



**STATE OF NEW JERSEY**  
**Board of Public Utilities**  
44 South Clinton Avenue, 1<sup>st</sup> Floor  
Post Office Box 350  
Trenton, New Jersey 08625-0350  
[www.nj.gov/bpu/](http://www.nj.gov/bpu/)

ENERGY

IN THE MATTER OF THE VERIFIED PETITION OF ) PREHEARING ORDER  
THE COLLEGE OF NEW JERSEY FOR RELIEF )  
FROM A PENALTY ASSESSED BY PUBLIC )  
SERVICE ELECTRIC AND GAS COMPANY ) DOCKET NO. GC18111234

**Parties of Record:**

**Brian O. Lipman, Esq., Director**, New Jersey Division of Rate Counsel  
**James H. Laskey, Esq.**, Norris McLaughlin, P.A., Counsel to The College of New Jersey  
**Matthew M. Weissman, Esq., General State Regulatory Counsel**, Public Service Electric and Gas Company

BY PRESIDENT JOSEPH L. FIORDALISO:

On November 9, 2018, The College of New Jersey ("TCNJ") filed a petition with the New Jersey Board of Public Utilities ("Board" or "BPU") seeking relief from a penalty assessed by Public Service Electric and Gas Company ("PSE&G") regarding the consumption of natural gas during a period of interruption in January 2018 ("Petition").

**BACKGROUND AND PROCEDURAL HISTORY**

TCNJ is a public college in Ewing, New Jersey with approximately 7,400 students enrolled. TCNJ owns, maintains, and operates an on-campus cogeneration plant ("Cogen") that supplies electricity and steam for heating throughout its campus. The Cogen receives service from PSE&G under a tariff known as Basic Gas Supply Service - Cogeneration Interruptible ("CIG"). The CIG tariff requires customers, upon advance notice of not less than eight (8) hours, to discontinue natural gas use. Consistent with this requirement, TCNJ maintains a fuel oil backup for the Cogen.

On January 4, 2018, TCNJ received a notice from PSE&G to switch over to oil effective the following morning. TCNJ switched to its oil backup on January 5, 2018, prior to the published PSE&G interruption time. Approximately 30 minutes into the interruption by PSE&G, a mechanical failure shut down TCNJ's backup fuel oil system. TCNJ declared an emergency and notified PSE&G that TCNJ needed to go back on natural gas in order to protect the health and wellbeing of the campus community. PSE&G assessed TCNJ a penalty of \$2,359,532 for not curtailing service during the interruption period ("Penalty"). The Penalty is the subject of TCNJ's petition. In the Petition, TCNJ requested that the Board: 1) investigate the circumstances leading

up to the assessment of the penalty; 2) determine what a just and reasonable assessment might be for the gas that was used; 3) determine a fair payment plan for whatever assessment is ultimately arrived at; and 4) grant any other relief as may be just and reasonable.

On February 17, 2023, the Board retained the matter for hearing pursuant to N.J.S.A. 48:2-32, and designated me, President Joseph L. Fiordaliso, as the Presiding Officer authorized to establish and modify schedules and decide all motions during the pendency of these proceedings subject to ratification by the Board.<sup>1</sup> Pursuant to the February 2023 Order, the Board also granted PSE&G's Motion to Intervene, and directed other entities seeking to intervene or participate in this matter to file the appropriate application with the Board, along with any motions for admission of counsel, pro hac vice, on or before February 27, 2023. As of that date, no additional motions were filed.

PSE&G, TCNJ, the New Jersey Division of Rate Counsel ("Rate Counsel"), and Board Staff ("Staff") subsequently submitted a proposed procedural schedule and issues list, which I have reviewed. Accordingly, I **HEREBY ISSUE** this Prehearing Order, **ADOPT** the Procedural Schedule attached to this Order as "Exhibit A," and **DIRECT** the parties to comply with the terms of the Order.

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<sup>1</sup> In re the Verified Petition of the College of New Jersey for Relief From a Penalty Assessed by Public Service Electric and Gas, Co., Decision and Order on Motion to Intervene and Designation of a Presiding Commissioner, Docket No. GC18111234, Order dated February 17, 2023 ("February 2023 Order").

