the base rate issues addressed in the above-captioned case and docket, including issues regarding the requested inclusion of RECO's storm hardening and AMI programs costs into base rates. Although binding on the Parties with respect to the issues resolved herein in this proceeding, this

Stipulation, in total or by specific item, is in no way binding upon the Parties and is not to be considered or cited as precedent in favor of or against their respective positions on any issue in any other proceeding, except to enforce the terms of this Stipulation. The Parties agree that the resolution of the issues herein shall apply only to the above-captioned case and that any similar future cases shall be reviewed by the Board on an individual basis, except as specifically set forth herein. This Stipulation is without prejudice to the positions of the respective Parties with respect to any future base rate cases or other proceedings involving the Company, except as specifically set forth herein. Further, by executing this Stipulation, no Party waives any rights it possesses under any prior Stipulation or Board Order, except where the terms of this Stipulation supersede such prior Stipulation.

25. Governing Law. This Stipulation shall be governed and construed in accordance with the laws of the State of New Jersey.

26. Execution. This Stipulation may be executed in one or more counterparts, and shall become effective when one or more counterparts have been signed by each of the Parties. Each Party has caused its duly authorized representative to execute below and deliver this Stipulation.

ROCKLAND ELECTRIC COMPANY

By:  \_\_\_\_\_  
James C. Meyer, Esq.  
RIKER DANZIG SCHERER  
HYLAND & PERRETTI, LLP

Title: Counsel

STEFANIE BRAND  
Director, Division of Rate Counsel

By: \_\_\_\_\_  
Brian O. Lipman, Esq.

Title: Litigation Manager

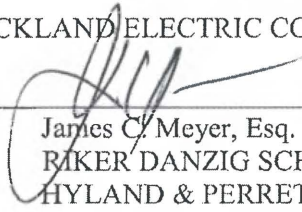
GURBIR S. GREWAL  
ATTORNEY GENERAL OF NEW  
JERSEY  
Attorney for the Staff of the Board of Public  
Utilities

By: \_\_\_\_\_  
Matko Ilic, Esq.

Title: Deputy Attorney General

ROCKLAND ELECTRIC COMPANY

By: \_\_\_\_\_

  
James C. Meyer, Esq.  
RIKER DANZIG SCHERER  
HYLAND & PERRETTI, LLP

Title: Counsel

STEFANIE BRAND

Director, Division of Rate Counsel

By: \_\_\_\_\_

Brian O. Lipman, Esq.


Title: Litigation Manager

GURBIR S. GREWAL

ATTORNEY GENERAL OF NEW  
JERSEY

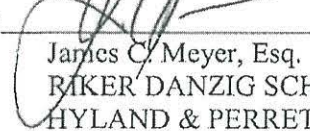
Attorney for the Staff of the Board of Public  
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By: \_\_\_\_\_

  
Matko Ilic, Esq.

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Brian O. Lipman, Esq.

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11/9/2020

GURBIR S. GREWAL

ATTORNEY GENERAL OF NEW  
JERSEY

Attorney for the Staff of the Board of Public  
Utilities

By:   
Matko Ilic, Esq.

Title: Deputy Attorney General

**ROCKLAND ELECTRIC COMPANY**  
Case ER19050552  
Settlement Agreement  
Computation of Distribution Revenue Requirement  
For the Twelve Months Ended September 30, 2019  
(\$000s)

Revenue Requirement Change	(12+0) Test Year Submitted by Company	Settlement Adjustments	Revenue Requirement Increase
Electric Rate Base	\$ 253,275	\$ (23,400)	\$ 229,875
Overall Rate of Return	7.37%		7.11%
Required Return	18,666	(2,322)	16,344
Income Available for Return	4,098	3,638	7,736
Additional Return Required	14,568	(5,960)	8,608
Divided By: Retention Factor	71.73%		71.73%
Additional Revenue Requirement	\$ 20,309	\$ (8,309)	\$ 12,000



**ROCKLAND ELECTRIC COMPANY**

Case ER19050552  
Settlement Agreement  
Consolidated Capital Structure

	Ratio	Cost Rate	Weighted Cost
Total Long Term Debt	51.68%	4.88%	2.52%
Total Common Stock Equity	<u>48.32%</u>	9.50%	<u>4.59%</u>
Total Capitalization	<u><u>100.00%</u></u>		<u><u>7.11%</u></u>

**ROCKLAND ELECTRIC COMPANY**  
**Calculation of Proposed Distribution Rates**  
**Including Sales and Use Tax @ 6.625%**

	Proposed Distribution <u>Excl SUT</u> (a)	Proposed Distribution <u>SUT</u> (b = a * 6.625%) 6.625%	Proposed Distribution <u>Incl SUT</u> (c = a + b)
<b>Service Classification Nos. 1 and 5</b>			
Customer Charge (\$/mo)	5.07	0.34	5.41
Energy:			
First 600 kWh -S (\$/kWh)	0.05008	0.00332	0.05340
First 600 kWh -W (\$/kWh)	0.05008	0.00332	0.05340
Over 600 kWh -S (\$/kWh)	0.06307	0.00418	0.06725
Over 600 kWh -W (\$/kWh)	0.05008	0.00332	0.05340
<b>Service Classification No. 2 Unmetered</b>			
Customer Charge (\$/mo) Unmetered	13.13	0.87	14.00
Energy:			
All kWh -S (\$/kWh)	0.03603	0.00239	0.03842
All kWh -W (\$/kWh)	0.03265	0.00216	0.03481
<b>Service Classification No. 2 Non-demand Metered</b>			
Customer Charge (\$/mo) Non-demand Metered	15.01	0.99	16.00
Energy:			
All kWh -S (\$/kWh)	0.03603	0.00239	0.03842
All kWh -W (\$/kWh)	0.03265	0.00216	0.03481
<b>Service Classification No. 2 Secondary</b>			
Customer Charge (\$/mo) Secondary	19.70	1.31	21.01
Demand:			
First 5 kW -S (\$/kW)	3.60	0.24	3.84
First 5 kW -W (\$/kW)	3.01	0.20	3.21
Over 5 kW -S (\$/kW)	5.68	0.38	6.06
Over 5 kW -W (\$/kW)	4.78	0.32	5.10
Energy:			
First 4,920 kWh -S (\$/kWh)	0.03068	0.00203	0.03271
First 4,920 kWh -W (\$/kWh)	0.02896	0.00192	0.03088
Second Block - Summer	0.02679	0.00177	0.02856
Second Block - Winter	0.02621	0.00174	0.02795
<b>Service Classification No. 2 Space Heating</b>			
Space Heat -S (\$/kWh)	0.05093	0.00337	0.05430
Space Heat -W (\$/kWh)	0.03057	0.00203	0.03260

**ROCKLAND ELECTRIC COMPANY**  
**Calculation of Proposed Distribution Rates**  
**Including Sales and Use Tax @ 6.625%**

**Service Classification No. 2 Primary**

Customer Charge (\$/mo)	86.28	5.72	92.00
Demand:			
All kW -S (\$/kW)	7.74	0.51	8.25
All kW -W (\$/kW)	6.62	0.44	7.06
Energy:			
All kWh -S (\$/kWh)	0.01393	0.00092	0.01485
All kWh -W (\$/kWh)	0.01393	0.00092	0.01485

**Service Classification No. 3**

Customer Charge (\$/mo)	8.44	0.56	9.00
Energy:			
Peak -S (\$/kWh)	0.06737	0.00446	0.07183
Peak -W (\$/kWh)	0.06044	0.00400	0.06444
Off Peak - Summer	0.02427	0.00161	0.02588
Off Peak - Winter	0.02427	0.00161	0.02588

**Service Classification No. 7**

Customer Charge (\$/mo)	234.47	15.53	250.00
Demand			
Period I (\$/kW)	3.91	0.26	4.17
Period II (\$/kW)	0.96	0.06	1.02
Period III (\$/kW)	3.58	0.24	3.82
Period IV (\$/kW)	0.96	0.06	1.02
Energy:			
Period I (\$/kWh)	0.01660	0.00110	0.01770
Period II (\$/kWh)	0.01243	0.00082	0.01325
Period III (\$/kWh)	0.01660	0.00110	0.01770
Period IV (\$/kWh)	0.01243	0.00082	0.01325

**Service Classification No. 7 - High Voltage Distribution**

Customer Charge (\$/mo)	2,145.95	142.17	2,288.12
Demand			
Period I (\$/kW)	1.09	0.07	1.16
Period II (\$/kW)	0.25	0.02	0.27
Period III (\$/kW)	1.00	0.07	1.07
Period IV (\$/kW)	0.25	0.02	0.27
Energy:			
Period I (\$/kWh)	0.00190	0.00013	0.00203
Period II (\$/kWh)	0.00142	0.00009	0.00151
Period III (\$/kWh)	0.00190	0.00013	0.00203
Period IV (\$/kWh)	0.00142	0.00009	0.00151

**Service Classification No. 7 Space Heating**

Space Heat -S (\$/kWh)	0.05337	0.00354	0.05691
Space Heat -W (\$/kWh)	0.03301	0.00219	0.03520

**ROCKLAND ELECTRIC COMPANY**  
**Calculation of Proposed Distribution Rates**  
**Including Sales and Use Tax @ 6.625%**

**Service Classification No. 4**

5800 SV (\$/luminaires/mo.)	8.38	0.56	8.94
9500 SV	9.10	0.60	9.70
16000 SV	11.07	0.73	11.80
27500 SV	14.13	0.94	15.07
46000 SV	22.92	1.52	24.44
16000 SV Offset	22.37	1.48	23.85
1000 OBI	5.55	0.37	5.92
4000MV	7.51	0.50	8.01
7900 MV	8.85	0.59	9.44
12000 MV	11.51	0.76	12.27
22500 MV	14.61	0.97	15.58
40000 MV	22.22	1.47	23.69
59000 MV	28.08	1.86	29.94
4000 MV	11.43	0.76	12.19
7900 MV	14.00	0.93	14.93
7900 MV Offset	16.44	1.09	17.53
3400 IN	8.77	0.58	9.35
5950 IN	8.93	0.59	9.52
8500 IN	10.09	0.67	10.76
5890 LED	9.60	0.64	10.24
9365 LED	11.79	0.78	12.57
3000 LED	7.70	0.51	8.21
3900 LED	7.55	0.50	8.05
5000 LED	7.57	0.50	8.07
7250 LED	7.89	0.52	8.41
12000 LED	8.87	0.59	9.46
16000 LED	9.30	0.62	9.92
22000 LED	13.63	0.90	14.53
15500 LED	10.72	0.71	11.43
27000 LED	13.67	0.91	14.58
37500 LED	14.89	0.99	15.88
15 Foot Brackets	0.52	0.03	0.55
Undrg - Co. Owned	19.13	1.27	20.40
Undrg - Cust. Owned	4.65	0.31	4.96

**ROCKLAND ELECTRIC COMPANY**  
**Calculation of Proposed Distribution Rates**  
**Including Sales and Use Tax @ 6.625%**

**Service Classification No. 6**

5800 SV (\$/luminaires/mo.)	6.08	0.40	6.48
9500 SV	7.30	0.48	7.78
16000 SV	7.83	0.52	8.35
5800 SV	8.45	0.56	9.01
9500 SV	9.28	0.61	9.89
16000 SV	11.40	0.76	12.16
27500 SV	14.62	0.97	15.59
46000 SV	24.13	1.60	25.73
46000 SV	24.13	1.60	25.73
16000 SV Offset	22.43	1.49	23.92
4000 MV	9.43	0.62	10.05
7900 MV	10.90	0.72	11.62
22500 MV	17.38	1.15	18.53
4000 MV	10.37	0.69	11.06
7900 MV	11.85	0.79	12.64
22500 MV	18.41	1.22	19.63
1000 In	8.43	0.56	8.99
12000 MV	14.90	0.99	15.89
40000 MV	26.98	1.79	28.77
59000 MV	33.60	2.23	35.83
3400 IN	9.09	0.60	9.69
5950 IN	9.29	0.62	9.91
8500 IN	10.47	0.69	11.16
5890 LED	9.96	0.66	10.62
9365 LED	12.25	0.81	13.06
3000 LED	7.70	0.51	8.21
3900 LED	7.55	0.50	8.05
5000 LED	7.57	0.50	8.07
7250 LED	7.89	0.52	8.41
12000 LED	8.87	0.59	9.46
16000 LED	9.30	0.62	9.92
22000 LED	13.63	0.90	14.53
15500 LED	10.72	0.71	11.43
27000 LED	13.67	0.91	14.58
37500 LED	14.89	0.99	15.88
3950 LED	7.10	0.47	7.57
5550 LED	7.20	0.48	7.68
7350 LED	7.27	0.48	7.75
15 Foot Brackets	0.59	0.04	0.63

**ROCKLAND ELECTRIC COMPANY**  
**Calculation of Proposed Distribution Rates**  
**Including Sales and Use Tax @ 6.625%**

**Service Classification No. 6 (Continued)**

Customer Charge - Metered	13.13	0.87	14.00
Customer Charge - Unmetered	2.81	0.19	3.00
Energy (kWh) - Summer	0.05369	0.00356	0.05725
Energy (kWh) - Winter	0.05369	0.00356	0.05725

**ROCKLAND ELECTRIC COMPANY****Summary of Total Revenue Impacts**

<u>Service Classification</u>	<u>Total Sales (MWh)</u>	<u>Total Current Revenue (\$000s)</u>	<u>Total Proposed Revenue (\$000s)</u>	<u>Change (\$000s)</u>	<u>Percent Change</u>
SC1 Res Svc & SC5 Res Space Heating	700,202	\$115,300.6	\$122,536.9	\$7,236.2	6.3%
SC2 Sec Non Dmd Billed	6,694	954.9	1,038.9	84.0	8.8%
SC2 Sec Dmd Billed	491,771	64,491.9	68,049.4	3,557.5	5.5%
SC2 Space Heating	19,231	2,078.4	2,200.7	122.3	5.9%
SC2 Pri	75,938	8,297.3	8,532.7	235.4	2.8%
SC3 Res TOD Heating	281	37.8	39.9	2.1	5.5%
SC4 Public Street Lighting	5,221	1,294.8	1,452.6	157.8	12.2%
SC6 POL - Dusk to Dawn	3,456	608.6	690.3	81.7	13.4%
SC6 POL - Energy Only	2,004	242.6	259.1	16.5	6.8%
SC7 Pri	155,283	15,912.2	16,351.8	439.6	2.8%
SC7 High Voltage	53,542	3,823.8	3,845.9	22.1	0.6%
SC7 Space Heating	<u>5,535</u>	<u>560.6</u>	<u>601.1</u>	<u>40.5</u>	7.2%
	1,519,157	\$213,603.6	\$225,599.2	\$11,995.6	5.6%
Proposed Revenue Requirement				\$12,000.0	
Over/(Under)				(\$4.4)	

**Note:**

An estimated electric supply charge for retail access customers has been included in total revenues.

