

# STATE OF NEW JERSEY Board of Public Utilities 44 South Clinton Avenue, 1st Floor Post Office Box 350 Trenton, New Jersey 08625-0350 www.nj.gov/bpu/

#### MINUTES OF THE REGULAR MEETING OF THE BOARD OF PUBLIC UTILITIES

A regular Board meeting of the New Jersey Board of Public Utilities ("Board") was held on August 17, 2022, via online @ <a href="https://www.youtube.com/watch?v=hSIKzULk7Wo">https://www.youtube.com/watch?v=hSIKzULk7Wo</a>.

Adequate notice of the meeting was provided pursuant to the Open Public Meetings Act, N.J.S.A. 10:4-9.3. Notice was also provided in accordance with the requirements of N.J.S.A 48:2-32.8, and notice was posted to the Board's website and posted on the Board's bulletin board located at 44 South Clinton Ave., Trenton, New Jersey.

The following members of the New Jersey Board of Public Utilities were present:

Joseph L. Fiordaliso, President Mary-Anna Holden, Commissioner\* Dianne Solomon, Commissioner Robert M. Gordon, Commissioner Dr. Zenon Christodoulou, Commissioner+

- \*Commissioner Mary-Anna Holden participated by phone during the opening remarks only.
- + Commissioner Zenon Christodoulou abstained from voting on all items.

President Fiordaliso presided at the meeting and Carmen D. Diaz, Acting Secretary of the Board, carried out the duties of the Secretary.

It was also announced that the next regular Board Meeting will be held on September 7, 2022 at 10:00 a.m. and would be a hybrid meeting at the Board's Hearing Room at 44 South Clinton Avenue, Trenton and livestreamed via YouTube.

#### **EXECUTIVE SESSION**

After appropriate motion, the following matter, which involved attorney-client privilege and/or contract negotiations exceptions, was discussed in Executive Session.

#### 4. TELECOMMUNICATIONS

A. Docket No. TO21121237 – In the Matter of the Broadband Access Study Commission (P.L. 2021, c. 161) – Request for Approval of Subcontractor.

Joe Rivera, Broadband Manager, presented this matter.

**BACKGROUND:** This matter related to a request for the addition of a subcontractor to the previously awarded contract between the New Jersey Board of Public Utilities ("Board") and ECC Technologies Inc. ("ECC").

Board Staff ("Staff") recommended the Board approve the amendment to the contract between the Board and ECC Technologies.

After appropriate motion, the Board reconvened to open session.

#### **CONSENT AGENDA**

#### I. AUDITS

A.

Energy Agent,	Private Aggregator and	<u>/or Energ</u>	y Consultant	<u>Initial</u>
<b>Registrations</b>				
EE22020115L	Front Line Power Solu	tions, LLC	I – EA	
EE22020078L GE22020079L	Intersect Energy, LLC		I – EA	/PA/EC
Energy Agent, Registrations	Private Aggregator and/o	r Energy	Consultant Ro	<u>enewal</u>
EE21081059L	Accenture, LLP		R – E <i>l</i>	Ą
EE21020605L	The O.E. Group d/b/	a Optimal	R – EA	A
EE21050764L GE21050765L	Energy Utiliz, LLC		R – EA	A/EC

