



Agenda Date: 2/11/15  
Agenda Item: 8B

**STATE OF NEW JERSEY**  
**Board of Public Utilities**  
44 South Clinton Avenue, 9<sup>th</sup> Floor  
Post Office Box 350  
Trenton, New Jersey 08625-0350  
[www.nj.gov/bpu/](http://www.nj.gov/bpu/)

DIVISION OF ENERGY AND  
OFFICE OF CLEAN ENERGY

IN THE MATTER OF THE PETITION OF PUBLIC ) ORDER EXTENDING 180  
SERVICE ELECTRIC AND GAS COMPANY TO ) DAY REVIEW PERIOD  
CONTINUE ITS ENERGY EFFICIENCY ECONOMIC )  
EXTENSION PROGRAM ON A REGULATED BASIS )  
("EEE EXTENSION II") ) DOCKET NO. EO14080897

**Parties of Record:**

**Stefanie A. Brand, Esq., Director, New Jersey Division of Rate Counsel**  
**Alexander Stern, Esq., Public Service Electric and Gas Company**  
**David Wand, Esq., New Jersey Office of the Attorney General**

BY THE BOARD<sup>1</sup>:

By this Order, the Board is considering a stipulation to extend the 180 day review period.

**BACKGROUND AND PROCEDURAL HISTORY**

On January 13, 2008, L. 2007, c. 340 ("the Act") was signed into law. Pursuant to Section 13 of the Act, codified as N.J.S.A. 48:3-98.1, an electric or gas public utility may, among other things, provide and invest in energy efficiency and conservation programs in its service territory on a regulated basis. N.J.S.A. 48:3-98.1 requires the Board to decide cost recovery issues within 180 days. ("Review Period") Board Staff must review a petition for completeness within 30 days and if the petition is determined to be complete, the 180-days review period begins to run from the date the petition was filed.

On January 21, 2009, Public Service Electric and Gas Company ("PSE&G" or "Company") filed a petition with the New Jersey Board of Public Utilities ("Board") seeking approval of its Energy Efficiency Economic Stimulus ("EEE") Program. By Order dated July 16, 2009, the Board approved a stipulation that authorized the Company to implement the EEE Program and begin

<sup>1</sup> Commissioner Upendra J. Chivukula recused himself due to a potential conflict of interest and as such took no part in the discussion or deliberation of this matter.

cost recovery through the EEE Program component of the Green Program Recovery Charge, with rates to be effective as of August 1, 2009.<sup>2</sup>

On January 24, 2011, PSE&G filed a petition with the Board seeking approval to extend three of the EEE Program sub-programs: Multifamily Housing, Government/Municipal/Non-Profit Direct Install, and Hospital Efficiency. The New Jersey Division of Rate Counsel ("Rate Counsel"), the Company, and Board Staff (collectively, the "Parties"), executed a Stipulation of Settlement in that matter, which the Board approved on July 14, 2011.<sup>3</sup>

On August 8, 2014, PSE&G filed the current petition with the Board seeking a second extension of the three sub-programs from its previously approved and extended EEE Program, with certain modifications ("EEE Extension II"). Specifically, PSE&G requests that the Board approve an extension of its Hospital, Direct Install, and Residential Multifamily sub-programs. On September 5, 2014, Board Staff notified the Company that the petition was administratively complete, and therefore, the Review Period would expire on February 4, 2015.

On September 30, 2014, the Board designated Commissioner Mary-Anna Holden as the Presiding Officer with the authority to rule on all motions that arose during the pendency of this case, and modify any schedules as necessary to secure a just and expeditious determination of the issues. The Order also authorized Commissioner Holden to grant a single extension of the Review Period if all parties so agreed. During evidentiary hearings conducted on December 4 and 5, 2014, the Parties introduced their respective pre-filed testimony and exhibits, all discovery responses were moved into evidence collectively as P-6, and witnesses were cross-examined.

To provide additional time to complete the processing of the petition, on December 23, 2014, the Parties agreed to request an extension of the 180-day Review Period to February 23, 2015. Upon the submission of a stipulation, on December 26, 2014, Commissioner Holden issued an Order extending the briefing schedule to January 7, 2015 for Initial Briefs, and January 21, 2015 for Reply Briefs. Concurrently, the Parties initiated a new round of settlement efforts.

Based upon current settlement discussions, the current Board Agenda Meeting schedule, and the approved procedural schedule in this matter, the Parties agreed that an additional extension of the Review Period is appropriate. Accordingly, on January 30, 2015, the Parties entered into a stipulation to extend the Review Period ("Stipulation") to March 28, 2015 to allow time for continuing settlement discussions and a thorough review of the proposed EEE Extension II.

## **DISCUSSION AND FINDING**

The Board **HEREBY FINDS** that the Stipulation extending the Review Period to March 28, 2015 is fair, reasonable, and in the public interest by providing additional time for discussion and a thorough review of the proposed EEE Extension II. Accordingly, the Board **HEREBY ADOPTS** the attached stipulation as its own, incorporating by reference its terms and conditions as if fully set forth herein, and **HEREBY EXTENDS** the Review Period to March 28, 2015.