**ROCKLAND ELECTRIC COMPANY**  
AVERAGE SERVICE LIVES, NET SALVAGE  
ANNUAL DEPRECIATION RATES AND LIFE TABLES  
(EFFECTIVE 2/1/2020)

PSC ACCT NUMBER	ACCOUNT DESCRIPTION	LIFE TABLE	A S L	SALVAGE	ANNUAL RATE %
<b><u>ELECTRIC PLANT</u></b>					
<b><u>INTANGIBLE PLANT</u></b>					
301000	ORGANIZATION	-	-	-	-
302000	FRANCHISES & CONSENTS	-	-	-	-
<b><u>TRANSMISSION PLANT</u></b>					
350000	LAND AND LAND RIGHTS - EASEMENTS	-	-	-	-
350100	LAND AND LAND RIGHTS - FEE	-	-	-	-
351000	ENERGY STORAGE TRANS	h 1.50		15	6.67
352000	STRUCTURES AND IMPROVEMENTS	h 2.00		50	2.00
353000	STATION EQUIPMENT	h 1.50		35	2.86
354000	TOWERS AND FIXTURES	h 3.00		60	1.67
355000	POLES AND FIXTURES-WOOD	h 3.00		50	2.00
355100	POLES AND FIXTURES-STEEL	h 3.00		50	2.00
356000	OVERHEAD CONDUCTORS & DEVICES	h 2.00		50	2.00
356100	OVERHEAD COND & DEVICES-CLEARING	h 2.00		60	1.67
357000	UNDERGROUND CONDUIT	h 2.00		60	1.67
358000	UNDERGROUND CONDUCTOR & DEVICES	h 3.50		50	2.00
359000	ROADS AND TRAILS	h 3.00		60	1.67
<b><u>DISTRIBUTION PLANT</u></b>					
360000	LAND AND LAND RIGHTS - EASEMENTS	-	-	-	-
360100	LAND AND LAND RIGHTS - FEE	-	-	-	-
361000	STRUCTURES AND IMPROVEMENTS	h 2.75		55	1.82
362000	STATION EQUIPMENT	h 1.75		45	2.22
363000	ENERGY STORAGE EQUIPMENT	h 1.50		15	6.67
364000	POLES, TOWERS AND FIXTURES	h 1.00		59	1.69
365000	OVERHEAD CONDUCTORS AND DEVICES	h 1.75		70	1.43
365100	O/H COND AND DEVICES-CAPACITORS	h 1.50		30	3.33
366000	UNDERGROUND CONDUIT	h 3.00		75	1.33
367000	UNDERGROUND CONDUCTOR & DEVICES	h 3.00		65	1.54
367100	U.G. COND. AND DEVICES - CABLE CURE	h 3.50		65	1.54
368100	LINE TRANSFORMERS-OVERHEAD	h 1.00		50	2.00
368200	LINE TRANSFORMERS-O/H INSTALLS	h 1.00		50	2.00
368300	LINE TRANSFORMERS-UNDERGROUND	h 1.00		50	2.00
368400	LINE TRANSFORMERS-U/G INSTALLS	h 1.00		50	2.00
369100	SERVICES-OVERHEAD	h 2.50		60	1.67
369200	SERVICES-UNDERGROUND	h 3.50		60	1.67
370100	METERS - ELECTRO-MECHANICAL	h 1.00		25	4.00
370110	METERS - SOLID-STATE	h 1.00		20	5.00
370120	METERS - AMI METERS	h 2.25		20	5.00
370200	METER INSTALLATIONS - ELECTRO-MECHANICAL	h 1.00		25	4.00
370210	METER INSTALLATIONS - SOLID-STATE	h 1.00		20	5.00
370220	METER INSTALLATIONS - AMI	h 2.25		20	5.00
371000	INSTALLATION ON CUSTOMER PREMISES	h 2.50		40	2.50
373100	STREET LIGHTS-OVERHEAD	h 1.00		45	2.22
373200	STREET LIGHTS-UNDERGROUND	h 1.00		45	2.22



**ROCKLAND ELECTRIC COMPANY**  
AVERAGE SERVICE LIVES, NET SALVAGE  
ANNUAL DEPRECIATION RATES AND LIFE TABLES  
(EFFECTIVE 2/1/2020)

PSC ACCT NUMBER	ACCOUNT DESCRIPTION	LIFE TABLE	A S L	SALVAGE	ANNUAL RATE %	
<b><u>ELECTRIC PLANT</u></b>						
<b><u>GENERAL PLANT EQUIPMENT</u></b>						
389100	LAND AND LAND RIGHTS - FEE	-	-	-	-	
390000	STRUCTURES AND IMPROVEMENTS	h 1.75		45	-	2.22
390104	LEASEHOLD IMPR. - LETHBRIDGE OFFICE		Remaining Life Amort based on Lease Term			Ends 08/01/2020
391100	OFFICE FURN/EQUIP-FURNITURE	(A)		20	-	5.00
391200	OFFICE FURN/EQUIP-OFFICE MACHINES	(A)		15	-	6.67
391700	OFFICE FURN/EQUIP-E.D.P.	(A)		8	-	12.50
393000	STORES EQUIPMENT	(A)		20	-	5.00
394000	TOOLS, SHOP AND WORK EQUIPMENT	(A)		20	-	5.00
394200	GARAGE EQUIPMENT	(A)		30	-	3.33
395000	LABORATORY EQUIPMENT	(A)		25	-	4.00
396000	POWER OPERATED EQUIPMENT	(A)		20	-	5.00
397000	COMMUNICATION EQUIPMENT	(A)		15	-	6.67
397100	COM. EQUIP-TELE SYS COMPUTER	(A)		8	-	12.50
397200	COMMUNICATION EQUIP-TELE SYS EQPT	(A)		15	-	6.67
398000	MISCELLANEOUS EQUIPMENT	(A)		20	-	5.00
<b><u>UNALLOCATED RESERVE AMORTIZATIONS</u></b>						
In addition to the depreciation produced by application of the above rates, the following additional amounts of depreciation are in effect:						
			<u>Amortization End Date</u>		<u>Annual Amount</u>	
699030	NET SALVAGE ALLOWANCE (CURRENT)		Until rates are reset		\$1,285,464	Effective 2/1/ 2020
699100	RESERVE VARIATION SURPLUS (2017 CASE)		15-year amortization, ending @Feb, 2032		(652,082)	Effective 3/1/ 2017
699110	RESERVE VARIATION RECOVERY (2019 CASE)		3-year amortization, ending @ Jan, 2023		818,300	Effective 2/1/ 2020
					<u>\$1,451,682</u>	
<b><u>PLANT HELD FOR FUTURE USE</u></b>						
360009	LAND & LAND RIGHTS - EASEMENTS - FUTURE USE	-	-	-	-	
360109	LAND & LAND RIGHTS - EASEMENTS - FEE	-	-	-	-	

(A) Effective August 1, 2014, capital recovery for general equipment assets is based on an amortization methodology

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Revised Leaf No. 4  
Superseding Revised Leaf No. 4

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(Continued)

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Mahwah, New Jersey 07430

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Revised Leaf No. 31  
Superseding Revised Leaf No. 31

GENERAL INFORMATION

No. 17 EXTENSION OF LINES AND FACILITIES (Continued)  
APPENDIX A

EXHIBIT I  
UNIT COSTS OF UNDERGROUND CONSTRUCTION  
SINGLE PHASE

	<u>ITEM</u>	<u>UNIT</u>	<u>TOTAL COST</u>
(1)	Trenching	PER FOOT	\$11.70*
	Pavement Cutting and Restoration	PER FOOT	28.98
	Blasting and Rock Removal	PER FOOT	ACTUAL LOW BID
	Jack Hammering and Rock Removal	PER FOOT	ACTUAL LOW BID
(2)	Primary Cable ( #2 Aluminum)	PER FOOT	5.26
(3)	Secondary Cable		
	(a) 4/0 AAC Triplex	PER FOOT	3.93
	(b) 350 kcmil Aluminum	PER FOOT	4.89
(4)	Service (Installed in conduit, includes tap on, does not include trenching) Up to 200 AMP	PER FOOT	16.39
	Service (Installed in conduit, includes tap on, does not include trenching) Over 200 AMP	PER FOOT	18.34

\* Will be adjusted to reflect any contribution received from cable television companies.

(Continued)

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Revised Leaf No. 32  
Superseding Revised Leaf No. 32

GENERAL INFORMATION

No. 17 EXTENSION OF LINES AND FACILITIES (Continued)  
APPENDIX A

EXHIBIT I  
UNIT COSTS OF UNDERGROUND CONSTRUCTION  
SINGLE PHASE (Continued)

	<u>ITEM</u>	<u>UNIT</u>	<u>TOTAL COST</u>
(5)	Primary Termination /Riser	EACH	\$2,109.00
	Secondary Termination/Riser	EACH	1,105.00
(6)	Primary Junction Enclosure		
	(a) Single Phase Boxpad - Unfused	EACH	1,899.00
	(b) Single Phase Switch - Fused	EACH	8,681.00
(7)	Secondary Enclosure (Incl. Terminations)	EACH	481.00
(8)	Conduit (2" Schedule 40 PVC, installed)	PER FOOT	3.16
	Conduit (4" Schedule 40 PVC, installed)	PER FOOT	4.84
(9)	Street Light Cable #2 Triplex in Conduit	PER FOOT	6.54
(10)	Transformers, Including Pad		
	25 KVA	EACH	5,181.00
	50 KVA	EACH	5,508.00
	75 KVA	EACH	5,880.00
	100 KVA	EACH	6,496.00
	167 KVA	EACH	7,979.00
(11)	Street Lighting - U/G Feed 30' Pole (including arm & luminaire)	EACH	2,127.69

(Continued)

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Revised Leaf No. 33  
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GENERAL INFORMATION

No. 17 EXTENSION OF LINES AND FACILITIES (Continued)  
APPENDIX A

EXHIBIT II  
UNIT COSTS OF UNDERGROUND CONSTRUCTION  
THREE PHASE

	<u>ITEM</u>	<u>UNIT</u>	<u>TOTAL COST</u>
(1)	Primary Cable Installation		
	(a) 750 kcmil – 600A	PER CIRCUIT FOOT	\$100.11
	(b) 350 kcmil – 400A	PER CIRCUIT FOOT	57.54
	(c) 2/0 Cu – 200A	PER CIRCUIT FOOT	31.37
(2)	Secondary Cable Installation		
	350 kmcil 4-Wire	PER CIRCUIT FOOT	11.87
(3)	Service		
	350 kmcil AAC	PER CIRCUIT FOOT	21.94
(4)	Primary Termination /Riser		
	(a) 750 kcmil – 600A	EACH	1,123.00
	(b) 350 kcmil – 400A	EACH	909.00
	(c) 2/0 Cu – 200A	EACH	348.00
	(d) #2 Al – 100A	EACH	340.00
(5)	Primary Junction Box		
	(a) 200 A Installation Only	EACH	3,157.00
	(b) 2/0 AWG Termination	EACH	273.00
	(c) # 2 AWG Termination	EACH	277.00
(6)	Primary Switch - PMH FOR 400A OR 600A		
	(a) Switch Installation	EACH	24,287.00
	(b) 750 kcmil Termination	EACH	885.00
	(c) 350 kcmil Termination	EACH	636.00
	(d) 2/0 AWG Termination	EACH	348.00
	(e) #2 AWG Termination	EACH	340.00

(Continued)

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Superseding Revised Leaf No. 34

GENERAL INFORMATION

No. 17 EXTENSION OF LINES AND FACILITIES (Continued)  
APPENDIX A

EXHIBIT II  
UNIT COSTS OF UNDERGROUND CONSTRUCTION  
THREE PHASE (Continued)

	<u>ITEM</u>	<u>UNIT</u>	<u>TOTAL COST</u>
(7)	Primary Switch - Elliot for 200A		
	(a) Switch Installation	EACH	\$16,900.00
	(b) 2/0 AWG Termination	EACH	273.00
	(c) #2 AWG Termination	EACH	277.00
(8)	Conduit		
	(4" Schedule 40 PVC, installed)	PER FOOT	4.84
	(6" Schedule 40 PVC, installed)	PER FOOT	6.75
(9)	Transformers, Including Pad		
	150 KVA	EACH	14,137.00
	300 KVA	EACH	16,911.63
(10)	Concrete Pullbox		
	Materials	EACH	10,113.00
	Labor	EACH	ACTUAL LOW BID
(11)	Concrete Manhole		
	Materials	EACH	19,733.00
	Labor	EACH	ACTUAL LOW BID
(12)	Trenching - Mainline Construction	PER FOOT	ACTUAL LOW BID

(Continued)

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Revised Leaf No. 35  
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GENERAL INFORMATION

No. 17 EXTENSION OF LINES AND FACILITIES (Continued)  
APPENDIX A

EXHIBIT III  
UNIT COSTS OF OVERHEAD CONSTRUCTION  
SINGLE PHASE AND THREE PHASE

	<u>ITEM</u>	<u>UNIT</u>	<u>TOTAL COST</u>
(1)	Pole Line (Includes 45 ft. Poles Anchors & Guys)	PER FOOT	\$15.03*
(2)	Primary Wire		
	(a) Single Phase (3/0 ACSR)	PER FOOT	5.31
	(b) Three Phase (477 kmcil Aluminum)	PER FOOT	15.17
	(c) Three Phase (3/0 ACSR)	PER FOOT	13.13
	(d) Neutral	PER FOOT	3.34
(3)	Secondary Wire		
	(a) 3-Wire (2/0 TX)	PER FOOT	6.26
	(b) 4-Wire (2/0 QX)	PER FOOT	6.85
(4)	Service - Single Phase		
	Up To 200 AMP	PER FOOT	3.73
	Over 200 AMP	PER FOOT	4.54
(5)	Service - Three Phase		
	Up To 200 AMP	PER FOOT	4.60
	Over 200 AMP	PER FOOT	5.10
(6)	Transformers		
	25 KVA - Single Phase	EACH	1,996.00
	50 KVA - Single Phase	EACH	2,580.00
	100 KVA - Single Phase	EACH	4,977.00
	3-25 KVA - Three Phase	EACH	7,201.00
	3-50 KVA - Three Phase	EACH	8,952.00
	3-100 KVA - Three Phase	EACH	15,308.00
(7)	Street Light Luminaire	EACH	617.00

\* Joint Pole Line Cost To Be Used =  $\$8.71/2 = \$4.36$

(Continued)

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Revised Leaf No. 36  
Superseding Revised Leaf No. 36

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GENERAL INFORMATION

No. 17 EXTENSION OF LINES AND FACILITIES (Continued)  
APPENDIX A

EXHIBIT IV  
METERING COSTS

<u>METER TYPE</u>	<u>TOTAL COST</u>
<u>Residential</u>	
120/240 - Single Phase	\$159.20
120/208 - Single Phase	161.06
Current Transformer - 120/240 - Single Phase	836.68
Other*	
<u>Non-residential</u>	
120/240 - Single Phase	159.20
120/208 - Single Phase	161.06
120/240 - Single Phase - Demand Metered	159.85
120/208 - Single Phase - Demand Metered	159.20
Other Secondary - Self-Contained - Secondary	159.20
Up to 1200 AMP – Current Transformer – Less than 480 Volts	1,430.48
Greater Than 1200 AMP – Current Transformer – Less than 480 Volts	1,430.48
Up to 1200 AMP – Current Transformer – 480 Volts	1,480.48
Greater Than 1200 AMP – Current Transformer – 480 Volts	1,480.48

\* Cost to be determined on a case-by-case basis.