BACKGROUND: The New Jersey Board of Public Utilities ("Board") must register all energy agents, private aggregators, and energy consultants, and the Board must license all third party electric power suppliers and natural gas suppliers. N.J.S.A. 48:3-78 to -79. On May 10, 2019, P.L. 2019, c. 100-101 was signed into law providing that third party electric power and natural gas supplier licenses issued by the Board may be renewed without expiring if certain conditions are met. An electric power supplier and/or natural gas supplier license shall not expire so long as the licensee pays to the Board a license renewal fee accompanied by an annual information update on a form prescribed by the Board. The renewal fee and annual information update form must be submitted within 30 days prior to the anniversary date of the last approved licensing application. P.L. 2019, c. 100-101 became operative 60 days following the date of enactment. As such, any third party suppliers ("TPSs") with a license expiring prior to July 9, 2019 were still required to submit the previous renewal application form. Any TPS renewal application that was filed prior to July 9, 2019 has been, and will continue to be, processed by Board Staff ("Staff") for approval or denial in accordance with N.J.A.C. 14:4-5.7. The anniversary date for companies with a pending application will be the date that the renewal application receives Board approval. At its regular agenda meeting of August 18, 2021, the Board approved the final adoption of proposed amendments to N.J.A.C. 14:4 et seq., concerning energy competition and specifically to subchapter 5, N.J.A.C. 14:4-5 et seg., Energy Licensing and Registration. In accordance with the rule amendments, an energy agent, private aggregator, or energy consultant registration shall not expire so long as a registration renewal fee accompanied by an annual information update form is submitted to the Board within 30 days prior to the registrant's annual anniversary date. N.J.A.C. 14:4-5.8(q); N.J.A.C. 14:4-5.11(e). Any registration renewal application that was filed prior to the effective date of the licensing and registration rule amendments, September 20, 2021, has been, and will continue to, be processed by Staff for approval or denial in accordance with N.J.A.C. 14:4-5.9. The anniversary date for companies with a pending application will be the date that the renewal application receives Board approval. Annually thereafter, licensed electric power suppliers and natural gas suppliers, as well as energy agents, private aggregators, and energy consultants, are required to renew timely their licenses

and registrations in order to continue to do business in New Jersey. N.J.S.A. 48:3-78 to -79; N.J.A.C. 14:4-5.6 to -5.7; N.J.A.C. 14:4-5.8 to -5.9, and N.J.A.C. 14:4-5.11.

Staff recommended that the following applicants be issued initial registration as an energy agent, private aggregator and/or energy consultant:

- o Front Line Power Solutions, LLC
- Intersect Energy, LLC

In addition, Staff recommended that the following applicants be issued renewal registrations as an energy agent, private aggregator and/or energy consultant:

- o Accenture, LLP
- The O.E. Group d/b/a Optimal Energy
- o Utiliz, LLC
- B. Docket No. TE22060385 In the Matter of the Verified Petition of EarthGrid PBC Corporation for Authority to Provide Facilities-Based and Resold Local and Interexchange Services throughout the State of New Jersey.

**BACKGROUND:** In accordance with general guidelines for filing a petition for authority to provide Competitive Local Exchange Carrier services, EarthGrid PBC Corporation filed a petition with the New Jersey Board of Public Utilities ("Board") for authority to provide facilities-based and resold local and interexchange telecommunications services throughout the State of New Jersey. No parties objected to the petition.

Board Staff recommended approval.

# II. ENERGY

A. Docket Nos. BPU GO17010023 and OAL PUC 01160 -17 – In the Matter of the Petition of New Jersey Natural Gas Company for a Determination Concerning the Holmdel Regulator Station Pursuant to N.J.S.A. 40:55D-19; and

Docket Nos. BPU GO18111257 and OAL PUC 17810-18 – In the Matter of the Petition of New Jersey Natural Gas Company for a Determination Concerning the Holmdel Regulator Station Pursuant to N.J.S.A. 40:55D-19.

**BACKGROUND:** On May 18, 2022, the New Jersey Board of Public Utilities ("Board") received the Initial Decision of Administrative Law Judge Elia A. Pelios which had a 45-day statutory period for review and the issuance of a Final Decision by July 5, 2022. On June 8, 2022, the Board issued an Order extending the deadlines to file exceptions to July 1, 2022, replies to exceptions to July 25, 2022, and the Board's Final Decision to August 19, 2022.

The matter before the Board related to: 1) a July 5, 2022 request from the Township of Holmdel ("Holmdel") for an extension of the deadlines to file exceptions and subsequent briefs to the Initial Decision due to Holmdel'scounsel being unable to meet the filing deadline due to circumstances beyond their control; and 2) a request from Board Staff ("Staff") for an additional 45-days before the Board issues its Final Decision in this matter.

On July 11, 2022, New Jersey Natural Gas Company filed a response to Holmdel's motion and requested that if the Board grants Holmdel's request, the reply exception deadline be extended to July 29, 2022.

