

Agenda Date: 3/12/12 Agenda Item: 7E

STATE OF NEW JERSEY

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

CUSTOMER ASSISTANCE

IN THE MATTER OF THE PROPOSAL BY PUBLIC SERVICE ELECTRIC AND GAS COMPANY TO DISCLOSE INDIVIDUAL CUSTOMER PROPRIETARY INFORMATION) ORDER ADOPTING) STIPULATION

) DOCKET NO. EO10110835

Parties of Record:

Mally Becker, Esq., Public Service Electric and Gas Company Stefanie Brand, Director, New Jersey Division of Rate Counsel Phyllis Salowe-Kaye, Executive Director, Citizen Action

BY THE BOARD

On September 22, 2010, Public Service Electric and Gas Company ("PSE&G") issued a press release announcing its intention to initiate full credit reporting to Experian, a national credit reporting bureau of the monthly bill payments of all of its current electric and gas customers ("2010 Credit Reporting Program") by early 2011. PSE&G had not requested Board approval of the program.

On November 8, 2010, Rate Counsel filed a Verified Petition with the Board, requesting that the Board issue an expedited Order declaring that the 2010 Credit Reporting Program proposed by PSE&G violates provisions of the Electric Discount and Energy Competition Act ("EDECA"), specifically N.J.S.A. 48:3-85, and mandating that PSE&G publish a retraction of the announcement of this proposal through a press release, bill insert and a posting on its web site.

On November 12, 2010, PSE&G submitted a letter to the Board opposing any expedited treatment of this matter, and representing that it "intended to place its program on hold."

On December 6, 2010, the Board considered this matter at its Agenda Meeting, and issued an Order determining that it would retain this petition for hearing, as permitted by N.J.S.A. 48:2-32, and designating Commissioner Joseph L. Fiordaliso as the presiding officer authorized to preside over and control the conduct of this case.

On December 13, 2010, PSE&G filed its Verified Answer contending that the 2010 Credit Reporting Program is permitted under EDECA without the need for prior Board approval.

At a case management conference held on January 14, 2011, the parties agreed, among other things, to a briefing schedule to file motions for summary decision, which Commissioner Fiordaliso memorialized in a Pre-hearing Order dated January 25, 2011.

Rate Counsel filed a Notice of Motion for Summary Decision and Brief in Support of the Motion on January 31, 2011, and PSE&G filed a response and Cross-Motion for Summary Decision on February 15, 2011. Replies were filed by Rate Counsel on February 22, 2011 and by PSE&G on March 15, 2011. A brief on behalf of Board Staff was filed on March 8, 2011, supporting Rate Counsel's position.

On February 1, 2011, New Jersey Citizen Action ("Citizen Action") filed a request for intervention. No opposition to the request was filed. On March 7, 2011, Commissioner Fiordaliso issued an Order granting Citizen Actions' motion to intervene.

During the ensuing months, representatives of Board Staff, PSE&G, Rate Counsel and Citizen Action (collectively, the "Parties") discussed the issues and reached a comprehensive settlement of all issues. Specifically, on March 6, 2012, the Parties signed a stipulation agreeing to the following:

- 1. The Company agrees to withdraw its 2010 Credit Reporting Program and shall not report credit information for its electric and gas accounts to any credit reporting agency without first filing a formal petition with the Board with a copy to Rate Counsel seeking a written Board Order approving such a program and receiving that approval.
- 2. The Company agrees to notify its customers of its intent to withdraw its 2010 Credit Reporting Program in a manner that is the same as the Company's original notification in 2010 of its intention to start the 2010 Credit Reporting Program, i.e., by issuing a press release and posting such press release on the Company's public website.
- 3. Notwithstanding the above, the Company may continue to report to a collection agency, consistent with Board regulations and other applicable state and federal law, credit information on its customers whose service has been discontinued, for the purpose of collecting the customer's delinquent account.
- 4. Based upon the Company's representation that it will permanently withdraw its 2010 Credit Reporting Program and notify its customers pursuant to paragraphs 1 and 2 above, Rate Counsel hereby withdraws its petition under this docket with the Board.

The Board has reviewed the Stipulation and <u>FINDS</u> it to be reasonable, in the public interest and in accordance with the law. Therefore, the Board <u>HEREBY ADOPTS</u> the Stipulation as its own, incorporating the terms and conditions therein as is fully set forth herein. Upon receipt from PSE&G of proof of its compliance with the notice provisions cited above, the Board HEREBY <u>DIRECTS</u> that this docket shall be closed.