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Mahwah, New Jersey 07430



**DRAFT**

Revised Leaf No. 74  
Superseding Revised Leaf No. 74

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**GENERAL INFORMATION  
SERVICE CLASSIFICATION RIDER (Continued)**

**STANDBY SERVICE**

Standby Service will be furnished when and where available to demand billed customers served under Service Classification No. 2 or 7 with on-site generation equipment or other source of electric service under the following conditions:

- (a) Customer's on-site generation meets the definition of distributed generation as defined in N.J.S.A. 48:2-21.37.
- (b) The customer agrees to abide by all provisions of the Company's "Operating, Metering, and Equipment Protection Requirements for Parallel Operation of Generating Facilities."
- (c) The customer shall pay for any special metering costs. Special metering costs shall be defined as the total cost of metering less the cost of metering for service under the customer's Service Classification for customers without on-site generation.
- (d) The standby capacity for a customer whose total generation capacity (nameplate ratings) is greater than said customer's total demand requirements shall be the amount of standby capacity, in kW, requested by said customer but not less than said customer's maximum demand as metered by the Company in any previous month. The standby capacity for all other customers shall be the nameplate rating, in kW, of all the customer's generation facilities interconnected with the Company's system, as determined by the Company.
- (e) The customer shall notify the Company of all changes in customer's generating facilities prior to making such changes and shall allow the Company's representatives access to those facilities for purposes of inspection and redetermination of the standby capacity.
- (f) The customer shall pay to the Company a standby capacity charge of \$1.55 per kW of standby capacity per month. The standby capacity charge will be included in customer's bill for service rendered under Service Classification No. 2 or No. 7.
- (g) In any month where the availability factor of the customer's generation facilities, as defined in (i), is lower than 50%, then the customer will not be eligible to take service under this Rider and the customer will not be charged the standby capacity charge described in (f).

(Continued)

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Mahwah, New Jersey 07430

**DRAFT**

Revised Leaf No. 75  
Superseding Revised Leaf No. 75

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**GENERAL INFORMATION  
SERVICE CLASSIFICATION RIDER (Continued)**

**STANDBY SERVICE (Continued)**

- (h) In any month where the availability factor of the customer's generation facilities, as defined in (i), is 50% or greater, the customer will pay for all the rates and charges contained in Service Classification No. 2 or No. 7; however, the Distribution Demand Charge shall be calculated based on the billing demand as provided for in the provision in Service Classification No. 2 or No. 7 entitled "DETERMINATION OF DEMAND" minus the customer's standby capacity. For Service Classification No. 7 customers, this calculation will be performed for each rating period. In no event shall any billing demand be less than zero kW.
- (i) For purposes of item (g) above, the availability factor of customer's facilities shall be defined as the total energy (in kWh) produced by the facilities in the six month period ended with the current billing period (less the energy produced during mutually agreed upon maintenance periods) divided by (i) the number of hours in that period (less the number of hours in the mutually agreed upon maintenance periods) and (ii) the nameplate rating, in kW, of the customer's generation facilities. During each of the first five billing periods for each customer, the availability factor shall be determined using the data that are available since the customer first commenced service hereunder.

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Mahwah, New Jersey 07430

**DRAFT**

Revised Leaf No. 82  
Superseding Revised Leaf No. 82

**SERVICE CLASSIFICATION NO. 1  
RESIDENTIAL SERVICE**

**APPLICABLE TO USE OF SERVICE FOR**

Sales and delivery of electric power supply provided by the Company or delivery of electric power supply provided by an electric generation supplier under the Company's Retail Access Program to residential customers. All service at each residence shall be taken through one meter. Service will also be furnished hereunder to a church and adjacent buildings (other than school buildings which substitute for public education), owned by the church and operated in connection therewith; provided, however, that if the buildings of any such church group are separated by a highway or highways, then the electricity delivered to each group so separated shall not be combined with the electricity delivered to other buildings of the church group but shall be billed separately under this rate.

**CHARACTER OF SERVICE**

Continuous, 60 cycle, A.C., from any of the following systems as designated by the Company:

- (1) Single phase at approximately 120,120/208 or 120/240 volts.
- (2) Three phase four wire at approximately 120/208 volts in limited areas.

**RATE – MONTHLY**

	<u>Summer Months*</u>	<u>Other Months</u>
(1) <u>Customer Charge</u>	\$5.41	\$5.41
(2) <u>Distribution Charge</u>		
First 600 kWh .....	@ 5.340 ¢ per kWh	5.340 ¢ per kWh
Over 600 kWh .....	@ 6.725 ¢ per kWh	5.340 ¢ per kWh

\* Definition of Summer Billing Months - June through September

(Continued)

ISSUED:

EFFECTIVE:

ISSUED BY: Robert Sanchez, President  
Mahwah, New Jersey 07430

**DRAFT**

Revised Leaf No. 84  
Superseding Revised Leaf No. 84

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**SERVICE CLASSIFICATION NO. 1  
RESIDENTIAL SERVICE (Continued)**

**RATE – MONTHLY (Continued)**

(5) Basic Generation Service

Customers taking Basic Generation Service from the Company will be billed for such service in accordance with General Information Section No. 31.

In accordance with Riders CBT and SUT, the charges in this Rate Schedule include provision for the New Jersey Corporation Business Tax and the New Jersey Sales and Use Tax. When billed to customers exempt from one or more of these taxes, as set forth in Riders CBT and SUT, such charges will be reduced by the relevant amount of such taxes included therein.

**MINIMUM CHARGE EACH CONTRACT EACH LOCATION**

\$5.41 monthly, not less than \$32.46 per contract.

**TERMS OF PAYMENT**

Bills are due in accordance with General Information Section No. 10.

**TERM**

Terminable at any time unless a specified period is required under a line extension agreement.

**EXTENSION OF FACILITIES**

Where service is supplied from an extension the charges thereon shall be determined as provided in General Information.

(Continued)

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ISSUED BY: Robert Sanchez, President  
Mahwah, New Jersey 07430

**DRAFT**

Revised Leaf No. 87  
Superseding Revised Leaf No. 87

**SERVICE CLASSIFICATION NO. 2  
GENERAL SERVICE**

**APPLICABLE TO USE OF SERVICE FOR**

Sales and delivery of electric power supply provided by the Company or delivery of electric power supply provided by an electric generation supplier under the Company's Retail Access Program to general secondary or primary service customers.

A customer taking primary service whose demand exceeds 1,000 kW during any two of the previous twelve months shall not be eligible for this rate and shall be transferred to Service Classification No. 7. A customer so transferred shall only be eligible for transfer back to Service Classification No. 2 on the annual anniversary of the transfer to Service Classification No. 7 and only if said customer has not exceeded 1,000 kW during any two of the previous twelve months.

All service at one location shall be taken through one meter except that service under Special Provision B shall be separately metered.

Demand billed customers with on-site generation that meet the definition of distributed generation as defined in N.J.S.A. 48:2-21.37 shall be subject to the provisions of Service Classification Rider – Standby Service.

**CHARACTER OF SERVICE**

Continuous, 60 cycle, A.C., single or three phase secondary, at approximately 120/208, 120/240 volts, and 277/480 volts where available; or three phase primary at approximately 2400/4160 and 7620/13200 volts Wye, 13000 and 34500 volts Delta, 69000 volts Wye, and in limited areas 2400 or 4800 volts Delta, depending upon the magnitude and characteristics of the load and the circuit from which service is supplied.

**RATE – MONTHLY**

	<u>Summer Months*</u>	<u>Other Months</u>
(1) <u>Customer Charge</u>		
(a) Secondary Service (Non-Demand Billed)		
Unmetered Service	\$14.00	\$14.00
Metered Service	\$16.00	\$16.00
(b) Secondary Service (Demand Billed)	\$21.01	\$21.01
(c) Primary Service	\$92.00	\$92.00

\* Definition of Summer Billing Months - June through September

(Continued)

ISSUED:

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Mahwah, New Jersey 07430

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Revised Leaf No. 88  
Superseding Revised Leaf No. 88

SERVICE CLASSIFICATION NO. 2  
GENERAL SERVICE (Continued)

RATE – MONTHLY (Continued)

		<u>Summer Months*</u>	<u>Other Months</u>
(2)	<u>Distribution Charges</u>		
(a)	<u>Secondary Service (Non-Demand Billed)</u>		
	<u>Usage Charge</u>		
	All kWh ..... @	3.842 ¢ per kWh	3.481 ¢ per kWh
(b)	<u>Secondary Service (Demand Billed)</u>		
	<u>Demand Charge</u>		
	First 5 kW ..... @	\$3.84 per kW	\$3.21 per kW
	Over 5 kW ..... @	\$6.06 per kW	\$5.10 per kW
	<u>Usage Charge</u>		
	First 4,920 kWh ..... @	3.271 ¢ per kWh	3.088 ¢ per kWh
	Over 4,920 kWh ..... @	2.856 ¢ per kWh	2.795 ¢ per kWh
(c)	<u>Primary Service</u>		
	<u>Demand Charge</u>		
	All kW ..... @	\$8.25 per kW	\$7.06 per kW
	<u>Usage Charge</u>		
	All kWh ..... @	1.485 ¢ per kWh	1.485 ¢ per kWh

\* Definition of Summer Billing Months - June through September

(Continued)

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Mahwah, New Jersey 07430

**DRAFT**

Revised Leaf No. 91  
Superseding Revised Leaf No. 91

**SERVICE CLASSIFICATION NO. 2  
GENERAL SERVICE (Continued)**

**RATE – MONTHLY (Continued)**

(5) CIEP Standby Fee

In accordance with General Information Section No. 32, a CIEP Standby Fee shall be assessed on all kWh of customers eligible for BGS-CIEP service.

(6) Basic Generation Service

Customers taking Basic Generation Service from the Company will be billed for such service in accordance with General Information Section No. 31.

In accordance with Riders CBT and SUT, the charges in this Rate Schedule include provision for the New Jersey Corporation Business Tax and the New Jersey Sales and Use Tax. When billed to customers exempt from one or more of these taxes, as set forth in Riders CBT and SUT, such charges will be reduced by the relevant amount of such taxes included therein.

**MINIMUM MONTHLY CHARGE**

Secondary Service (Non-Demand Billed)	
Unmetered Service	\$14.00
Metered Service	\$16.00
Secondary Service (Demand Billed)	\$21.01 Plus the demand charge.
Primary Service	\$92.00 Plus the demand charge.

**DETERMINATION OF DEMAND**

The monthly billing demand in kW shall be either the greatest connected load or the greatest 15-minute integrated demand, determined as follows:

- (1) Billing demand may be on a connected load basis when
  - (a) demand meter would not reduce the billing demand, or
  - (b) the installation is temporary, or
  - (c) the device has a large instantaneous or highly fluctuating demand.
- (2) Billing shall be on a demand meter basis in all other cases and shall be billed at not less than 90% of the kVA demand. The billing demand for the billing months of October through May inclusive shall not be less than 70% of the highest metered demand for the preceding billing months of June through September inclusive.

(Continued)

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Mahwah, New Jersey 07430

**DRAFT**

Revised Leaf No. 93  
Superseding Revised Leaf No. 93

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**SERVICE CLASSIFICATION NO. 2  
GENERAL SERVICE (Continued)**

**SPECIAL PROVISIONS**

(A) Short Term Secondary Service

When short term service is requested, the Company reserves the right to require a deposit of the estimated bill for the period service is desired. The minimum charge for such short term service shall be an amount equal to six times the minimum monthly charge, payable in advance. When construction is necessary, the cost of installation and removal of all equipment, less salvage value, shall be borne by the customer, and a sufficient amount to cover these charges shall be paid in advance. A part of a month shall be considered a full month for computing all charges hereunder.

(B) Space Heating

Customers who take service under this classification for 10 kW or more of permanently installed space heating equipment may elect to have the electricity for this service billed separately. All monthly use shall be billed at a Distribution Charge of 3.260 ¢/kWh during the billing months of October through May and 5.430 ¢/kWh during the summer billing months. When this option is requested it shall apply for at least 12 months and shall be subject to a minimum charge of \$26.87 per year per kW of space heating capacity. This provision applies for both heating and cooling where the two services are combined by the manufacturer in a single self-contained unit.

All usage under this Special Provision shall also be subject to Parts (3), (4), and (6) of RATE – MONTHLY.

This special provision is closed to new customers effective August 1, 2014.

(Continued)

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ISSUED:

EFFECTIVE:

ISSUED BY: Robert Sanchez, President  
Mahwah, New Jersey 07430



**DRAFT**

Revised Leaf No. 94  
Superseding Revised Leaf No. 94

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**SERVICE CLASSIFICATION NO. 2  
GENERAL SERVICE (Continued)**

**SPECIAL PROVISIONS (Continued)**

(C) Budget Billing Plan

Any condominium association or cooperative housing corporation who takes service hereunder and any other customer taking service under Special Provision B of this Service Classification may, upon request, be billed monthly in accordance with the budget billing plan provided for in General Information Section 8 of this tariff.

(D) Veterans' Organization Service

Pursuant to N.J.S.A. 48:2-21.41, when electric service is delivered to a customer that is a Veterans' Organization that is serving the needs of veterans of the armed forces, the customer may apply and be eligible for billing under this Special Provision.

Each customer shall be eligible for billing under this Special Provision upon submitting an Application for Veterans' Organization Service under this Service Classification and by qualifying as a Veterans' Organization as defined by N.J.S.A. 48:2-21.41 as "an organization dedicated to serving the needs of veterans of the armed forces that: is chartered under federal law, qualifies as a tax exempt organization under paragraph (19) of subsection (c) of section 501 of the federal Internal Revenue Code of 1986, 26 U.S.C. s.501 (c)(19), or that is organized as a corporation under the 'New Jersey Nonprofit Corporation Act,' N.J.S.15A:1-1 et seq." Under N.J.S.A. 48: 2-21.41, a qualified Veterans' Organization shall be charged the residential rate for service delivered to the property where the Veterans' Organization primarily operates, if the residential rate is lower than the commercial rate for service at that property.

The customer shall furnish satisfactory proof of eligibility for service under this Special Provision to the Company. Once proof of eligibility is determined by the Company, service under this Special Provision shall begin with the next billing cycle following receipt of the Application.

(Continued)

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ISSUED:

EFFECTIVE:

ISSUED BY: Robert Sanchez, President  
Mahwah, New Jersey 07430

**DRAFT**

Revised Leaf No. 94.1  
Superseding Revised Leaf No. 94.1

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**SERVICE CLASSIFICATION NO. 2  
GENERAL SERVICE (Continued)**

**SPECIAL PROVISIONS (Continued)**

(D) Veterans' Organization Service (Continued)

The customer will continue to be billed on this Service Classification. At least once annually, the Company shall review eligible customers' distribution charges under this Special Provision for all relevant periods. If the comparable distribution charges under Service Classification No. 1 are lower than the distribution charges under the customer's current Service Classification, a credit in the amount of the difference will be applied to the customer's next bill.

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Mahwah, New Jersey 07430

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Revised Leaf No. 95  
Superseding Revised Leaf No. 95

SERVICE CLASSIFICATION NO. 3  
RESIDENTIAL TIME-OF-DAY HEATING SERVICE

APPLICABLE TO USE OF SERVICE FOR

Sales and delivery of electric power supply provided by the Company or delivery of electric power supply provided by an electric generation supplier under the Company's Retail Access Program to residential customers where an approved electric storage heater is used for customer's entire water heating requirements and/or permanently installed electric space heating equipment is the sole source of space heating, excluding fire places, on the premises. Solar energy collection devices may be used to supplement customer's water and/or space heating requirements.

CHARACTER OF SERVICE

Continuous, 60 cycle, A.C., from any of the following systems as designated by the Company:

- (1) Single phase at approximately 120,120/208 or 120/240 volts.
- (2) Three phase four wire at approximately 120/208 volts in limited areas.