Staff recommended that the Board grant an extension of the deadlines for the parties to file exceptions and reply exceptions to the Initial Decision, to July 5, 2022 and July 29, 2022 respectively. Staff further recommended that the Board grant Staff's request for an additional 45-days prior to the Board rendering its Final Decision until October 3, 2022.

B. Docket No. GF22040269 – In the Matter of the Petition of New Jersey Natural Gas Company for Authorization for Three (3) Years: (1) to Issue and Sell Pursuant to N.J.S.A. 48:3-9 Medium Term Notes; (2) to Enter Into Interest Rate Risk Management Transactions Related to any New Issuances Approved Hereunder; (3) Redeem, Refinance or Defease Any of the Company's Outstanding Long-Term Debt Securities; and (4) Pursuant to N.J.S.A. 48:3-9, to Enter Into a Credit Facility Allowing the Issuance of Bank Note Obligations.

**BACKGROUND:** On April 22, 2022, New Jersey Natural Gas Company ("NJNG") filed a petition with the New Jersey Board of Public Utilities ("Board") requesting authorization for three (3) years to: 1) issue and sell medium term notes; 2) enter into interest rate risk management transactions related to any new issuances approved in relation to the petition; 3) redeem, refinance or defease any of the NJNG's outstanding long-term debt securities; and 4) enter into a credit facility allowing the issuance of bank note obligations.

After review of the information submitted in the proceeding, the Office of the Economist found that the action requested is in accordance with the law and in the public interest and recommended approval of this petition, subject to certain conditions which were set forth in the Board Order.

### III. CABLE TELEVISION

A. Docket No. CE20080519 – In the Matter of the Petition of Comcast of Garden State L.P., for a Renewal Certificate of Approval to Continue to Construct, Operate and Maintain a Cable Television System in and for the Borough of Audubon, County of Camden, State of New Jersey.

**BACKGROUND:** On February 21, 2020, the Borough of Audobon was notified by Comcast of Garden State, L.P. of its intention to utilize the automatic renewal provision of its municipal consent. Audobon's ordinance granting municipal consent, which was adopted July 26, 2005, granted a term of 15 years with an automatic renewal term of 10 terms. The initial term expired on March 21, 2020. On August 5, 2020, Comcast of Garden State L.P. filed a petition with the New Jersey Board of Public Utilities ("Board") for an Automatic Renewal Certificate.

After review, Board Staff recommended approval of the Automatic Renewal Certificate. The certificate shall expire on March 21, 2030.

B. Docket No. CE21010065 – In the Matter of the Petition of Comcast of Burlington County, LLC, for a Renewal Certificate of Approval to Continue to Construct, Operate and Maintain a Cable Television System in and for the Borough of Palmyra, County of Burlington, State of New Jersey.

**BACKGROUND:** On November 13, 2020, the Borough of Palmyra was notified by Comcast of Burlington County, LLC of its intention to utilize the automatic renewal provision of its municipal consent. Palmyra's ordinance granting municipal consent, which was adopted October 3, 2005, granted a term of 15 years with an automatic renewal term of 10 years. The initial term expired December 14, 2020. On January 25, 2021, Comcast of Burlington County, LLC filed a petition with the New Jersey Board of Public Utilities ("Board") for an Automatic Renewal Certificate.

After review, Board Staff recommended approval of the Automatic Renewal Certificate. The certificate shall expire on December 14, 2030.

C. Docket No. CE20080536 – In the Matter of the Petition of Comcast of Gloucester County, LLC, for a Renewal Certificate of Approval to Continue to Construct, Operate and Maintain a Cable Television System in and for the Township of Greenwich, County of Gloucester, State of New Jersey.

**BACKGROUND:** On February 27, 2020, the Township of Greenwich was notified by Comcast of Gloucester County, LLC ("Comcast") of its intention to utilize the automatic renewal provision of its municipal consent. Greenwich's ordinance granting municipal consent, which was adopted on December 6, 2005, granted a term of 15 years with an automatic renewal term of 10 years. The initial term expired on March 27, 2020. On August 25, 2020, Comcast filed a petition with the New Jersey Board of Public Utilities ("Board") for an Automatic Renewal Certificate.