**PREHEARING ORDER**

**IN THE MATTER OF THE VERIFIED PETITION OF THE COLLEGE OF NEW JERSEY FOR  
RELIEF FROM A PENALTY ASSESSED BY PUBLIC SERVICE ELECTRIC AND GAS  
COMPANY**

**DOCKET NO. GC18111234**

**1. NATURE OF PROCEEDING AND ISSUES TO BE RESOLVED:**

Nature of the Proceeding:

Through this proceeding, TCNJ petitions the Board for relief from the Penalty assessed by PSE&G for not curtailing service during a period of interruption. TCNJ has an on-campus Cogen plant that receives supply service from PSE&G under a CIG tariff. On January 5, 2018, after receiving notice, TCNJ stopped Cogen use and switched to a backup oil system. According to TCNJ, 30 minutes into the interruption, a mechanical failure shut down TCNJ's backup system, requiring TCNJ to go back on natural gas. TCNJ requested that the Board: 1) investigate the circumstances leading up to the assessment of the penalty; 2) determine what a just and reasonable assessment might be for the gas that was used; 3) determine a fair payment plan for whatever assessment is ultimately arrived at; and 4) grant such other relief as may be just and reasonable.

Issues to Be Resolved:

- Determine if TCNJ meets the requirements for CIG service.
- Determine if the interruption of service to TCNJ was consistent with the tariff and applicable statutes and regulations.
- Determine if PSE&G's decision not to offer Extended Gas Services to TCNJ during the interruption period was consistent with the tariff and applicable statutes and regulations.
- Determine if the Penalty was calculated correctly in accordance with the tariff.
- Determine if the Penalty is just and reasonable pursuant to N.J.S.A. 48:3-1.
- Determine if there are grounds for a waiver of Penalty.

**2. PARTIES AND THEIR DESIGNATED ATTORNEYS OR REPRESENTATIVES:**

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No change in designated trial counsel shall be made without leave if such change will interfere with the dates for hearings. If no specific counsel is set forth in this Order, any partner or associate may be expected to proceed with evidentiary hearings on the agreed dates.

3. **SPECIAL LEGAL REQUIREMENTS AS TO NOTICE OF HEARING:**

Not Applicable.

4. **SCHEDULE OF HEARING DATES, TIME AND PLACE:**

Not Applicable.

5. **STIPULATIONS:**

Board Staff, Rate Counsel, TCNJ, and PSE&G have entered into an Agreement of Non-Disclosure of Information Agreed to Be Confidential.

6. **SETTLEMENT:**

Parties are encouraged to engage in settlement discussion. Notice should be provided to all parties of any settlement discussions for the preparation of an agreement to resolve the issues in the case.

7. **AMENDMENTS TO PLEADINGS:**

None at this time.

8. **DISCOVERY AND DATE FOR COMPLETION:**

The time limits for discovery shall be in accordance with N.J.A.C. 1:1-10.4 or as provided in Exhibit A.

9. **ORDER OF PROOFS:**

Not applicable.

10. **EXHIBITS MARKED FOR IDENTIFICATION:**

Not applicable.

11. **EXHIBITS MARKED IN EVIDENCE:**

Not applicable.

12. **ESTIMATED NUMBER OF FACT AND EXPERT WITNESSES:**

Not applicable.

13. **MOTIONS:**

All pending motions to intervene and/or participate have been addressed.

14. **SPECIAL MATTERS:**

The parties are directed to work cooperatively with each other to the fullest extent possible in the interests of reaching a just determination in this proceeding.

I **HEREBY DIRECT** that this Order be posted on the Board's website.

This provisional ruling is subject to ratification or other alteration by the Board as it deems appropriate during the proceedings in this matter.

DATED: 6/27/23

BY:



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JOSEPH L. FIORDALISO  
PRESIDENT

IN THE MATTER OF THE VERIFIED PETITION OF THE COLLEGE OF NEW JERSEY FOR RELIEF  
FROM A PENALTY ASSESSED BY PUBLIC SERVICE ELECTRIC & GAS COMPANY  
DOCKET NO. GC18111234

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**EXHIBIT A**

**IN THE MATTER OF THE VERIFIED PETITION OF THE COLLEGE OF NEW JERSEY FOR  
RELIEF FROM A PENALTY ASSESSED BY PUBLIC SERVICE ELECTRIC AND GAS  
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**PROCEDURAL SCHEDULE**

Deadline to Answer Pending Discovery	June 28, 2023
Deadline for Discovery	July 5, 2023
Final due date for Responses to Discovery	July 12, 2023
Discovery Conference	Week of July 17, 2023
Settlement Conference(s)	Week of July 24, 2023
Due date for Submission of Stipulated Facts and Exhibits	August 4, 2023
Cross Motions filed by PSE&G, TCNJ, and Rate Counsel	September 7, 2023
Response to Cross Motions filed by PSE&G, TCNJ, and Rate Counsel	September 28, 2023
Reply filed by PSE&G, TCNJ, and Rate Counsel	October 18, 2023