RATE – MONTHLY

	<u>Summer Months*</u>	<u>Other Months</u>
(1) <u>Customer Charge</u>	\$9.00	\$9.00
(2) <u>Distribution Charge</u>		
<u>Peak</u> All kWh measured between 10:00 a.m. and 10:00 p.m., Monday through Friday       ..... @	7.183 ¢ per kWh	6.444 ¢ per kWh
<u>Off-Peak</u> All other kWh       ..... @	2.588 ¢ per kWh	2.588 ¢ per kWh

\* Definition of Summer Billing Months - June through September

(Continued)

ISSUED:

EFFECTIVE:

ISSUED BY: Robert Sanchez, President  
Mahwah, New Jersey 07430

**DRAFT**

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Superseding Revised Leaf No. 97

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**SERVICE CLASSIFICATION NO. 3  
RESIDENTIAL TIME-OF-DAY HEATING SERVICE (Continued)**

**RATE – MONTHLY (Continued)**

(5) Basic Generation Service

Customers taking Basic Generation Service from the Company will be billed for such service in accordance with General Information Section No. 31.

In accordance with Riders CBT and SUT, the charges in this Rate Schedule include provision for the New Jersey Corporation Business Tax and the New Jersey Sales and Use Tax. When billed to customers exempt from one or more of these taxes, as set forth in Riders CBT and SUT, such charges will be reduced by the relevant amount of such taxes included therein.

**MINIMUM CHARGE EACH CONTRACT EACH LOCATION**

The Customer Charge, not less than \$108.00 per contract.

**TERMS OF PAYMENT**

Bills are due in accordance with General Information Section No. 10.

**TERM**

The initial term of service shall be one year. Customers opting for this rate shall not be entitled to service at the same location under the Company's Service Classification Nos. 1 or 5 until one year from the date of service or thereafter on the annual anniversary date upon 5 days' prior written notice.

**EXTENSION OF FACILITIES**

Where service is supplied from an extension the charges thereon shall be determined as provided in General Information.

(Continued)

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Mahwah, New Jersey 07430

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SERVICE CLASSIFICATION NO. 4  
PUBLIC STREET LIGHTING SERVICE (Continued)

RATE – MONTHLY

(1) Distribution and Transmission Charges

(a) Distribution Luminaire Charges

<u>Nominal Lumens</u>	<u>Luminaire Type</u>	<u>Watts</u>	<u>Total Wattage</u>	<u>Distribution Charge</u>
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Street Lighting Luminaires

5,800	Sodium Vapor	70	108	\$8.94
9,500	Sodium Vapor	100	142	9.70
16,000	Sodium Vapor	150	199	11.80
27,500	Sodium Vapor	250	311	15.07
46,000	Sodium Vapor	400	488	24.44
3,000	LED	20-25	23	8.21
3,900	LED	30-39	35	8.05
5,000	LED	40-59	50	8.07
7,250	LED	60-79	68	8.41
12,000	LED	95-110	103	9.46
16,000	LED	130-150	140	9.92
22,000	LED	180-220	200	14.53

Flood Lighting Luminaires

15,500	LED	115-130	125	\$11.43
27,000	LED	175-225	205	14.58
37,500	LED	265-315	290	15.88

The following luminaires will no longer be installed. Charges are for existing luminaires only.

Street Lighting Luminaires

1,000	Open Bottom Incandescent	92	92	\$5.92
4,000	Mercury Vapor	100	127	8.01
7,900	Mercury Vapor	175	211	9.44
12,000	Mercury Vapor	250	296	12.27
22,500	Mercury Vapor	400	459	15.58
40,000	Mercury Vapor	700	786	23.69
59,000	Mercury Vapor	1,000	1,105	29.94

(Continued)

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**SERVICE CLASSIFICATION NO. 4  
PUBLIC STREET LIGHTING SERVICE (Continued)**

**RATE – MONTHLY (Continued)**

(1) Distribution and Transmission Charges (Continued)

(a) Distribution Luminaire Charges (Continued)

<u>Nominal Lumens</u>	<u>Luminaire Type</u>	<u>Watts</u>	<u>Total Wattage</u>	<u>Distribution Charge</u>
<u>Street Lighting Luminaires (Continued)</u>				
3,400	Induction	40	45	\$9.35
5,950	Induction	70	75	9.52
8,500	Induction	100	110	10.76
5,890	LED	70	74	10.24
9,365	LED	100	101	12.57

Post-Top Luminaires

4,000	Mercury Vapor	100	130	\$12.19
7,900	Mercury Vapor	175	215	14.93
7,900	Merc. Vapor-Offset	175	215	17.53
16,000	Sodium Vapor-Offset	150	199	23.85

(b) Transmission Charges

A Transmission Charge of 1.223 ¢ per kWh will apply to all customers taking Basic Generation Service from the Company. Transmission charges are also applicable to customers located in the Company's Central and Western Divisions and obtaining Competitive Energy Supply. Transmission charges are not applicable to customers located in the Company's Eastern Division and obtaining Competitive Energy Supply. The Company's Eastern, Central and Western Divisions are defined in General Information Section No. 1. A Transmission Surcharge, to recover Reliability Must Run Charges, of 0.000 ¢ per kWh will also apply to all customers taking Basic Generation Service from the Company.

Transmission Charges shall be applied to the kWh estimate in the following manner:

$$\text{kWh} = (\text{Total Wattage divided by } 1,000) \text{ times Monthly Burn Hours}^*$$

\*See Monthly Burn Hours Table

(Continued)

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Mahwah, New Jersey 07430

**DRAFT**

Revised Leaf No. 103  
Superseding Revised Leaf No. 103

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**SERVICE CLASSIFICATION NO. 4  
PUBLIC STREET LIGHTING SERVICE (Continued)**

**RATE – MONTHLY (Continued)**

- (2) Additional Charge
- (a) An additional \$20.40 per luminaire per month will be charged for existing Underground Service where the Company owns and maintains the entire facilities.
  - (b) An additional \$4.96 per luminaire per month will be charged for existing underground service where the customer has installed, owns and maintains the duct system complete, but not the aluminum standard or luminaire.
  - (c) An additional \$0.55 per bracket per month will be charged for a fifteen foot bracket when installed.
- (3) Societal Benefits Charge, Regional Greenhouse Gas Initiative Surcharge, Securitization Charges, Temporary Tax Act Credit, and Zero Emission Certificate Recovery Charge.

The provisions of the Company's Societal Benefits Charge, Regional Greenhouse Gas Initiative Surcharge, Securitization Charges, Temporary Tax Act Credit, and Zero Emission Certificate Recovery Charge as described in General Information Section Nos. 33, 34, 35, 36, and 37 respectively shall be assessed on all kWh delivered hereunder.

The charges shall be applied to the kWh estimate in the following manner:

$\text{kWh} = (\text{Total Wattage divided by } 1,000) \text{ times Monthly Burn Hours}^*$

\* See Monthly Burn Hours Table.

(Continued)

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Mahwah, New Jersey 07430

**DRAFT**

Revised Leaf No. 108  
Superseding Revised Leaf No. 108

**SERVICE CLASSIFICATION NO. 5  
RESIDENTIAL SPACE HEATING SERVICE**

**APPLICABLE TO USE OF SERVICE FOR**

Sales and delivery of electric power supply provided by the Company or delivery of electric power supply provided by an electric generation supplier under the Company's Retail Access Program to residential customers, where electricity is a source of space heating subject to the conditions specified in "Special Provisions". All service at each residence shall be taken through one meter.

**CHARACTER OF SERVICE**

Continuous, 60 cycle, A.C., from any of the following systems as designated by the Company:

- (1) Single phase at approximately 120,120/208 or 120/240 volts.
- (2) Three phase four wire at approximately 120/208 volts in limited areas.

**RATE – MONTHLY**

	<u>Summer Months*</u>	<u>Other Months</u>
(1) <u>Customer Charge</u>	\$5.41	\$5.41
(2) <u>Distribution Charge</u>		
First 600 kWh .....	5.340 ¢ per kWh	5.340 ¢ per kWh
Over 600 kWh .....	6.725 ¢ per kWh	5.340 ¢ per kWh

\*Definition of Summer Billing Months – June through September

(Continued)

ISSUED:

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Mahwah, New Jersey 07430



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Superseding Revised Leaf No. 110

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**SERVICE CLASSIFICATION NO. 5  
RESIDENTIAL SPACE HEATING SERVICE (Continued)**

**RATE – MONTHLY (Continued)**

(5) Basic Generation Service

Customers taking Basic Generation Service from the Company will be billed for such service in accordance with General Information Section No. 31.

In accordance with Riders CBT and SUT, the charges in this Rate Schedule include provision for the New Jersey Corporation Business Tax and the New Jersey Sales and Use Tax. When billed to customers exempt from one or more customers exempt from one or more of these taxes, as set forth in Riders CBT and SUT, such charges will be reduced by the relevant amount of such taxes included therein.

**MINIMUM CHARGE EACH CONTRACT EACH LOCATION**

\$5.41 monthly, not less than \$32.46 per contract.

**TERMS OF PAYMENT**

Bills are due in accordance with General Information Section No. 10.

**TERM**

Terminable at any time unless a specified period is required under a line extension agreement.

**EXTENSION OF FACILITIES**

Where service is supplied from an extension the charges thereon shall be determined as provided in General Information.

(Continued)

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Mahwah, New Jersey 07430

**DRAFT**

Revised Leaf No. 114  
Superseding Revised Leaf No. 114

**SERVICE CLASSIFICATION NO. 6  
PRIVATE OVERHEAD LIGHTING SERVICE (Continued)**

**RATE – MONTHLY:**

(1) Distribution and Transmission Charges

(a) Luminaire Charges for Service Types A and B

<u>Nominal Lumens</u>	<u>Luminaire Type</u>	<u>Watts</u>	<u>Total Wattage</u>	<u>Distribution Charge</u>
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Power Bracket Luminaires

5,800	Sodium Vapor	70	108	\$6.48
9,500	Sodium Vapor	100	142	7.78
16,000	Sodium Vapor	150	199	8.35
3,950	LED	30-44	35	7.57
5,550	LED	45-49	50	7.68
7,350	LED	60-70	65	7.75

Street Lighting Luminaires

5,800	Sodium Vapor	70	108	\$9.01
9,500	Sodium Vapor	100	142	9.89
16,000	Sodium Vapor	150	199	12.16
27,500	Sodium Vapor	250	311	15.59
46,000	Sodium Vapor	400	488	25.73
3,000	LED	20-25	23	8.21
3,900	LED	30-39	35	8.05
5,000	LED	40-59	50	8.07
7,250	LED	60-79	68	8.41
12,000	LED	95-110	103	9.46
16,000	LED	130-150	140	9.92
22,000	LED	180-220	200	14.53

Flood lighting Luminaires

46,000	Sodium Vapor	400	488	25.73
15,500	LED	115-130	125	11.43
27,000	LED	175-225	205	14.58
37,500	LED	265-315	290	15.88

(Continued)

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Mahwah, New Jersey 07430

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**SERVICE CLASSIFICATION NO. 6  
PRIVATE OVERHEAD LIGHTING SERVICE (Continued)**

**RATE – MONTHLY (Continued)**

(1) Distribution and Transmission Charges (Continued)

(a) Luminaire Charges for Service Types A and B (Continued)

Nominal <u>Lumens</u>	<u>Luminaire Type</u>	<u>Watts</u>	Total <u>Wattage</u>	Distribution <u>Charge</u>
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The following luminaires will no longer be installed. Charges are for existing luminaires only.

Power Bracket Luminaires

4,000	Mercury Vapor	100	127	\$10.05
7,900	Mercury Vapor	175	215	11.62
22,500	Mercury Vapor	400	462	18.53

Post Top Luminaires

16,000	Sodium Vapor-Offset	150	199	\$23.92
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Street Lighting Luminaires

4,000	Mercury Vapor	100	127	\$11.06
7,900	Mercury Vapor	175	211	12.64
22,500	Mercury Vapor	400	459	19.63
1,000	Incandescent	-	92	8.99
3,400	Induction	40	45	9.69
5,950	Induction	70	75	9.91
8,500	Induction	100	110	11.16
5,890	LED	70	74	10.62
9,365	LED	100	101	13.06

Flood lighting Luminaires

12,000	Mercury Vapor	250	296	\$15.89
40,000	Mercury Vapor	700	786	28.77
59,000	Mercury Vapor	1,000	1,105	35.83

(Continued)

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Mahwah, New Jersey 07430

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SERVICE CLASSIFICATION NO. 6  
PRIVATE OVERHEAD LIGHTING SERVICE (Continued)

RATE – MONTHLY (Continued)

(1) Distribution and Transmission Charges (Continued)

(b) Distribution Charges for Service Type C

Metered Service - Customer Charge at \$14.00 per month plus  
Distribution Charge at 5.725 ¢ per kWh; or

Unmetered Service - Customer Charge at \$3.00 per month plus  
Distribution Charge at 5.725 ¢ per kWh.

(c) Transmission Charges for Service Types A, B, and C

A Transmission Charge of 1.223 ¢ per kWh will apply to all customers taking Basic Generation Service from the Company. Transmission charges are also applicable to customers located in the Company's Central and Western Divisions and obtaining Competitive Energy Supply. Transmission charges are not applicable to customers located in the Company's Eastern Division and obtaining Competitive Energy Supply. The Company's Eastern, Central and Western Divisions are defined in General Information Section No. 1. A Transmission Surcharge, to recover Reliability Must Run Charges, of 0.000 ¢ per kWh will also apply to all customers taking Basic Generation Service from the Company.

For service type A, B, or C if not metered, the charges shall be applied to the kWh estimated as follows:

$$\text{kWh} = (\text{Total Wattage divided by 1,000}) \text{ times Monthly Burn Hours}^*$$

(2) Societal Benefits Charge, Regional Greenhouse Gas Initiative Surcharge, Securitization Charges, Temporary Tax Act Credit, and Zero Emission Certificate Recovery Charge.

The provisions of the Company's Societal Benefits Charge, Regional Greenhouse Gas Initiative Surcharge, Securitization Charges, Temporary Tax Act Credit, and Zero Emission Certificate Recovery Charge as described in General Information Section Nos. 33, 34, 35, 36, and 37 respectively shall be assessed on all kWh delivered hereunder. For service type A, B, or C if not metered, the charges shall be applied to the kWh estimated as follows:

$$\text{kWh} = (\text{Total Wattage divided by 1,000}) \text{ times Monthly Burn Hours}^*$$

\* See Monthly Burn Hours Table.

(Continued)

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Mahwah, New Jersey 07430

**DRAFT**

Revised Leaf No. 118  
Superseding Revised Leaf No. 118

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**SERVICE CLASSIFICATION NO. 6  
PRIVATE OVERHEAD LIGHTING SERVICE (Continued)**

**MINIMUM CHARGE**

The minimum charge per luminaire for Service Type A or B shall be the sum of the monthly Distribution and Transmission Charges as specified in RATE – MONTHLY, Part (1a) times twelve. Should the monthly charge be revised during the initial term, the minimum charge per installation shall be prorated accordingly.

The minimum charge for Service Type C - Metered shall be \$14.00 per month and not less than \$168.00 for the initial term.

The minimum charge for Service Type C - Unmetered shall be \$3.00 per month and not less than \$36.00 for the initial term.