After review, Board Staff recommended approval of the Automatic Renewal Certificate. The certificate shall expire on March 27, 2030.

Docket No. CE20060380 – In the Matter of the Petition of Comcast of Garden State L.P., for a Renewal Certificate of Approval to Continue to Construct, Operate and Maintain a Cable Television System in and for the Township of Southampton, County of Burlington, State of New Jersey.

**BACKGROUND:** On December 30, 2010, the Township of Southampton ("Southampton") was notified by Comcast of Garden State L.P. ("Comcast") of its intention to utilize the automatic renewal provision of its municipal consent. Southampton's ordinance granting municipal consent, which was adopted on March 15, 2005, granted a term of 15 years with an automatic renewal term of 10 years. The initial term expired on January 30, 2020. On May 9, 2020, Comcast filed a petition with the New Jersey Board of Public Utilities ("Board") for an Automatic Renewal Certificate.

After review, Board Staff recommended approval of the Automatic Renewal Certificate. The certificate shall expire on January 30, 2030.

#### IV. TELECOMMUNICATIONS

A. Docket No. TM22040291 – In the Matter of the Verified Joint Petition of Fusion Connect, Inc., Fusion LLC, Fusion Cloud Services, LLC, and the North Haven Entities for Consent to a Change in Control of Fusion LLC and Fusion Cloud Services, LLC.

**BACKGROUND:** On April 26, 2022, Fusion Connect, Inc. ("Fusion Connect"), Fusion LLC ("Fusion"), Fusion Cloud Services, LLC ("Fusion Cloud" and together with Fusion, "Fusion NJ Licensees") and the North Haven Entities, (collectively with Fusion NJ Licensees "Joint Petitioners") submitted a verified joint petition with the New Jersey Board of Public Utilities ("Board") pursuant to N.J.S.A. 48:2-51.1 and N.J.S.A. 48:3-10, requesting that the Board grant authority for a proposed transaction which will result in the North Haven Entities acquiring a controlling interest in Fusion Connect and, indirectly, in the Fusion NJ Licensees. According to Fusion NJ Licensees and the North Haven Entities, there will be no change to the services, rates, terms and conditions currently being offered to customers in New Jersey. By letter dated June 3, 2022, the New Jersey Division of Rate Counsel submitted comments stating that it does not oppose Board approval of the petition.

Having reviewed the petition, Board Staff ("Staff") concluded that the proposed transaction would have no adverse impact on the provision of safe, adequate and proper service, would positively benefit competition, would result in positive benefits, and is in the public interest and recommended approval.

B. Docket No. TT22060383 – In the Matter of Verizon New Jersey, Inc. Tariff Revision Fifth Revised Page 117, NJ BPU No. 6, Effective July 1, 2022.

**BACKGROUND:** On June 1, 2022, Verizon New Jersey, Inc. ("Verizon") submitted a letter filing to the New Jersey Board of Public Utilities ("Board") revising Verizon Tariff B.P.U.-N.J.-No. 6 – Switched Access Services. The purpose of the filing was to implement a Federal Communications Commission ("FCC") Order, WC Docket No. 18-156 released October 9, 2020 ("8YY Access Charge Reform" or "Rules"). Calls to 8YY, a generic reference to a series of prefixes associated with toll free calling, differ from other calls carried over the public telephone network in that the party receiving the call, not the party placing the call, pays the toll charge. However, arbitrage and fraud have been found to increasingly undermine the system of intercarrier compensation that currently underpins toll free calling. The Rules adopted by the FCC aim to curtail the abuse of 8YY intercarrier compensation regimes and preserve the value of toll free services.

Following a review of the petition, Board Staff recommended approval of the tariff changes.

C. Docket No. TT21040746 - In the Matter of Verizon New Jersey, Inc. - 1st Revised Page 2.3, NJ BPU No. 6 Effective June 1, 2021.