As a procedural matter, the Board HEREBY ADOPTS, in their entirety, all Orders previously issued by Commissioner Fiordaliso during the pendency of this matter for the reasons stated in those Orders.

DATED: 3/12/2012

BOARD OF PUBLIC UTILITIES

BY:

PRESIDENT

NNE M. FOX OMMISSIONER

JOSEPH L. FIÓRDALISO **COMMISSIONER**

COMMISSIONER

COMMISSIONER

ATTEST:

KRISTI IZZO SECRETARY

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

IN THE MATTER OF THE PROPOSAL BY PUBLIC SERVICE ELECTRIC AND GAS COMPANY TO DISCLOSE INDIVIDUAL CUSTOMER PROPRIETARY INFORMATION – DOCKET NO. E010110835

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March 7, 2012

In the Matter of the Proposal by
Public Service Electric and Gas Company
To Disclose Individual Customers'
Proprietary Information

BPU Docket No. EO10110835

VIA REGULAR & ELECTRONIC MAIL

Kristi Izzo, Secretary Board of Public Utilities 44 S Clinton Avenue, 9th Floor P.O. Box 350 Trenton, New Jersey 08625-0350

Dear Secretary Izzo:

Public Service Electric and Gas Company (PSE&G) respectfully requests that the New Jersey Board of Public Utilities accept for filing the attached fully-executed Final Stipulation of Settlement.

Thank you for your attention to this matter.

Very truly yours,

Original Signed by Mally Becker, Esq.

C Attached Service List (E-Mail Only)

PUBLIC SERVICE ELECTRIC AND GAS COMPANY CREDIT REPORTING

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STATE OF NEW JERSEY BOARD OF PUBLIC UTILITIES

IN THE MATTER OF THE PROPOSAL BY)	
PUBLIC SERVICE ELECTRIC AND GAS COMPANY)	STIPULATION
TO DISCLOSE INDIVIDUAL CUSTOMERS')	
PROPRIETARY INFORMATION)	BPU Dkt. No. EO10110835

APPEARANCES:

Mally Becker, Esq., Assistant General Regulatory Counsel, for the Respondent Public Service Electric and Gas Company

Stefanie Brand, Director; **Ami Morita,** Esq., Deputy Rate Counsel, and **Brian Weeks,** Esq., Deputy Rate Counsel, for Petitioner the Division of Rate Counsel

Alex Moreau, Deputy Attorney General, for the Staff of the New Jersey Board of Public Utilities (**Jeffrey S. Chiesa**, Attorney General of New Jersey)

Phyllis Salowe-Kaye, Executive Director, for the Intervenor New Jersey Citizen Action

TO: THE NEW JERSEY BOARD OF PUBLIC UTILITIES:

This Stipulation of Settlement (the "Stipulation") is hereby made and executed as of the 6th day of March, 2012, by and among the Petitioner, Division of Rate Counsel ("Rate Counsel"), the Respondent, Public Service Electric and Gas Company ("PSE&G" or the "Company"), the Staff of the Board of Public Utilities ("Staff"), and the Intervenor, New Jersey Citizen Action ("Citizen Action") (collectively, the "Parties").

The Parties do hereby join in recommending that the Board of Public Utilities ("Board") issue an Order approving the Stipulation, based upon the following stipulations:

BACKGROUND

On September 22, 2010, PSE&G issued a press release announcing its intention to initiate full credit reporting to Experian, a national credit reporting bureau, of the monthly bill payments of all of its current electric and gas customers ("2010 Credit Reporting Program") by early 2011 without requesting formal approval of the Board.

On November 8, 2010, Rate Counsel filed a Verified Petition with the Board, requesting that the Board issue an Order with expedited relief including issuing a declaratory ruling that the 2010 Credit Reporting Program proposed by PSE&G violates provisions of the Electric Discount and Energy Competition Act N.J.S.A. 48:3-85 ("EDECA") and a mandate that PSE&G publish a retraction of the announcement of this proposal via press release, bill insert and its web site.

On November 12, 2010, PSE&G submitted a letter to the Board opposing any expedited treatment of this matter, and representing that it "intended to place its program on hold."

On December 6, 2010, the Board considered this matter at its Agenda Meeting and issued an Order determining that it should retain this petition for hearing, as per N.J.S.A. 48:2-32, and designating Commissioner Joseph L. Fiordaliso as the presiding officer authorized to preside over and control the conduct of this case.