**TERM**

The Initial Term shall be one year. Service shall continue in effect thereafter until canceled by either party upon thirty days written notice. The Company shall require an Initial Term of one year for each luminaire for Service Types A or B.

**TERMS OF PAYMENT**

Bills are due in accordance with General Information Section No. 10.

(Continued)

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Mahwah, New Jersey 07430

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Revised Leaf No. 119  
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**SERVICE CLASSIFICATION NO. 6  
PRIVATE OVERHEAD LIGHTING SERVICE (Continued)**

**SPECIAL PROVISIONS**

Special Provisions A, B, D, E, F, and J apply only to Service Types A and B. Special Provision K applies only to Service Type C. Special Provisions C, G, H, and I apply to Service Types A, B, and C.

- (A) Street lighting luminaires will normally be mounted on eight foot aluminum brackets. Fifteen foot brackets are available at an additional charge of \$0.63 per bracket per month.
- (B) Luminaires will be installed free of charge where all facilities necessary to serve a luminaire are present. Customer shall pay the cost of any additional facilities required, prior to the commencement of the construction of such facilities.
- (C) The customer shall furnish the Company with all easements or rights-of-way necessary to provide service to the desired location before any installation or construction will be started.
- (D) A customer may apply for service hereunder for a proposed residential subdivision in which all electric facilities will be underground. Such application shall be signed by the customer and builder or developer and when accepted by the Company, shall constitute an agreement between the Company, customer and builder or developer subject to the terms and provisions hereunder.

The builder or developer shall pay to the Company prior to the commencement of any construction all costs associated with the installation of the facilities to be serviced hereunder and shall prepay six times the total monthly charge for all luminaires installed. Said monthly charges shall be determined using the rates in effect at the time said costs and charges are determined. The Company shall not bill the customer for the first six months of service of the facilities installed under this special provision.

- (E) The Company shall not be obligated to repair or replace in kind any obsolete luminaire for which it cannot reasonably obtain the necessary parts. The Company will remove the obsolete luminaire or at the customer's request, replace it with any luminaire offered for service at that time for which the customer will be charged the appropriate rates.

(Continued)

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Mahwah, New Jersey 07430

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Revised Leaf No. 122  
Superseding Revised Leaf No. 122

**SERVICE CLASSIFICATION NO. 7  
LARGE GENERAL TIME-OF-DAY SERVICE**

**APPLICABLE TO USE OF SERVICE FOR**

Sales and delivery of electric power supply provided by the Company or delivery of electric power supply provided by an electric generation supplier under the Company's Retail Access Program to primary service customers who maintain a minimum demand of 1,000 kW during any two of the previous twelve months and provide all equipment required to take service at a primary voltage as designated by the Company. A primary customer who does not maintain a demand of at least 1,000 kW during any two of the previous twelve months, may, at the customer's option transfer to another Service Classification provided that such transfer shall only be made on an annual anniversary date that such customer began service hereunder.

Sales and delivery of electric power supply provided by the Company or delivery of electric power supply provided by an electric generation supplier under the Company's Retail Access Program to high voltage distribution service customers with a minimum demand of 1,000 kW who provide all equipment required to take high voltage distribution service as designated by the Company. High voltage distribution service shall be made available at the sole discretion of the Company where conditions merit.

Customers with generators that meet the definition of distributed generation as defined in N.J.S.A. 48:2-21.37 shall be subject to the provisions of Service Classification Rider – Standby Service.

All service at one location shall be taken through one meter except that service taken under Special Provision A shall be separately metered.

**CHARACTER OF SERVICE**

Continuous, 60 cycles, A.C., single or three phase primary or high voltage distribution service as defined in General Information Section 26 and depending on the magnitude and characteristics of the load and the circuit from which service is supplied.

**RATE – MONTHLY**

	<u>Primary</u>	<u>High Voltage Distribution</u>
(1) <u>Customer Charge</u>	\$250.00	\$2,288.12

(Continued)

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Mahwah, New Jersey 07430

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Revised Leaf No. 123  
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SERVICE CLASSIFICATION NO. 7  
LARGE GENERAL TIME-OF-DAY SERVICE (Continued)

RATE – MONTHLY (Continued)

(2) Distribution Charges

		<u>Primary</u>	<u>High Voltage Distribution</u>
<u>Demand Charge</u>			
Period I	All kW @	\$4.17 per kW	\$1.16 per kW
Period II	All kW @	1.02 per kW	0.27 per kW
Period III	All kW @	3.82 per kW	1.07 per kW
Period IV	All kW @	1.02 per kW	0.27 per kW
<u>Usage Charge</u>			
Period I	All kWh @	1.770 ¢ per kWh	0.203 ¢ per kWh
Period II	All kWh @	1.325 ¢ per kWh	0.151 ¢ per kWh
Period III	All kWh @	1.770 ¢ per kWh	0.203 ¢ per kWh
Period IV	All kWh @	1.325 ¢ per kWh	0.151 ¢ per kWh

(3) Transmission Charges

- (a) These charges apply to all customers taking Basic Generation Service from the Company. These charges are also applicable to customers located in the Company's Central and Western Divisions and obtaining Competitive Energy Supply. These charges are not applicable to customers located in the Company's Eastern Division and obtaining Competitive Energy Supply. The Company's Eastern, Central and Western Divisions are defined in General Information Section No. 1.

(Continued)

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Mahwah, New Jersey 07430



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Revised Leaf No. 127  
Superseding Revised Leaf No. 127

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**SERVICE CLASSIFICATION NO. 7  
LARGE GENERAL TIME-OF-DAY SERVICE (Continued)**

**SPECIAL PROVISIONS**

(A) Space Heating

Customers who take service under this classification for 10 kW or more of permanently installed space heating equipment may elect to have the electricity for this service billed separately. All monthly use shall be billed at a Distribution Charge of 3.520 ¢ per kWh during the billing months of October through May and 5.691 ¢ per kWh during the summer billing months, a Transmission Charge of 0.404 ¢ per kWh and a Transmission Surcharge of 0.430 ¢ per kWh during all billing months. The applicability of Transmission Charges and the Transmission Surcharge is described in Part (3) of RATE – MONTHLY.

When this option is requested it shall apply for at least 12 months and shall be subject to a minimum charge of \$26.87 per year per kW of space heating capacity. This provision applies for both heating and cooling where the two services are combined by the manufacturer in a single self-contained unit.

All usage under this Special Provision shall also be subject to Parts (4), (5), and (6) of RATE – MONTHLY. This Special Provision is not available to those customers taking high voltage distribution service.

This special provision is closed to new customers effective August 1, 2014.

(B) Budget Billing Plan

Any condominium association or cooperative housing corporation who takes service hereunder and any other customer taking service under Special Provision B of this Service Classification may, upon request, be billed monthly in accordance with the budget billing plan provided for in General Information Section 8 of this tariff.

(Continued)

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ISSUED BY: Robert Sanchez, President  
Mahwah, New Jersey 07430

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**SERVICE CLASSIFICATION NO. 7  
LARGE GENERAL TIME-OF-DAY SERVICE (Continued)**

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ISSUED BY: Robert Sanchez, President  
Mahwah, New Jersey 07430

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Revised Leaf No. 129  
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**SERVICE CLASSIFICATION NO. 7  
LARGE GENERAL TIME-OF-DAY SERVICE (Continued)**

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Mahwah, New Jersey 07430

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Revised Leaf No. 4  
Superseding Revised Leaf No. 4

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(Continued)

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Mahwah, New Jersey 07430

DRAFT

Revised Leaf No. 31  
Superseding Revised Leaf No. 31

GENERAL INFORMATION

No. 17 EXTENSION OF LINES AND FACILITIES (Continued)  
APPENDIX A

EXHIBIT I  
UNIT COSTS OF UNDERGROUND CONSTRUCTION  
SINGLE PHASE

	<u>ITEM</u>	<u>UNIT</u>	<u>TOTAL COST</u>
(1)	Trenching	PER FOOT	\$11.70*
	Pavement Cutting and Restoration	PER FOOT	28.98
	Blasting and Rock Removal	PER FOOT	ACTUAL LOW BID
	Jack Hammering and Rock Removal	PER FOOT	ACTUAL LOW BID
(2)	Primary Cable ( #2 Aluminum)	PER FOOT	5.26
(3)	Secondary Cable		
	(a) 4/0 AAC Triplex	PER FOOT	3.93
	(b) 350 kcmil Aluminum	PER FOOT	4.89
(4)	Service (Installed in conduit, includes tap on, does not include trenching) Up to 200 AMP	PER FOOT	16.39
	Service (Installed in conduit, includes tap on, does not include trenching) Over 200 AMP	PER FOOT	18.34

\* Will be adjusted to reflect any contribution received from cable television companies.

(Continued)

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EFFECTIVE:

ISSUED BY: Robert Sanchez, President  
Mahwah, New Jersey 07430

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Revised Leaf No. 32  
Superseding Revised Leaf No. 32

GENERAL INFORMATION

No. 17 EXTENSION OF LINES AND FACILITIES (Continued)  
APPENDIX A

EXHIBIT I  
UNIT COSTS OF UNDERGROUND CONSTRUCTION  
SINGLE PHASE (Continued)

	<u>ITEM</u>	<u>UNIT</u>	<u>TOTAL COST</u>
(5)	Primary Termination /Riser	EACH	\$2,109.00
	Secondary Termination/Riser	EACH	1,105.00
(6)	Primary Junction Enclosure		
	(a) Single Phase Boxpad - Unfused	EACH	1,899.00
	(b) Single Phase Switch - Fused	EACH	8,681.00
(7)	Secondary Enclosure (Incl. Terminations)	EACH	481.00
(8)	Conduit (2" Schedule 40 PVC, installed)	PER FOOT	3.16
	Conduit (4" Schedule 40 PVC, installed)	PER FOOT	4.84
(9)	Street Light Cable #2 Triplex in Conduit	PER FOOT	6.54
(10)	Transformers, Including Pad		
	25 KVA	EACH	5,181.00
	50 KVA	EACH	5,508.00
	75 KVA	EACH	5,880.00
	100 KVA	EACH	6,496.00
	167 KVA	EACH	7,979.00
(11)	Street Lighting - U/G Feed 30' Pole (including arm & luminaire)	EACH	2,127.69

(Continued)

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Mahwah, New Jersey 07430

GENERAL INFORMATION

No. 17 EXTENSION OF LINES AND FACILITIES (Continued)  
APPENDIX A

EXHIBIT II  
UNIT COSTS OF UNDERGROUND CONSTRUCTION  
THREE PHASE

	<u>ITEM</u>	<u>UNIT</u>	<u>TOTAL COST</u>
(1)	Primary Cable Installation		
	(a) 750 kcmil – 600A	PER CIRCUIT FOOT	\$100.11
	(b) 350 kcmil – 400A	PER CIRCUIT FOOT	57.54
	(c) 2/0 Cu – 200A	PER CIRCUIT FOOT	31.37
(2)	Secondary Cable Installation		
	350 kmcil 4-Wire	PER CIRCUIT FOOT	11.87
(3)	Service		
	350 kmcil AAC	PER CIRCUIT FOOT	21.94
(4)	Primary Termination /Riser		
	(a) 750 kcmil – 600A	EACH	1,123.00
	(b) 350 kcmil – 400A	EACH	909.00
	(c) 2/0 Cu – 200A	EACH	348.00
	(d) #2 Al – 100A	EACH	340.00
(5)	Primary Junction Box		
	(a) 200 A Installation Only	EACH	3,157.00
	(b) 2/0 AWG Termination	EACH	273.00
	(c) # 2 AWG Termination	EACH	277.00
(6)	Primary Switch - PMH FOR 400A OR 600A		
	(a) Switch Installation	EACH	24,287.00
	(b) 750 kcmil Termination	EACH	885.00
	(c) 350 kcmil Termination	EACH	636.00
	(d) 2/0 AWG Termination	EACH	348.00
	(e) #2 AWG Termination	EACH	340.00

(Continued)

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Revised Leaf No. 34  
Superseding Revised Leaf No. 34

GENERAL INFORMATION

No. 17 EXTENSION OF LINES AND FACILITIES (Continued)  
APPENDIX A

EXHIBIT II  
UNIT COSTS OF UNDERGROUND CONSTRUCTION  
THREE PHASE (Continued)

	<u>ITEM</u>	<u>UNIT</u>	<u>TOTAL COST</u>
(7)	Primary Switch - Elliot for 200A		
	(a) Switch Installation	EACH	\$16,900.00
	(b) 2/0 AWG Termination	EACH	273.00
	(c) #2 AWG Termination	EACH	277.00
(8)	Conduit		
	(4" Schedule 40 PVC, installed)	PER FOOT	4.84
	(6" Schedule 40 PVC, installed)	PER FOOT	6.75
(9)	Transformers, Including Pad		
	150 KVA	EACH	14,137.00
	300 KVA	EACH	16,911.63
(10)	Concrete Pullbox		
	Materials	EACH	10,113.00
	Labor	EACH	ACTUAL LOW BID
(11)	Concrete Manhole		
	Materials	EACH	19,733.00
	Labor	EACH	ACTUAL LOW BID
(12)	Trenching - Mainline Construction	PER FOOT	ACTUAL LOW BID

(Continued)

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Revised Leaf No. 35  
Superseding Revised Leaf No. 35

**GENERAL INFORMATION**

**No. 17 EXTENSION OF LINES AND FACILITIES (Continued)**  
**APPENDIX A**

EXHIBIT III  
UNIT COSTS OF OVERHEAD CONSTRUCTION  
SINGLE PHASE AND THREE PHASE

	<u>ITEM</u>	<u>UNIT</u>	<u>TOTAL COST</u>
(1)	Pole Line (Includes 45 ft. Poles Anchors & Guys)	PER FOOT	\$15.03*
(2)	Primary Wire		
	(a) Single Phase (3/0 ACSR)	PER FOOT	5.31
	(b) Three Phase (477 kmcil Aluminum)	PER FOOT	15.17
	(c) Three Phase (3/0 ACSR)	PER FOOT	13.13
	(d) Neutral	PER FOOT	3.34
(3)	Secondary Wire		
	(a) 3-Wire (2/0 TX)	PER FOOT	6.26
	(b) 4-Wire (2/0 QX)	PER FOOT	6.85
(4)	Service - Single Phase		
	Up To 200 AMP	PER FOOT	3.73
	Over 200 AMP	PER FOOT	4.54
(5)	Service - Three Phase		
	Up To 200 AMP	PER FOOT	4.60
	Over 200 AMP	PER FOOT	5.10
(6)	Transformers		
	25 KVA - Single Phase	EACH	1,996.00
	50 KVA - Single Phase	EACH	2,580.00
	100 KVA - Single Phase	EACH	4,977.00
	3-25 KVA - Three Phase	EACH	7,201.00
	3-50 KVA - Three Phase	EACH	8,952.00
	3-100 KVA - Three Phase	EACH	15,308.00
(7)	Street Light Luminaire	EACH	617.00

\* Joint Pole Line Cost To Be Used =  $\$8.71/2 = \$4.36$

(Continued)

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Mahwah, New Jersey 07430

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Revised Leaf No. 36  
Superseding Revised Leaf No. 36

GENERAL INFORMATION

No. 17 EXTENSION OF LINES AND FACILITIES (Continued)  
APPENDIX A

EXHIBIT IV  
METERING COSTS

<u>METER TYPE</u>	<u>TOTAL COST</u>
<u>Residential</u>	
120/240 - Single Phase	\$159.20
120/208 - Single Phase	161.06
Current Transformer - 120/240 - Single Phase	836.68
Other*	
<u>Non-residential</u>	
120/240 - Single Phase	159.20
120/208 - Single Phase	161.06
120/240 - Single Phase - Demand Metered	159.85
120/208 - Single Phase - Demand Metered	159.20
Other Secondary - Self-Contained - Secondary	159.20
Up to 1200 AMP – Current Transformer – Less than 480 Volts	1,430.48
Greater Than 1200 AMP – Current Transformer – Less than 480 Volts	1,430.48
Up to 1200 AMP – Current Transformer – 480 Volts	1,480.48
Greater Than 1200 AMP – Current Transformer – 480 Volts	1,480.48

\* Cost to be determined on a case-by-case basis.