**BACKGROUND:** On April 30, 2021, Verizon filed a letter with the New Jersey Board of Public Utilities ("Board") seeking approval of a tariff revision to discontinue Intra-State Switched and Special Access to private line Digital Signal Level 0 ("DS0") services, including Intrastate Switched and Special Access private line DS0 services and certain IntraLATA DS0 services, in the Trenton, Van Hiseville, Villas, West Osbornville,

Williamstown and Wrightstown wire centers in order to update the current systems to nextgeneration platforms.

Following a review of the petition, Board Staff recommended approval.

D. Docket No. TT21091139 – In the Matter of Verizon New Jersey, Inc. – Switched Access Services, 2nd Revised Page, NJ BPU No. 6, Effective December 21, 2021.

BACKGROUND: On September 22, 2021, Verizon filed a letter with the New Jersey Board of Public Utilities ("Board") seeking approval of a tariff revision to discontinue Digital Signal Level 0 ("DS0") services, including Intrastate Switched and Special Access private line DS0 services and certain IntraLATA DS0 services, in the Bridgeton, Clifton, Closter, Dumont, Kearny, Millington, Mount Holly, Neptune, Nutley, Seaside Park and Vineland wire centers in order to update the current systems to next-generation platforms.

Following a review of the petition, Board Staff recommended approval.

E. Docket No. TM22060375 – In the Matter of the Verified Petition of BAI Communications US Holdings NJ LLC for Approval of a Restructuring and Internal Merger.

**BACKGROUND:** On June 7, 2022, BAI Communications US Holdings NJ LLC ("BAI NJ") submitted a verified petition with the New Jersey Board of Public Utilities ("Board") requesting approval to complete an internal restructuring. The proposed internal restructuring would merge BAI NJ into an existing affiliate entity, Mobilitie, LLC ("Mobilitie") resulting in the change of intermediate ownership and control of BAI NJ ("Restructuring"). Pursuant to the Restructuring, Mobilitie would exercise all of the rights, powers and authorizations currently possessed by BAI NJ. The proposed Restructuring is part of a multi-state initiative to re-organize certain intermediate entities in the BAI Communications Group and would not result in a change to the ultimate ownership or control of the Licensee or adversely affect competition as there will not be a reduction in the number of competitors serving the market.

Following a review of the petition, Board Staff recommended approval.

F. Docket No. TE22030182 – In the Matter of the Petition of AirVoice Wireless, LLC d/b/a Airtalk Wireless for Designation as an Eligible Telecommunications Carrier in the State of New Jersey.

**BACKGROUND:** On March 28, 2022, AirVoice Wireless, LLC d/b/a Airtalk Wireless ("AirVoice") filed a petition with the New Jersey Board of Public Utilities ("Board") requesting designation as an Eligible Telecommunications Carrier to provide Lifeline service to qualifying New Jersey consumers. AirVoice did not seek access to funds from the federal Universal Service Fund for the purpose of participating in the Link-Up Program or providing service to high-cost areas.

Following a review of the petition, Board Staff recommended approval.

#### V. WATER

A. Docket No. WE21091146 – In the Matter of the Petition of New Jersey-American Water Company, Inc. for Approval of a Municipal Consent Granted by the Township of Mullica, Atlantic County, New Jersey.

**BACKGROUND:** On September 30, 2021, New Jersey-American Water Company Inc. ("NJAWC") filed a verified petition with the New Jersey Board of Public Utilities ("Board") pursuant to N.J.S.A. 48:2-14, N.J.S.A. 48:13-11 to 15, N.J.S.A. 48:19-17 and 48:19-20 and N.J.A.C. 14:1-5.5, seeking approval of Municipal Consent, Ordinance No. 14-2021, adopted August 31, 2021 by the Township of Mullica ("Mullica") to allow NJAWC to provide water and wastewater service to the customers in Mullica. The New Jersey Division of Rate Counsel filed comments not objecting to the requests in the petition, subject to certain conditions.

Board Staff recommended approval of the municipal consent, subject to certain conditions.