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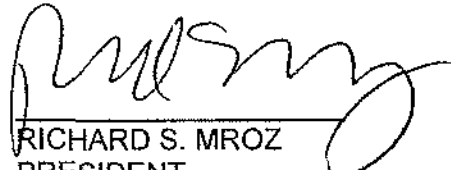
<sup>2</sup> Decision, *I/M/O The Petition Of Public Service Electric And Gas Company Offering An Energy Efficiency Economic Stimulus Program In Its Service Territory On A Regulated Basis And Associated Cost Recovery Mechanism Pursuant to N.J.S.A. 48:3-98.1*, BPU Docket No. EO09010058 (July 16, 2009).

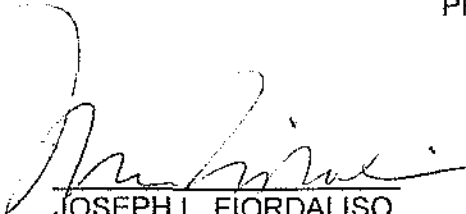
<sup>3</sup> Decision, *I/M/O the Petition of PSE&G*, Dkt. No. EO11010030 (July 14, 2011).

The effective date of this Order is February 23, 2015.

DATED: 2/11/15

BOARD OF PUBLIC UTILITIES  
BY:

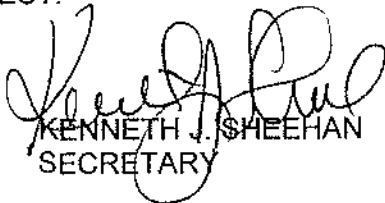
  
RICHARD S. MROZ  
PRESIDENT

  
JOSEPH L. FIORDALISO  
COMMISSIONER

  
MARY-ANNA HOLDEN  
COMMISSIONER

  
DIANNE SOLOMON  
COMMISSIONER

ATTEST:

  
KENNETH J. SHEEHAN  
SECRETARY

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



IN THE MATTER OF THE PETITION OF PUBLIC SERVICE ELECTRIC AND GAS COMPANY  
TO CONTINUE ITS ENERGY EFFICIENCY ECONOMIC EXTENSION PROGRAM ON A  
REGULATED BASIS ("EEE EXTENSION II")  
Docket No. EO14080897

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Initial Discovery Requests Due	September 19, 2014
Public Hearings	Sept 22, 2014- Hackensack Sept 23, 2014- New Brunswick Sept 29, 2014- Mt Holly
Responses to Discovery on Initial Testimony	October 3, 2014
Motions to Intervene/Participate Due	October 6, 2014
Opposition to Motions to Intervene/Participate Due	October 10, 2014
Discovery/Settlement Conference	October 14, 2014
Additional Discovery Due	October 17, 2014
Additional Discovery Responses due	October 24, 2014
Discovery/Settlement Conference	October 31, 2014 November 7, 2014
Intervener / Respondent Testimony	November 11, 2014
Discovery on Intervener/Respondent Testimony	November 18, 2014
Responses to Discovery on Intervener/Respondent Testimony	November 21, 2014
Rebuttal Testimony	November 26, 2014
Discovery on Rebuttal Testimony	December 2, 2014
Responses to Discovery on Rebuttal Testimony	December 4 and 5, 2014
Evidentiary Hearings (if necessary)	December 22, 2014
Initial Briefs	January 7, 2015
Reply Briefs	January 21, 2015
Anticipated Board Action	March 18, 2015

- Discovery will proceed on a rolling basis subject to the scheduled end date.
- Oral Surrebuttal allowed at Evidentiary Hearing

STATE OF NEW JERSEY  
BOARD OF PUBLIC UTILITIES

IN THE MATTER OF THE PETITION OF PUBLIC )  
SERVICE ELECTRIC AND GAS COMPANY ) STIPULATION TO FURTHER EXTEND  
TO CONTINUE ITS ENERGY EFFICIENCY ) THE 180-DAY PERIOD FOR DECISION  
ECONOMIC EXTENSION PROGRAM )  
ON A REGULATED BASIS ("EEE Extension II") ) BPU Docket No. EO14080897

APPEARANCES:

**Alexander C. Stern, Esq.**, Associate General Regulatory Counsel for the Petitioner,  
Public Service Electric and Gas Company

**Felicia Thomas-Friel, Esq.**, Deputy Rate Counsel, and **Kurt Lewandowski, Esq.**,  
**Sarah H. Steindel, Esq.** and **James Glassen, Esq.**, Assistant Deputy Rate Counsels, New Jersey  
Division of Rate Counsel (**Stefanie A. Brand**, Director)

**Alex Moreau** and **T. David Wand**, Deputy Attorneys General on behalf of Staff of the  
New Jersey Board of Public Utilities (**John J. Hoffman**, Acting Attorney General of New Jersey)

TO THE HONORABLE BOARD OF PUBLIC UTILITIES:

1. On August 8, 2014, Public Service filed its Petition with the Board requesting approval of the proposed EEE Extension II and associated rate recovery mechanism pursuant to *N.J.S.A. 48:3-98.1 et seq.* More specifically, PSE&G sought Board approval to extend the Multi-Family, Government/Non-Profit Direct Install and Hospital segments of its EEE Extension Program in order to continue to offer energy efficiency projects across these specific customer segments.