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ISSUED BY: Robert Sanchez, President  
Mahwah, New Jersey 07430

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Revised Leaf No. 74  
Superseding Revised Leaf No. 74

GENERAL INFORMATION  
SERVICE CLASSIFICATION RIDER (Continued)

STANDBY SERVICE~~This leaf intentionally left blank.~~

Standby Service will be furnished when and where available to demand billed customers served under Service Classification No. 2 or 7 with on-site generation equipment or other source of electric service under the following conditions:

- (a) Customer's on-site generation meets the definition of distributed generation as defined in N.J.S.A. 48:2-21.37.
- (b) The customer agrees to abide by all provisions of the Company's "Operating, Metering, and Equipment Protection Requirements for Parallel Operation of Generating Facilities."
- (c) The customer shall pay for any special metering costs. Special metering costs shall be defined as the total cost of metering less the cost of metering for service under the customer's Service Classification for customers without on-site generation.
- (d) The standby capacity for a customer whose total generation capacity (nameplate ratings) is greater than said customer's total demand requirements shall be the amount of standby capacity, in kW, requested by said customer but not less than said customer's maximum demand as metered by the Company in any previous month. The standby capacity for all other customers shall be the nameplate rating, in kW, of all the customer's generation facilities interconnected with the Company's system, as determined by the Company.
- (e) The customer shall notify the Company of all changes in customer's generating facilities prior to making such changes and shall allow the Company's representatives access to those facilities for purposes of inspection and redetermination of the standby capacity.
- (f) The customer shall pay to the Company a standby capacity charge of \$1.55 per kW of standby capacity per month. The standby capacity charge will be included in customer's bill for service rendered under Service Classification No. 2 or No. 7.
- (g) In any month where the availability factor of the customer's generation facilities, as defined in (i), is lower than 50%, then the customer will not be eligible to take service under this Rider and the customer will not be charged the standby capacity charge described in (f).

(Continued)

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Mahwah, New Jersey 07430

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Revised Leaf No. 75  
Superseding Revised Leaf No. 75

GENERAL INFORMATION  
SERVICE CLASSIFICATION RIDER (Continued)

STANDBY SERVICE (Continued)~~This leaf intentionally left blank.~~

- (h) In any month where the availability factor of the customer's generation facilities, as defined in (i), is 50% or greater, the customer will pay for all the rates and charges contained in Service Classification No. 2 or No. 7; however, the Distribution Demand Charge shall be calculated based on the billing demand as provided for in the provision in Service Classification No. 2 or No. 7 entitled "DETERMINATION OF DEMAND" minus the customer's standby capacity. For Service Classification No. 7 customers, this calculation will be performed for each rating period. In no event shall any billing demand be less than zero kW.
- (i) For purposes of item (g) above, the availability factor of customer's facilities shall be defined as the total energy (in kWh) produced by the facilities in the six month period ended with the current billing period (less the energy produced during mutually agreed upon maintenance periods) divided by (i) the number of hours in that period (less the number of hours in the mutually agreed upon maintenance periods) and (ii) the nameplate rating, in kW, of the customer's generation facilities. During each of the first five billing periods for each customer, the availability factor shall be determined using the data that are available since the customer first commenced service hereunder.

ISSUED:

EFFECTIVE:

ISSUED BY: Robert Sanchez, President  
Mahwah, New Jersey 07430

**DRAFT**

Revised Leaf No. 82  
Superseding Revised Leaf No. 82

**SERVICE CLASSIFICATION NO. 1  
RESIDENTIAL SERVICE**

**APPLICABLE TO USE OF SERVICE FOR**

Sales and delivery of electric power supply provided by the Company or delivery of electric power supply provided by an electric generation supplier under the Company's Retail Access Program to residential customers. All service at each residence shall be taken through one meter. Service will also be furnished hereunder to a church and adjacent buildings (other than school buildings which substitute for public education), owned by the church and operated in connection therewith; provided, however, that if the buildings of any such church group are separated by a highway or highways, then the electricity delivered to each group so separated shall not be combined with the electricity delivered to other buildings of the church group but shall be billed separately under this rate.

**CHARACTER OF SERVICE**

Continuous, 60 cycle, A.C., from any of the following systems as designated by the Company:

- (1) Single phase at approximately 120,120/208 or 120/240 volts.
- (2) Three phase four wire at approximately 120/208 volts in limited areas.

**RATE – MONTHLY**

	<u>Summer Months*</u>	<u>Other Months</u>
(1) <u>Customer Charge</u>	\$5.41	\$5.41
(2) <u>Distribution Charge</u>		
First 600 kWh .....	@ 5.340 ¢ per kWh	5.340 ¢ per kWh
Over 600 kWh .....	@ 6.725 ¢ per kWh	5.340 ¢ per kWh

\* Definition of Summer Billing Months - June through September

(Continued)

ISSUED:

EFFECTIVE:

ISSUED BY: Robert Sanchez, President  
Mahwah, New Jersey 07430

**DRAFT**

Revised Leaf No. 84  
Superseding Revised Leaf No. 84

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**SERVICE CLASSIFICATION NO. 1  
RESIDENTIAL SERVICE (Continued)**

**RATE – MONTHLY (Continued)**

(5) Basic Generation Service

Customers taking Basic Generation Service from the Company will be billed for such service in accordance with General Information Section No. 31.

In accordance with Riders CBT and SUT, the charges in this Rate Schedule include provision for the New Jersey Corporation Business Tax and the New Jersey Sales and Use Tax. When billed to customers exempt from one or more of these taxes, as set forth in Riders CBT and SUT, such charges will be reduced by the relevant amount of such taxes included therein.

**MINIMUM CHARGE EACH CONTRACT EACH LOCATION**

**\$5.41** monthly, not less than **\$32.46** per contract.

**TERMS OF PAYMENT**

Bills are due in accordance with General Information Section No. 10.

**TERM**

Terminable at any time unless a specified period is required under a line extension agreement.

**EXTENSION OF FACILITIES**

Where service is supplied from an extension the charges thereon shall be determined as provided in General Information.

(Continued)

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ISSUED:

EFFECTIVE:

ISSUED BY: Robert Sanchez, President  
Mahwah, New Jersey 07430

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Revised Leaf No. 87  
Superseding Revised Leaf No. 87

SERVICE CLASSIFICATION NO. 2  
GENERAL SERVICE

APPLICABLE TO USE OF SERVICE FOR

Sales and delivery of electric power supply provided by the Company or delivery of electric power supply provided by an electric generation supplier under the Company's Retail Access Program to general secondary or primary service customers.

A customer taking primary service whose demand exceeds 1,000 kW during any two of the previous twelve months shall not be eligible for this rate and shall be transferred to Service Classification No. 7. A customer so transferred shall only be eligible for transfer back to Service Classification No. 2 on the annual anniversary of the transfer to Service Classification No. 7 and only if said customer has not exceeded 1,000 kW during any two of the previous twelve months.

All service at one location shall be taken through one meter except that service under Special Provision B shall be separately metered.

Demand billed customers with on-site generation that meet the definition of distributed generation as defined in N.J.S.A. 48:2-21.37 shall be subject to the provisions of Service Classification Rider – Standby Service.

CHARACTER OF SERVICE

Continuous, 60 cycle, A.C., single or three phase secondary, at approximately 120/208, 120/240 volts, and 277/480 volts where available; or three phase primary at approximately 2400/4160 and 7620/13200 volts Wye, 13000 and 34500 volts Delta, 69000 volts Wye, and in limited areas 2400 or 4800 volts Delta, depending upon the magnitude and characteristics of the load and the circuit from which service is supplied.

RATE – MONTHLY

	<u>Summer Months*</u>	<u>Other Months</u>
(1) <u>Customer Charge</u>		
(a) Secondary Service (Non-Demand Billed)		
Unmetered Service	\$14.00	\$14.00
Metered Service	\$16.00	\$16.00
(b) Secondary Service (Demand Billed)	\$21.01	\$21.01
(c) Primary Service	\$92.00	\$92.00

\* Definition of Summer Billing Months - June through September

(Continued)

ISSUED:

EFFECTIVE:

ISSUED BY: Robert Sanchez, President  
Mahwah, New Jersey 07430

DRAFT

Revised Leaf No. 88  
Superseding Revised Leaf No. 88

SERVICE CLASSIFICATION NO. 2  
GENERAL SERVICE (Continued)

RATE – MONTHLY (Continued)

		<u>Summer Months*</u>	<u>Other Months</u>
(2)	<u>Distribution Charges</u>		
(a)	<u>Secondary Service (Non-Demand Billed)</u>		
	<u>Usage Charge</u>		
	All kWh ..... @	3.842 ¢ per kWh	3.481 ¢ per kWh
(b)	<u>Secondary Service (Demand Billed)</u>		
	<u>Demand Charge</u>		
	First 5 kW ..... @	\$3.84 per kW	\$3.21 per kW
	Over 5 kW ..... @	\$6.06 per kW	\$5.10 per kW
	<u>Usage Charge</u>		
	First 4,920 kWh ..... @	3.271 ¢ per kWh	3.088 ¢ per kWh
	Over 4,920 kWh ..... @	2.856 ¢ per kWh	2.795 ¢ per kWh
(c)	<u>Primary Service</u>		
	<u>Demand Charge</u>		
	All kW ..... @	\$8.25 per kW	\$7.06 per kW
	<u>Usage Charge</u>		
	All kWh ..... @	1.485 ¢ per kWh	1.485 ¢ per kWh

\* Definition of Summer Billing Months - June through September

(Continued)

ISSUED:

EFFECTIVE:

ISSUED BY: Robert Sanchez, President  
Mahwah, New Jersey 07430



**DRAFT**

Revised Leaf No. 91  
Superseding Revised Leaf No. 91

**SERVICE CLASSIFICATION NO. 2  
GENERAL SERVICE (Continued)**

**RATE – MONTHLY (Continued)**

(5) CIEP Standby Fee

In accordance with General Information Section No. 32, a CIEP Standby Fee shall be assessed on all kWh of customers eligible for BGS-CIEP service.

(6) Basic Generation Service

Customers taking Basic Generation Service from the Company will be billed for such service in accordance with General Information Section No. 31.

In accordance with Riders CBT and SUT, the charges in this Rate Schedule include provision for the New Jersey Corporation Business Tax and the New Jersey Sales and Use Tax. When billed to customers exempt from one or more of these taxes, as set forth in Riders CBT and SUT, such charges will be reduced by the relevant amount of such taxes included therein.

**MINIMUM MONTHLY CHARGE**

Secondary Service (Non-Demand Billed)	
Unmetered Service	\$14.00
Metered Service	\$16.00
Secondary Service (Demand Billed)	\$21.01 Plus the demand charge.
Primary Service	\$92.00 Plus the demand charge.

**DETERMINATION OF DEMAND**

The monthly billing demand in kW shall be either the greatest connected load or the greatest 15-minute integrated demand, determined as follows:

- (1) Billing demand may be on a connected load basis when
  - (a) demand meter would not reduce the billing demand, or
  - (b) the installation is temporary, or
  - (c) the device has a large instantaneous or highly fluctuating demand.
- (2) Billing shall be on a demand meter basis in all other cases and shall be billed at not less than 90% of the kVA demand. The billing demand for the billing months of October through May inclusive shall not be less than 70% of the highest metered demand for the preceding billing months of June through September inclusive.

(Continued)

ISSUED:

EFFECTIVE:

ISSUED BY: Robert Sanchez, President  
Mahwah, New Jersey 07430

DRAFT

Revised Leaf No. 93  
Superseding Revised Leaf No. 93

SERVICE CLASSIFICATION NO. 2  
GENERAL SERVICE (Continued)

SPECIAL PROVISIONS

(A) Short Term Secondary Service

When short term service is requested, the Company reserves the right to require a deposit of the estimated bill for the period service is desired. The minimum charge for such short term service shall be an amount equal to six times the minimum monthly charge, payable in advance. When construction is necessary, the cost of installation and removal of all equipment, less salvage value, shall be borne by the customer, and a sufficient amount to cover these charges shall be paid in advance. A part of a month shall be considered a full month for computing all charges hereunder.

(B) Space Heating

Customers who take service under this classification for 10 kW or more of permanently installed space heating equipment may elect to have the electricity for this service billed separately. All monthly use shall be billed at a Distribution Charge of 3.260 ¢/kWh during the billing months of October through May and 5.430 ¢/kWh during the summer billing months. When this option is requested it shall apply for at least 12 months and shall be subject to a minimum charge of \$26.87 per year per kW of space heating capacity. This provision applies for both heating and cooling where the two services are combined by the manufacturer in a single self-contained unit.

All usage under this Special Provision shall also be subject to Parts (3), (4), and (6) of RATE – MONTHLY.

This special provision is closed to new customers effective August 1, 2014.

~~(C) Auxiliary Or Standby Service~~

~~Auxiliary or standby service will not be supplied under this service classification.~~

~~Any customer who operates or receives electric service from a qualifying facility and who requires auxiliary or standby service shall be eligible to take such service under Service Classification No. 7 of this Schedule. The term "qualifying facility" shall mean a generating facility that meets the qualifying facility requirements established by the Federal Energy Regulatory Commission's rules (18 CFR Part 292) implementing the Public Utility Regulatory Policies Act of 1978.~~

(Continued)

ISSUED:

EFFECTIVE:

ISSUED BY: Robert Sanchez, President  
Mahwah, New Jersey 07430

DRAFT

Revised Leaf No. 94  
Superseding Revised Leaf No. 94

SERVICE CLASSIFICATION NO. 2  
GENERAL SERVICE (Continued)

SPECIAL PROVISIONS (Continued)

~~(C)~~ Auxiliary Or Standby Service (Continued)

~~Customers taking service under this Service Classification shall not operate their generating equipment in parallel or synchronism with the Company's service, except as specifically authorized by the Company for the minimum time required by the customer to disconnect auxiliary generating equipment from the regular Company supply following an interruption of the company's service or during an equipment test. A customer having another installed source of energy may, however, segregate any portion of customer's total requirements so that such portion shall be served exclusively with the Company's service.~~

~~(DC)~~ Budget Billing Plan

Any condominium association or cooperative housing corporation who takes service hereunder and any other customer taking service under Special Provision B of this Service Classification may, upon request, be billed monthly in accordance with the budget billing plan provided for in General Information Section 8 of this tariff.

~~(ED)~~ Veterans' Organization Service

Pursuant to N.J.S.A. 48:2-21.41, when electric service is delivered to a customer that is a Veterans' Organization that is serving the needs of veterans of the armed forces, the customer may apply and be eligible for billing under this Special Provision.