B. Docket No. WE21091147 – In the Matter of the Petition of New Jersey-American Water Company, Inc. for Approval of a Municipal Consent Granted by Egg Harbor City, Atlantic County, New Jersey.

**BACKGROUND:** On September 30, 2021, New Jersey-American Water Company, Inc. ("NJAWC") filed a verified petition with the New Jersey Board of Public Utilities ("Board") pursuant to N.J.S.A. 48:2-14, N.J.S.A. 48:13-11 to 15, N.J.S.A. 48:19-17 and 48:19-20 and N.J.A.C. 14:1-5.5, seeking approval of Municipal Consent, Ordinance No. 2-2021, adopted March 11, 2021 by the City of Egg Harbor ("Egg Harbor") to allow NJAWC to provide water and wastewater service to the customers in Egg Harbor. The New Jersey Division of Rate Counsel filed comments not objecting to the requests in the petition, subject to certain conditions.

Board Staff recommended approval of the municipal consent, subject to certain conditions.

C. Docket No. WE21091148 – In the Matter of the Petition of New Jersey-American Water Company, Inc. for Approval of a Municipal Consent Granted by the Township of Galloway, Atlantic County, New Jersey.

**BACKGROUND:** On September 30, 2021, New Jersey-American Water Company, Inc. ("NJAWC") filed a verified petition with the New Jersey Board of Public Utilities ("Board") pursuant to N.J.S.A. 48:2-14, N.J.S.A. 48:13-11 to 15, N.J.S.A. 48:19-17 and 48:19-20 and N.J.A.C. 14:1-5.5, seeking approval of Municipal Consent, Ordinance No. 2052-2021, adopted July 13, 2021 by the Township of Galloway ("Galloway") to allow NJAWC to provide water and wastewater service to the customers in Galloway. The New Jersey Division of Rate Counsel filed comments not objecting to the requests in the petition, subject to certain conditions.

Board Staff recommended approval of the municipal consent, subject to certain conditions.

D. Docket No. WO22030134 – In the Matter of the Petition of SUEZ Water New Jersey Inc. for Approval of an Affiliate Contract to Paint the Bald Eagle Village Storage Tank in West Milford, New Jersey.

**BACKGROUND:** As required by N.J.S.A. 48:3-7.1, on March 10, 2022, SUEZ Water New Jersey Inc. ("SWNJ") filed a petition with the New Jersey Board of Public Utilities ("Board") requesting approval of a contract to have Utility Service Company paint a distribution system water storage tank. On June 21, 2022, the New Jersey Division of Rate Counsel filed comments in response to the petition, stating that it was not opposed to approval of the contract.

Board Staff recommended approval of the petition.

#### VI. RELIABILITY AND SECURITY

A. Docket Nos. GS22070419K, GS22070420K, GS22070421K, GS22070422K, GS22070423K, GS22070424K, GS22070425K, GS22070426K, GS22070427K, GS22070428K, GS22070429K, GS22070430K, GS22070431K, GS22070432K, GS22070433K, and GS22070434K – In the Matter of the Alleged Violations of the Underground Facility Protection Act, N.J.S.A. 48:2-73 to -91.

**BACKGROUND:** This matter involved settlements of alleged violations of the Underground Facility Protection Act by both excavators and operators of underground facilities. This matter did not contain settlements involving catastrophic situations, death, or major property damage. The categories of infraction are failure to provide proper notice, failure to use reasonable care, and mismarking of facilities. The cases were settled in accordance with a penalty strategy, which escalates in relationship to aggravating factors, such as injury, property damage, fire, evacuation, road closure, and other public safety concerns, and provides disincentives for violations. There were 16 settlements which total \$48,000.00.

Staff of the New Jersey Board of Public Utilities ("Board") recommended that the Board approve the settlements provided in the Appendix.

#### VII. CUSTOMER ASSISTANCE

There were no items in this category.

#### VIII. CLEAN ENERGY

There were no items in this category.

#### IX. MISCELLANEOUS

There were no items in this category.

After appropriate motion, the consent agenda was approved.

Roll Call Vote:	President Fiordaliso	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye
	Commissioner Gordon	Ave

#### **AGENDA**

#### 1. AUDITS

There were no items in this category.