On December 13, 2010, PSE&G filed its Verified Answer alleging that its 2010 Credit Reporting Program is permitted under EDECA without the need for prior Board approval.

At a case management conference held on January 14, 2011, the parties agreed among other things to a briefing schedule to file Motions for Summary Decision, which Commissioner Fiordaliso memorialized in a Prehearing Order dated January 25, 2011.

Rate Counsel filed a Notice of Motion for Summary Decision and Brief in Support of the Motion on January 31, 2011 and PSE&G filed a response and Cross-Motion for Summary Decision on February 15, 2011. Replies were filed by Rate Counsel on February 22, 2011 and by PSE&G on March 15, 2011. A brief on behalf of Board Staff was filed on March 8, 2011, supporting Rate Counsel's position. Also, Citizen Action had filed a motion to intervene on January 31, 2011, and an Order granting said motion was issued on March 7, 2011.

SETTLEMENT DISCUSSIONS

Representatives of the Parties met to discuss the issues and reached a comprehensive settlement of all issues. Specifically, the Parties hereby **STIPULATE AND AGREE** to the following:

STIPULATED MATTERS

- 1. The Company agrees to withdraw its 2010 Credit Reporting Program and shall not report credit information for its electric and gas accounts to any credit reporting agency without first filing a formal petition with the Board with a copy to Rate Counsel seeking a written Board Order approving such a program and receiving that approval.
- 2. The Company agrees to notify its customers of its intent to withdraw its 2010 Credit Reporting Program in a manner that is the same as the Company's original notification in 2010 of its intention to start the 2010 Credit Reporting Program, i.e., by issuing a press release and posting such press release on the Company's public website.
- 3. Notwithstanding the above, the Company may continue to report to a collection agency, consistent with Board regulations and other applicable state and federal law, credit information on its customers whose service has been discontinued, for the purpose of collecting the customer's delinquent account.
- 4. Based upon the Company's representation that it will permanently withdraw its 2010 Credit Reporting Program and notify its customers pursuant to paragraphs 1 and 2 above, Rate Counsel hereby withdraws its petition under this docket with the Board.
- 5. This Stipulation represents a mutual balancing of interests, contains interdependent provisions and, therefore, is intended to be accepted and approved in its entirety. In the event any particular aspect of this Stipulation is not accepted and approved in its entirety by the Board, or is modified by the Board, each party that is

adversely affected by the modification can either accept the modification or declare this Stipulation to be null and void, and the parties shall be placed in the same position that they were in immediately prior to its execution. More particularly, in the event this Stipulation is not adopted in its entirety by the Board then any Party hereto is free to pursue its then available legal remedies with respect to all issues addressed in this Stipulation as though this Stipulation had not been signed.

- 6. It is the intent of the Parties that the provisions hereof be approved by the Board. The Parties further agree that they consider this Stipulation to be binding on them for all purposes herein.
- 7. The Parties further acknowledge that a Board Order approving this Stipulation will become effective upon the service of said Board Order, or upon such date after the service thereof as the Board may specify, in accordance with N.J.S.A. 48:2-40.
- 8. It is specifically understood and agreed that this Stipulation represents a negotiated agreement and has been made exclusively for the purpose of these proceedings. Except as expressly provided herein, PSE&G, Citizen Action, Board Staff, and Rate Counsel shall not be deemed to have approved, agreed to, or consented to any principle underlying or supposed to underlie any agreement provided herein, in total or by specific item. The Parties further agree that this Stipulation is in no way binding upon them in any other proceeding, except to enforce the terms of this Stipulation.

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

PUBLIC SERVICE ELECTRIC AND GAS COMPANY	NEW JERSEY DIVISION OF RATE COUNSEL STEFANIE A. BRAND, DIRECTOR
BY: Mally Becker, Esq. Assistant General Regulatory Counsel	BY: Sican Weeks Esq. Deputy Rate Course
DATED: 3-5-/2	DATED: 3/6/12
JEFFREY S. CHIESA ATTORNEY GENERAL OF NEW JERSEY Attorney for the Staff of the Board of Public Utilities	NEW JERSEY CITIZEN ACTION
BY: Alex Morenu, Esq. Doputy Attorney General	BY: After Sour Kyg
DATED: 3-5-/2	DATED: 2/(3//)