Each customer shall be eligible for billing under this Special Provision upon submitting an Application for Veterans' Organization Service under this Service Classification and by qualifying as a Veterans' Organization as defined by N.J.S.A. 48:2-21.41 as "an organization dedicated to serving the needs of veterans of the armed forces that: is chartered under federal law, qualifies as a tax exempt organization under paragraph (19) of subsection (c) of section 501 of the federal Internal Revenue Code of 1986, 26 U.S.C. s.501 (c)(19), or that is organized as a corporation under the 'New Jersey Nonprofit Corporation Act,' N.J.S.15A:1-1 et seq." Under N.J.S.A. 48: 2-21.41, a qualified Veterans' Organization shall be charged the residential rate for service delivered to the property where the Veterans' Organization primarily operates, if the residential rate is lower than the commercial rate for service at that property.

The customer shall furnish satisfactory proof of eligibility for service under this Special Provision to the Company. Once proof of eligibility is determined by the Company, service under this Special Provision shall begin with the next billing cycle following receipt of the Application.

(Continued)

ISSUED:

EFFECTIVE:

ISSUED BY: Robert Sanchez, President  
Mahwah, New Jersey 07430

**DRAFT**

Revised Leaf No. 94.1  
Superseding Revised Leaf No. 94.1

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**SERVICE CLASSIFICATION NO. 2  
GENERAL SERVICE (Continued)**

**SPECIAL PROVISIONS (Continued)**

|      (~~E~~D) Veterans' Organization Service (Continued)

The customer will continue to be billed on this Service Classification. At least once annually, the Company shall review eligible customers' distribution charges under this Special Provision for all relevant periods. If the comparable distribution charges under Service Classification No. 1 are lower than the distribution charges under the customer's current Service Classification, a credit in the amount of the difference will be applied to the customer's next bill.

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ISSUED:

EFFECTIVE:

ISSUED BY:      Robert Sanchez, President  
Mahwah, New Jersey 07430

DRAFT

Revised Leaf No. 95  
Superseding Revised Leaf No. 95

SERVICE CLASSIFICATION NO. 3  
RESIDENTIAL TIME-OF-DAY HEATING SERVICE

APPLICABLE TO USE OF SERVICE FOR

Sales and delivery of electric power supply provided by the Company or delivery of electric power supply provided by an electric generation supplier under the Company's Retail Access Program to residential customers where an approved electric storage heater is used for customer's entire water heating requirements and/or permanently installed electric space heating equipment is the sole source of space heating, excluding fire places, on the premises. Solar energy collection devices may be used to supplement customer's water and/or space heating requirements.

CHARACTER OF SERVICE

Continuous, 60 cycle, A.C., from any of the following systems as designated by the Company:

- (1) Single phase at approximately 120,120/208 or 120/240 volts.
- (2) Three phase four wire at approximately 120/208 volts in limited areas.

RATE – MONTHLY

	<u>Summer Months*</u>	<u>Other Months</u>
(1) <u>Customer Charge</u>	\$9.00	\$9.00
(2) <u>Distribution Charge</u>		
<u>Peak</u> All kWh measured between 10:00 a.m. and 10:00 p.m., Monday through Friday       ..... @	7.183 ¢ per kWh	6.444 ¢ per kWh
<u>Off-Peak</u> All other kWh       ..... @	2.588 ¢ per kWh	2.588 ¢ per kWh

\* Definition of Summer Billing Months - June through September

(Continued)

ISSUED:

EFFECTIVE:

ISSUED BY: Robert Sanchez, President  
Mahwah, New Jersey 07430

**DRAFT**

Revised Leaf No. 97  
Superseding Revised Leaf No. 97

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**SERVICE CLASSIFICATION NO. 3  
RESIDENTIAL TIME-OF-DAY HEATING SERVICE (Continued)**

**RATE – MONTHLY (Continued)**

(5) Basic Generation Service

Customers taking Basic Generation Service from the Company will be billed for such service in accordance with General Information Section No. 31.

In accordance with Riders CBT and SUT, the charges in this Rate Schedule include provision for the New Jersey Corporation Business Tax and the New Jersey Sales and Use Tax. When billed to customers exempt from one or more of these taxes, as set forth in Riders CBT and SUT, such charges will be reduced by the relevant amount of such taxes included therein.

**MINIMUM CHARGE EACH CONTRACT EACH LOCATION**

The Customer Charge, not less than **\$108.00** per contract.

**TERMS OF PAYMENT**

Bills are due in accordance with General Information Section No. 10.

**TERM**

The initial term of service shall be one year. Customers opting for this rate shall not be entitled to service at the same location under the Company's Service Classification Nos. 1 or 5 until one year from the date of service or thereafter on the annual anniversary date upon 5 days' prior written notice.

**EXTENSION OF FACILITIES**

Where service is supplied from an extension the charges thereon shall be determined as provided in General Information.

(Continued)

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Revised Leaf No. 101  
Superseding Revised Leaf No. 101

**SERVICE CLASSIFICATION NO. 4  
PUBLIC STREET LIGHTING SERVICE (Continued)**

**RATE – MONTHLY**

(1) Distribution and Transmission Charges

(a) Distribution Luminaire Charges

<u>Nominal Lumens</u>	<u>Luminaire Type</u>	<u>Watts</u>	<u>Total Wattage</u>	<u>Distribution Charge</u>
<u>Street Lighting Luminaires</u>				
5,800	Sodium Vapor	70	108	\$8.94
9,500	Sodium Vapor	100	142	9.70
16,000	Sodium Vapor	150	199	11.80
27,500	Sodium Vapor	250	311	15.07
46,000	Sodium Vapor	400	488	24.44
<del>3,400</del>	<del>Induction</del>	<del>40</del>	<del>45</del>	<del>7.95</del>
<del>5,950</del>	<del>Induction</del>	<del>70</del>	<del>75</del>	<del>8.10</del>
<del>8,500</del>	<del>Induction</del>	<del>100</del>	<del>110</del>	<del>9.15</del>
<del>12,750</del>	<del>Induction</del>	<del>150</del>	<del>160</del>	<del>11.43</del>
<del>21,250</del>	<del>Induction</del>	<del>250</del>	<del>263</del>	<del>14.85</del>
<del>3,000</del>	<del>LED</del>	<del>20-25</del>	<del>23</del>	<del>8.21</del>
<del>3,900</del>	<del>LED</del>	<del>30-39</del>	<del>35</del>	<del>8.05</del>
<del>5,000</del>	<del>LED</del>	<del>40-59</del>	<del>50</del>	<del>8.07</del>
<del>5,890</del>	<del>LED</del>	<del>70</del>	<del>74</del>	<del>8.71</del>
<del>7,250</del>	<del>LED</del>	<del>60-79</del>	<del>68</del>	<del>8.41</del>
<del>9,365</del>	<del>LED</del>	<del>100</del>	<del>101</del>	<del>10.68</del>
<del>12,000</del>	<del>LED</del>	<del>95-110</del>	<del>103</del>	<del>9.46</del>
<del>16,000</del>	<del>LED</del>	<del>130-150</del>	<del>140</del>	<del>9.92</del>
<del>22,000</del>	<del>LED</del>	<del>180-220</del>	<del>200</del>	<del>14.53</del>
<u>Flood Lighting Luminaires</u>				
15,500	LED	115-130	125	\$11.43
27,000	LED	175-225	205	14.58
37,500	LED	265-315	290	15.88

The following luminaires will no longer be installed. Charges are for existing luminaires only.

Street Lighting Luminaires

1,000	Open Bottom Incandescent	92	92	\$5.92
<del>2,500</del>	<del>Open Bottom Incandescent</del>	<del>189</del>	<del>189</del>	<del>6.73</del>

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<del>6,000</del>	<del>Closed Bottom</del>	<del>405</del>	<del>405</del>	<del>10.33</del>
	<del>Incandescent</del>			
4,000	Mercury Vapor	100	127	8.01
7,900	Mercury Vapor	175	211	9.44
12,000	Mercury Vapor	250	296	12.27
22,500	Mercury Vapor	400	459	15.58
40,000	Mercury Vapor	700	786	23.69
59,000	Mercury Vapor	1,000	1,105	29.94

(Continued)

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**DRAFT**

Revised Leaf No. 102  
Superseding Revised Leaf No. 102

**SERVICE CLASSIFICATION NO. 4  
PUBLIC STREET LIGHTING SERVICE (Continued)**

**RATE – MONTHLY (Continued)**

(1) Distribution and Transmission Charges (Continued)

(a) Distribution Luminaire Charges (Continued)

Nominal Lumens	Luminaire Type	Watts	Total Wattage	Distribution Charge
<u>Street Lighting Luminaires (Continued)</u>				
3,400	Induction	40	45	\$9.35
5,950	Induction	70	75	9.52
8,500	Induction	100	110	10.76
5,890	LED	70	74	10.24
9,365	LED	100	101	12.57
<u>Off-Roadway Luminaires</u>				
27,500	Sodium Vapor	250	311	\$ 16.94
46,000	Sodium Vapor	400	488	23.82
<u>Post-Top Luminaires</u>				
4,000	Mercury Vapor	100	130	\$12.19
7,900	Mercury Vapor	175	215	14.93
7,900	Merc. Vapor-Offset	175	215	17.53
16,000	Sodium Vapor-Offset	150	199	23.85

(b) Transmission Charges

A Transmission Charge of 1.223 ¢ per kWh will apply to all customers taking Basic Generation Service from the Company. Transmission charges are also applicable to customers located in the Company's Central and Western Divisions and obtaining Competitive Energy Supply. Transmission charges are not applicable to customers located in the Company's Eastern Division and obtaining Competitive Energy Supply. The Company's Eastern, Central and Western Divisions are defined in General Information Section No. 1. A Transmission Surcharge, to recover Reliability Must Run Charges, of 0.000 ¢ per kWh will also apply to all customers taking Basic Generation Service from the Company.

Transmission Charges shall be applied to the kWh estimate in the following manner:

kWh = (Total Wattage divided by 1,000) times Monthly Burn Hours\*

\*See Monthly Burn Hours Table

(Continued)

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Revised Leaf No. 103  
Superseding Revised Leaf No. 103

SERVICE CLASSIFICATION NO. 4  
PUBLIC STREET LIGHTING SERVICE (Continued)

RATE – MONTHLY (Continued)

(2) Additional Charge

- (a) An additional \$20.40 per luminaire per month will be charged for existing Underground Service where the Company owns and maintains the entire facilities.
- (b) An additional \$4.96 per luminaire per month will be charged for existing underground service where the customer has installed, owns and maintains the duct system complete, but not the aluminum standard or luminaire.
- (c) An additional \$0.55 per bracket per month will be charged for a fifteen foot bracket when installed.

(3) Societal Benefits Charge, Regional Greenhouse Gas Initiative Surcharge, Securitization Charges, Temporary Tax Act Credit, and Zero Emission Certificate Recovery Charge.

The provisions of the Company's Societal Benefits Charge, Regional Greenhouse Gas Initiative Surcharge, Securitization Charges, Temporary Tax Act Credit, and Zero Emission Certificate Recovery Charge as described in General Information Section Nos. 33, 34, 35, 36, and 37 respectively shall be assessed on all kWh delivered hereunder.

The charges shall be applied to the kWh estimate in the following manner:

kWh = (Total Wattage divided by 1,000) times Monthly Burn Hours\*

\* See Monthly Burn Hours Table.

(Continued)

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Revised Leaf No. 108  
Superseding Revised Leaf No. 108

SERVICE CLASSIFICATION NO. 5  
RESIDENTIAL SPACE HEATING SERVICE

APPLICABLE TO USE OF SERVICE FOR

Sales and delivery of electric power supply provided by the Company or delivery of electric power supply provided by an electric generation supplier under the Company's Retail Access Program to residential customers, where electricity is a source of space heating subject to the conditions specified in "Special Provisions". All service at each residence shall be taken through one meter.

CHARACTER OF SERVICE

Continuous, 60 cycle, A.C., from any of the following systems as designated by the Company:

- (1) Single phase at approximately 120,120/208 or 120/240 volts.
- (2) Three phase four wire at approximately 120/208 volts in limited areas.

RATE – MONTHLY

	<u>Summer Months*</u>	<u>Other Months</u>
(1) <u>Customer Charge</u>	\$5.41	\$5.41
(2) <u>Distribution Charge</u>		
First 600 kWh .....	5.340 ¢ per kWh	5.340 ¢ per kWh
Over 600 kWh .....	6.725 ¢ per kWh	5.340 ¢ per kWh

\*Definition of Summer Billing Months – June through September

(Continued)

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Revised Leaf No. 110  
Superseding Revised Leaf No. 110

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**SERVICE CLASSIFICATION NO. 5  
RESIDENTIAL SPACE HEATING SERVICE (Continued)**

**RATE – MONTHLY (Continued)**

(5) Basic Generation Service

Customers taking Basic Generation Service from the Company will be billed for such service in accordance with General Information Section No. 31.

In accordance with Riders CBT and SUT, the charges in this Rate Schedule include provision for the New Jersey Corporation Business Tax and the New Jersey Sales and Use Tax. When billed to customers exempt from one or more customers exempt from one or more of these taxes, as set forth in Riders CBT and SUT, such charges will be reduced by the relevant amount of such taxes included therein.

**MINIMUM CHARGE EACH CONTRACT EACH LOCATION**

**\$5.41** monthly, not less than **\$32.46** per contract.

**TERMS OF PAYMENT**

Bills are due in accordance with General Information Section No. 10.

**TERM**

Terminable at any time unless a specified period is required under a line extension agreement.

**EXTENSION OF FACILITIES**

Where service is supplied from an extension the charges thereon shall be determined as provided in General Information.

(Continued)

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Mahwah, New Jersey 07430

**DRAFT**

Revised Leaf No. 114  
Superseding Revised Leaf No. 114

**SERVICE CLASSIFICATION NO. 6  
PRIVATE OVERHEAD LIGHTING SERVICE (Continued)**

**RATE – MONTHLY:**

(1) Distribution and Transmission Charges

(a) Luminaire Charges for Service Types A and B

<u>Nominal Lumens</u>	<u>Luminaire Type</u>	<u>Watts</u>	<u>Total Wattage</u>	<u>Distribution Charge</u>
<u>Power Bracket Luminaires</u>				
5,800	Sodium Vapor	70	108	\$6.48
9,500	Sodium Vapor	100	142	7.78
16,000	Sodium Vapor	150	199	8.35
3,950	LED	30-44	35	7.57
5,550	LED	45-49	50	7.68
7,350	LED	60-70	65	7.75

Street Lighting Luminaires

5,800	Sodium Vapor	70	108	\$9.01
9,500	Sodium Vapor	100	142	9.89
16,000	Sodium Vapor	150	199	12.16
27,500	Sodium Vapor	250	311	15.59
46,000	Sodium Vapor	400	488	25.73
3,000	LED	20-25	23	8.21
3,900	LED	30-39	35	8.05
5,000	LED	40-59	50	8.07
7,250	LED	60-79	68	8.41
12,000	LED	95-110	103	9.46
3,400	Induction	40	45	8.00
5,950	Induction	70	75	8.17
8,500	Induction	100	110	9.20
12,750	Induction	150	160	11.50
21,250	Induction	250	263	14.96
16,000	LED	130-150	140	9.92
5,890	LED	70	74	8.75
9,365	LED	100	101	10.77
22,000	LED	180-220	200	14.53

Flood lighting Luminaires

27,500	Sodium Vapor	250	311	\$ 12.86
46,000	Sodium Vapor	400	488	25.73
15,500	LED	115-130	125	11.43

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<u>27,000</u>	<u>LED 175-225</u>	<u>205</u>	<u>14.58</u>
<u>37,500</u>	<u>LED 265-315</u>	<u>290</u>	<u>15.88</u>

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Revised Leaf No. 115  
Superseding Revised Leaf No. 115

**SERVICE CLASSIFICATION NO. 6  
PRIVATE OVERHEAD LIGHTING SERVICE (Continued)**

**RATE – MONTHLY (Continued)**

(1) Distribution and Transmission Charges (Continued)

(a) Luminaire Charges for Service Types A and B (Continued)

Nominal <u>Lumens</u>	<u>Luminaire Type</u>	<u>Watts</u>	Total <u>Wattage</u>	Distribution <u>Charge</u>
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The following luminaires will no longer be installed. Charges are for existing luminaires only.