#### 2. ENERGY

A. Docket No. ER21101155 – In the Matter of the Verified Petition of Jersey Central Power & Light Company for the Review and Approval of Costs Incurred for Environmental Remediation of Manufactured Gas Plant Sites Pursuant to the Remediation Adjustment Clause of its Filed Tariff ("2020 RAC Filing").

Paul Lupo, Division of Water and Energy, presented this matter.

**BACKGROUND:** On October 1st, 2021, Jersey Central Power & Light Company ("JCP&L") filed a petition with the New Jersey Board of Public Utilities ("Board") seeking review and approval of the actual cost and expenditures incurred related to environmental remediation of its former manufactured gas plant sites for calendar year 2020. The recoverable remediation expenses for 2020 totaled approximately \$12.364 million. When combined with the 2019 ending over-recovered deferred balance, the net remediation costs decreased to \$10.072 million. The 2020 net expenses and the remaining amortization of prior Remediation Adjustment Clause ("RAC") expenditures previously approved for recovery would result in an increase to JCP&L's Rider RAC revenues of approximately \$1.957 million annually. The parties executed a stipulation to resolve the matter. As a result of the stipulation, a typical resident customer would see an increase in their monthly bill of \$0.08.

Staff recommended that the Board issue an Order adopting the stipulation and directing JCP&L to file revised tariffs by August 31, 2022.

**DECISION:** After discussion, the Board adopted the recommendation of Staff as set forth above.

Roll Call Vote: President Fiordaliso Aye

Commissioner Holden Aye
Commissioner Solomon Aye
Commissioner Gordon Aye

B. Docket No. GR22020103 – In the Matter of Public Service Electric and Gas Company Rate Schedule CSG Service – Elimination of BGSS Asset Charge.

Paul Lupo, Division of Water and Energy, presented this matter.

**BACKGROUND:** On January 25, 2022, Parkway Generation ("Parkway") filed a petition with the New Jersey Board of Public Utilities ("Board") seeking approval to eliminate the Basic Gas Supply Service ("BGSS") Asset Charge of Rate Schedule Contract Service Gas ("CSG") for its facilities pursuant to the CSG Agreement between Public Service Electric and Gas Company ("PSE&G") and PSEG Power. On February 18, 2022, Parkway acquired the facilities from PSEG Power and as a result the BGSS assets are no longer used to supply or deliver natural gas to the facilities. Parkway explicitly stated that it will

never use the BGSS assets to supply or deliver natural gas to the facilities. The CSG Agreement approved by the Board in May of 2013, contains a mechanism that the parties can modify or eliminate the BGSS Asset Charge. On June 30, 2022, the New Jersey Division Rate Counsel ("Rate Counsel") filed comments requesting that the Board not approve the elimination of the BGSS Asset Charge stating that the Parkway can take the necessary steps to eliminate the charge without Board approval. Parkway filed reply comments requesting the charge be eliminated as expeditiously as possible and that Rate Counsel's interpretation of the Agreement was incorrect.

Following the review of the petition and comments, Board Staff ("Staff") recommended that the Board approve the petition and the elimination of the BGSS Asset Charge effective October 1, 2022. Staff further recommended the Board deny Rate Counsel's request to make the elimination of the BGSS Asset Charge effective no sooner than October 30, 2022.

**DECISION:** After discussion, the Board adopted the recommendation of Staff as set forth above.

Roll Call Vote: President Fiordaliso Aye
Commissioner Holden Aye
Commissioner Solomon Aye
Commissioner Gordon Aye

C. Docket No. ER22060404 – In the Matter of the Provision of Basic Generation Service, the Compliance Tariff Filing Reflecting Changes to Schedule 12 Charges in PJM Open Access Transmission Tariff – June 24, 2022 Filing.

Paul Lupo, Division of Water and Energy, presented this matter.