2. On September 5, 2014 Staff of the Board of Public Utilities ("Board Staff") notified the Company that it had reviewed the Petition was administratively complete. Therefore, the Board's 180-day review period under N.J.S.A. 48:3-98.1 commenced on August 8, 2014, with an expiration date of February 4, 2015.

3. On September 30, 2014, the Board designated Commissioner Mary-Anna Holden as the presiding officer who is authorized to rule on all motions that arise during the

pendency of this case and modify any schedules that may be set as necessary to secure a just and expeditious determination of the issues. See Order Designating Commissioner, September 30, 2014, BPU Docket No. EO14080897. Commissioner Holden subsequently issued a procedural order. See Order Adopting Procedural Schedule, October 16, 2014, BPU Docket No. EO14080897.

4. Evidentiary hearings were conducted on December 4 and 5, 2014. During the hearings, the Company, Board Staff and Rate Counsel (collectively, "the Parties") introduced their respective pre-filed testimonies and exhibits, all discovery responses were moved into evidence collectively as P-6 and witnesses were cross-examined.

5. In order to provide the Board with additional time to complete the processing of the Petition and issue a final determination in this matter, on December 23, 2014 the parties agreed to request an extension of the 180-day period to February 23, 2015.

6. Upon the submission of a Joint Stipulation of the Parties agreeing to extend the 180-day period for a Board decision to February 23, 2015, Commissioner Holden issued an Order extending the briefing schedule to January 7, 2015 for Initial Briefs and January 21, 2015 for Reply Briefs. See Order Modifying Procedural Schedule and Extending Timeline, December 26, 2014, BPU Docket No. EO14080897.

7. The Parties filed Initial Briefs on January 7, 2015 and Reply Briefs on January 21, 2015. Concurrently, Board Staff initiated a new round of settlement efforts with the Company and Rate Counsel.

8. Renewed settlement discussions have been productive but were delayed due to shifting priorities resulting from planning required to be prepared for a potential blizzard forecasted to hit the northeast, including New Jersey ("Winter Storm Juno").



9. Recognizing that pursuant to the May 12, 2008 Order<sup>1</sup> establishing procedures for handling N.J.S.A. 48:3-98.1 matters, “[t]he Board encourages all interested parties to work toward a settlement for the Board’s consideration before the expiration of the 180 day period,” as well as the delay in discussions necessitated by Winter Storm Juno, the parties have agreed to request a further extension of the 180-day period to March 28, 2015.

Accordingly, the undersigned parties hereby **STIPULATE AND AGREE** as follows:

10. The undersigned parties, pursuant to N.J.S.A. 48:2-21.3, have agreed to further extend the 180-day period for Board action on PSE&G’s Petition, required under N.J.S.A. 48:3-98.1 with a new deadline for Board action on the Petition to be effective no later than March 28, 2015.

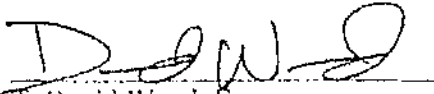
11. This Stipulation represents a mutual balancing of interests, contains interdependent provisions and, therefore, is intended to be accepted and approved in its entirety. In the event any particular aspect of this Stipulation is not accepted and approved in its entirety by the Board, any of the undersigned parties aggrieved thereby shall not be bound to proceed with this Stipulation and shall have the right to litigate all issues addressed herein to a conclusion. More particularly, in the event this Stipulation is not adopted in its entirety by the Board, in any applicable Order(s), then any of the undersigned parties 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.

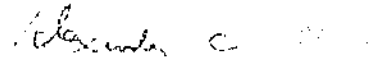
<sup>1</sup> *IN THE MATTER OF ELECTRIC PUBLIC UTILITIES AND ENERGY GAS PUBLIC UTILITIES OFFERING ENERGY EFFICIENCY AND CONSERVATION PROGRAMS, INVESTING IN CLASS I RENEWABLE ENERGY ORDER PURSUANT TO RESOURCES, AND OFFERING CLASS I RENEWABLE ENERGY PROGRAMS IN THEIR RESPECTIVE SERVICE TERRITORIES ON A REGULATED BASIS PURSUANT TO N.J.S.A. 48:3-98.1, Order Pursuant to N.J.S.A. 48:3-98.1(c), BPU DOCKET NO. EO08030164, (Order dated May 12, 2008).*

WHEREFORE, the undersigned parties hereto do respectfully submit this Stipulation and request that the Board issue a Decision and Order approving an extension until March 28, 2015.

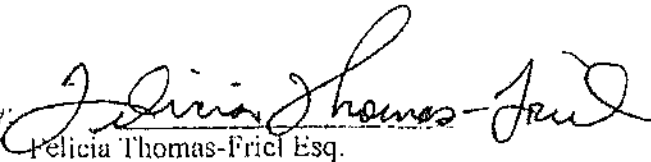
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Dated: January 30, 2015