Power Bracket Luminaires

4,000	Mercury Vapor	100	127	\$10.05
7,900	Mercury Vapor	175	215	11.62
22,500	Mercury Vapor	400	462	18.53

Post Top Luminaires

16,000	Sodium Vapor-Offset	150	199	\$23.92
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Street Lighting Luminaires

4,000	Mercury Vapor	100	127	\$11.06	
7,900	Mercury Vapor	175	211	12.64	
22,500	Mercury Vapor	400	459	19.63	
1,000	Incandescent	-	92	8.99	2,500
<del>Incandescent</del>		<del>189</del>	<del>9.56</del>		
3,400	Induction	40	45	9.69	
5,950	Induction	70	75	9.91	
8,500	Induction	100	110	11.16	
5,890	LED	70	74	10.62	
9,365	LED	100	101	13.06	

Flood lighting Luminaires

12,000	Mercury Vapor	250	296	\$15.89
40,000	Mercury Vapor	700	786	28.77
59,000	Mercury Vapor	1,000	1,105	35.83

(Continued)

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SERVICE CLASSIFICATION NO. 6  
PRIVATE OVERHEAD LIGHTING SERVICE (Continued)

RATE – MONTHLY (Continued)

(1) Distribution and Transmission Charges (Continued)

(b) Distribution Charges for Service Type C

Metered Service - Customer Charge at \$14.00 per month plus Distribution Charge at \$5.725 per kWh; or  
Unmetered Service - Customer Charge at \$3.00 per month plus Distribution Charge at \$5.725 per kWh.

(c) Transmission Charges for Service Types A, B, and C

A Transmission Charge of 1.223 ¢ per kWh will apply to all customers taking Basic Generation Service from the Company. Transmission charges are also applicable to customers located in the Company's Central and Western Divisions and obtaining Competitive Energy Supply. The Company's Eastern Division and obtaining Competitive Energy Supply. Information Section No. 1. A Transmission Surcharge, to recover Reliability Must Run Charges, of 0.000 ¢ per kWh will also apply to all customers taking Basic Generation Service from the Company.

For service type A, B, or C if not metered, the charges shall be applied to the kWh estimated as follows:

kWh = (Total Wattage divided by 1,000) times Monthly Burn Hours\*

(2) Societal Benefits Charge, Regional Greenhouse Gas Initiative Surcharge, Securitization Charges, Temporary Tax Act Credit, and Zero Emission Certificate Recovery Charge.

The provisions of the Company's Societal Benefits Charge, Regional Greenhouse Gas Initiative Surcharge, Securitization Charges, Temporary Tax Act Credit, and Zero Emission Certificate Recovery Charge as described in General Information Section Nos. 33, 34, 35, 36, and 37 respectively shall be assessed on all kWh delivered hereunder. For service type A, B, or C if not metered, the charges shall be applied to the kWh estimated as follows:

kWh = (Total Wattage divided by 1,000) times Monthly Burn Hours\*

\* See Monthly Burn Hours Table.

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Revised Leaf No. 118  
Superseding Revised Leaf No. 118

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**SERVICE CLASSIFICATION NO. 6  
PRIVATE OVERHEAD LIGHTING SERVICE (Continued)**

**MINIMUM CHARGE**

The minimum charge per luminaire for Service Type A or B shall be the sum of the monthly Distribution and Transmission Charges as specified in RATE – MONTHLY, Part (1a) times twelve. Should the monthly charge be revised during the initial term, the minimum charge per installation shall be prorated accordingly.

The minimum charge for Service Type C - Metered shall be \$14.00 per month and not less than \$168.00 for the initial term.

The minimum charge for Service Type C - Unmetered shall be \$3.00 per month and not less than \$36.00 for the initial term.

**TERM**

The Initial Term shall be one year. Service shall continue in effect thereafter until canceled by either party upon thirty days written notice. The Company shall require an Initial Term of one year for each luminaire for Service Types A or B.

**TERMS OF PAYMENT**

Bills are due in accordance with General Information Section No. 10.

(Continued)

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Mahwah, New Jersey 07430

**DRAFT**

Revised Leaf No. 119  
Superseding Revised Leaf No. 119

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**SERVICE CLASSIFICATION NO. 6  
PRIVATE OVERHEAD LIGHTING SERVICE (Continued)**

**SPECIAL PROVISIONS**

Special Provisions A, B, D, E, F, and J apply only to Service Types A and B. Special Provision K applies only to Service Type C. Special Provisions C, G, H, and I apply to Service Types A, B, and C.

- (A) Street lighting luminaires will normally be mounted on eight foot aluminum brackets. Fifteen foot brackets are available at an additional charge of **\$0.63** per bracket per month.
- (B) Luminaires will be installed free of charge where all facilities necessary to serve a luminaire are present. Customer shall pay the cost of any additional facilities required, prior to the commencement of the construction of such facilities.
- (C) The customer shall furnish the Company with all easements or rights-of-way necessary to provide service to the desired location before any installation or construction will be started.
- (D) A customer may apply for service hereunder for a proposed residential subdivision in which all electric facilities will be underground. Such application shall be signed by the customer and builder or developer and when accepted by the Company, shall constitute an agreement between the Company, customer and builder or developer subject to the terms and provisions hereunder.

The builder or developer shall pay to the Company prior to the commencement of any construction all costs associated with the installation of the facilities to be serviced hereunder and shall prepay six times the total monthly charge for all luminaires installed. Said monthly charges shall be determined using the rates in effect at the time said costs and charges are determined. The Company shall not bill the customer for the first six months of service of the facilities installed under this special provision.

- (E) The Company shall not be obligated to repair or replace in kind any obsolete luminaire for which it cannot reasonably obtain the necessary parts. The Company will remove the obsolete luminaire or at the customer's request, replace it with any luminaire offered for service at that time for which the customer will be charged the appropriate rates.

(Continued)

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Mahwah, New Jersey 07430

DRAFT

Revised Leaf No. 122  
Superseding Revised Leaf No. 122

SERVICE CLASSIFICATION NO. 7  
LARGE GENERAL TIME-OF-DAY SERVICE

APPLICABLE TO USE OF SERVICE FOR

Sales and delivery of electric power supply provided by the Company or delivery of electric power supply provided by an electric generation supplier under the Company's Retail Access Program to primary service customers who maintain a minimum demand of 1,000 kW during any two of the previous twelve months and provide all equipment required to take service at a primary voltage as designated by the Company. A primary customer who does not maintain a demand of at least 1,000 kW during any two of the previous twelve months, may, at the customer's option transfer to another Service Classification provided that such transfer shall only be made on an annual anniversary date that such customer began service hereunder.

Sales and delivery of electric power supply provided by the Company or delivery of electric power supply provided by an electric generation supplier under the Company's Retail Access Program to high voltage distribution service customers with a minimum demand of 1,000 kW who provide all equipment required to take high voltage distribution service as designated by the Company. High voltage distribution service shall be made available at the sole discretion of the Company where conditions merit.

~~Customers with generators that meet the definition of distributed generation as defined in N.J.S.A. 48:2-21.37 shall be subject to the provisions of Service Classification Rider – Standby Service. Any customer who operates a qualifying facility, as defined below, and who requires supplemental, auxiliary or standby service to be supplied by the Company. The term "qualifying facility" shall mean a generating facility that meets the qualifying facility requirements established by the Federal Energy Regulatory Commission's rules (18 CFR Part 292) implementing the Public Utility Regulatory Policies Act of 1978.~~

All service at one location shall be taken through one meter except that service taken under Special Provision A shall be separately metered.

CHARACTER OF SERVICE

Continuous, 60 cycles, A.C., single or three phase primary or high voltage distribution service as defined in General Information Section 26 and depending on the magnitude and characteristics of the load and the circuit from which service is supplied.

RATE – MONTHLY

	Primary	High Voltage Distribution
(1) <u>Customer Charge</u>	\$250.00	\$2,288.12

(Continued)

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Revised Leaf No. 123  
Superseding Revised Leaf No. 123

SERVICE CLASSIFICATION NO. 7  
LARGE GENERAL TIME-OF-DAY SERVICE (Continued)

RATE – MONTHLY (Continued)

(2) Distribution Charges

		<u>Primary</u>	<u>High Voltage Distribution</u>
<u>Demand Charge</u>			
Period I	All kW @	\$4.17 per kW	\$1.16 per kW
Period II	All kW @	1.02 per kW	0.27 per kW
Period III	All kW @	3.82 per kW	1.07 per kW
Period IV	All kW @	1.02 per kW	0.27 per kW
<u>Usage Charge</u>			
Period I	All kWh @	1.770 ¢ per kWh	0.203 ¢ per kWh
Period II	All kWh @	1.325 ¢ per kWh	0.151 ¢ per kWh
Period III	All kWh @	1.770 ¢ per kWh	0.203 ¢ per kWh
Period IV	All kWh @	1.325 ¢ per kWh	0.151 ¢ per kWh

(3) Transmission Charges

- (a) These charges apply to all customers taking Basic Generation Service from the Company. These charges are also applicable to customers located in the Company's Central and Western Divisions and obtaining Competitive Energy Supply. These charges are not applicable to customers located in the Company's Eastern Division and obtaining Competitive Energy Supply. The Company's Eastern, Central and Western Divisions are defined in General Information Section No. 1.

(Continued)

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Superseding Revised Leaf No. 127

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SERVICE CLASSIFICATION NO. 7  
LARGE GENERAL TIME-OF-DAY SERVICE (Continued)

SPECIAL PROVISIONS

(A) Space Heating

Customers who take service under this classification for 10 kW or more of permanently installed space heating equipment may elect to have the electricity for this service billed separately. All monthly use shall be billed at a Distribution Charge of 3.520 ¢ per kWh during the billing months of October through May and 5.691 ¢ per kWh during the summer billing months, a Transmission Charge of 0.404 ¢ per kWh and a Transmission Surcharge of 0.430 ¢ per kWh during all billing months. The applicability of Transmission Charges and the Transmission Surcharge is described in Part (3) of RATE – MONTHLY.

When this option is requested it shall apply for at least 12 months and shall be subject to a minimum charge of \$26.87 per year per kW of space heating capacity. This provision applies for both heating and cooling where the two services are combined by the manufacturer in a single self-contained unit.

All usage under this Special Provision shall also be subject to Parts (4), (5), and (6) of RATE – MONTHLY. This Special Provision is not available to those customers taking high voltage distribution service.

This special provision is closed to new customers effective August 1, 2014.

(B) Budget Billing Plan

Any condominium association or cooperative housing corporation who takes service hereunder and any other customer taking service under Special Provision B of this Service Classification may, upon request, be billed monthly in accordance with the budget billing plan provided for in General Information Section 8 of this tariff.

(Continued)

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Mahwah, New Jersey 07430

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Superseding Revised Leaf No. 128

SERVICE CLASSIFICATION NO. 7  
LARGE GENERAL TIME-OF-DAY SERVICE (Continued)

~~This leaf intentionally left blank, SPECIAL PROVISIONS (Continued)~~

~~(C) Standby Service~~

~~Standby Service will be furnished when and where available to customers with on-site generation equipment or other source of electric service under the following conditions:~~

- ~~(a) Customer's on-site generation or other source of electric service equipment meets the requirements of Section 201 and Section 210 of the Public Utilities Regulatory Policies Act and regulations promulgated thereunder for a qualifying facility.~~
- ~~(b) The customer agrees to abide by all provisions of the Company's "Operating, Metering, and Equipment Protection Requirements for Parallel Operation of Generating Facilities."~~
- ~~(c) The customer shall pay for any special metering costs. Special metering costs shall be defined as the total cost of metering less the cost of metering for service under this Service Classification for customers without on-site generation.~~
- ~~(d) The standby capacity for a customer whose total generation capacity (nameplate ratings) is greater than said customer's total demand requirements shall be the amount of standby capacity, in kW, requested by said customer but not less than said customer's maximum demand as metered by the Company in any previous month. The standby capacity for all other customers shall be the nameplate rating, in kW, of all the customer's generation facilities interconnected with the Company's system, as determined by the Company.~~
- ~~(e) The customer shall notify the Company of all changes in customer's generating facilities prior to making such changes and shall allow the Company's representatives access to those facilities for purposes of inspection and redetermination of the standby capacity.~~
- ~~(f) Customer shall pay to the Company a standby capacity charge of \$1.55 per kW of standby capacity per month. The standby capacity charge will be included in customer's bill for service rendered under this Service Classification.~~

(Continued)

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Revised Leaf No. 129  
Superseding Revised Leaf No. 129

SERVICE CLASSIFICATION NO. 7  
LARGE GENERAL TIME-OF-DAY SERVICE (Continued)

~~This leaf intentionally left blank, SPECIAL PROVISIONS (Continued)~~

~~(C) Standby Service (Continued)~~

~~(g) The billing demand for each rating period shall be determined as follows:~~

~~(1) In any billing period where the availability factor of customer's facilities is less than 50 percent, the billing demand shall be as provided for in the provision entitled "DETERMINATION OF DEMAND" and the customer shall be \_\_\_\_\_ excused from paying the standby capacity charge;~~

~~(2) In any billing period where the availability factor of customer's facilities is 50 percent or greater, the billing demand shall be the billing demand as \_\_\_\_\_ provided for in the provision entitled "DETERMINATION OF DEMAND" \_\_\_\_\_ minus the customer's standby capacity;~~

~~(3) In any billing period where the availability factor of customer's facilities is greater than 90 percent, the billing demand shall be the billing demand as provided for in the provision entitled "DETERMINATION OF DEMAND" \_\_\_\_\_ minus the customer's standby capacity and customer shall be excused from \_\_\_\_\_ paying the standby capacity charge; and~~

~~(4) In no event shall the billing demand for any rating period be less than zero \_\_\_\_\_ kW.~~

~~(h) For purposes of item g above, the availability factor of customer's facilities shall be defined as the total energy (in kWh) produced by the facilities in the six month period ended with the current billing period (less the energy produced during mutually agreed upon maintenance periods) divided by (i) the number of hours in that period (less the number of hours in the mutually agreed upon maintenance periods) and (ii) the customer's standby capacity. The availability factor shall be so determined for each rating period as defined above in the provision entitled "DEFINITION OF RATING PERIODS". Rating periods 1 and 3 and rating periods 2 and 4 shall be considered as the same rating periods for purposes of determining the availability factor. During each of the first five billing periods for each customer, the availability factor shall be determined using the data that are available since the customer first commenced service hereunder.~~

ISSUED:

EFFECTIVE:

ISSUED BY: Robert Sanchez, President  
Mahwah, New Jersey 07430