**BACKGROUND:** On June 24, 2022, the four electric distribution companies ("EDCs") filed a joint petition with the New Jersey Board Public Utilities ("Board") requesting recovery of Federal Energy Regulatory Commission ("FERC") approved charges in firm transmission service related charges related to several FERC filings. The EDCs requested that the changes in rates be effective for service rendered on and after September 1, 2022. Based upon the allocation of the Transmission Enhancement Charges and Network Integration Transmission Service Rates costs for the EDCs and their respective allocation among each EDC's customer service classes, the monthly bill for a residential customer using 650 kilowatt-hours per month will change by approximately the following amounts: an increase of \$4.34 for Atlantic City Electric Company; an increase of \$0.05 for Public Service Electric and Gas Company; and an increase of \$0.06 for Rockland Electric Company.

Staff recommended the Board approve the modifications to the Basic Generation Service ("BGS")—Residential and Small Commercial Pricing and BGS – Commercial and Industrial Pricing rates consistent with the petition effective September 1, 2022. Staff further recommended that the EDCs be directed to file revised tariffs by September 1, 2022.

**DECISION:** After discussion, the Board adopted the recommendation of Staff as set forth above.

Roll Call Vote: President Fiordaliso Aye

Commissioner Holden Aye Commissioner Solomon Aye Commissioner Gordon Aye

D. Docket Nos. BPU GR21121254 and OAL PUC 00872-22 – In the Matter of the Petition of Elizabethtown Gas Company for Approval of Increased Base Tariff Rates and Charges for Gas Service, Changes to Depreciation Rates and Other Tariff Revisions.

Paul Lupo, Division of Water and Energy, presented this matter.

BACKGROUND: On March 29, 2021, Elizabethtown Gas Company ("Elizabethtown") filed a petition with the New Jersey Board of Public Utilities ("Board") seeking authority to increase operating revenues by approximately \$76.62 million, excluding Sales and Use Tax, implement certain rate and tariff revisions, roll into base rates Infrastructure Investment Program costs; and establish various regulatory assets. Elizabethtown also requested a return on equity of 10.75 percent. The matter was transmitted to the New Jersey Office of Administrative Law ("OAL") and assigned to Administrative Law Judge ("ALJ") Morejon for consideration and hearing. Throughout the course of the proceeding, Elizabethtown updated the petition to include 12 months of actual data with an updated revenue requirement of approximately \$77.31 million excluding Sales and Use Tax. The parties executed a stipulation, which was subsequently approved by ALJ Morejon. Key components of the stipulation include a revenue requirements of approximately \$40 million excluding taxes, a return on equity of 9.6 percent, a monthly residential customer charge of \$10.50 including taxes, a weighted average cost of capital of 6.85 percent, an equity to debt ratio of 52 percent of 48 percent, and approval to create a regulatory asset for the Transmission Integrity Management Program. As a result of the stipulation, a typical residential customer would experience a monthly increase of \$10.38.

Board Staff ("Staff") recommended that the Board adopt the Initial Decision, approve the stipulation for service rendered on and after September 1, 2022, and direct Elizabethtown to file revised tariffs by August 31, 2022.

**DECISION:** After discussion, the Board adopted the recommendation of Staff as set forth above.

Roll Call Vote: President Fiordaliso Aye

Commissioner Holden Aye Commissioner Solomon Aye Commissioner Gordon Aye

E. Docket No. ER21060870 – In the Matter of the Petition of Rockland Electric Company Community Solar Energy Pilot Program Cost Recovery.

Paul Lupo, Division of Water and Energy, presented this matter.

**BACKGROUND:** On June 1, 2022, Rockland Electric Company ("RECO") filed a petition with the New Jersey Board of Public Utilities ("Board") seeking approval to establish a cost recovery mechanism to recover future costs associated with implementing the Community Solar Energy Pilot Program and proposed to recover the revenue requirements associated

with the pilot program as a new component of its Regional Greenhouse Gas Initiative ("RGGI") Surcharge tariff. In the petition, RECO sought approval to set an initial rate of \$0.00 per kilowatt-hour as there are no costs incurred to date. The parties have executed a stipulation recommending establishing and incorporating a pilot program rate as a component of the RGGI Surcharge tariff and setting the initial rate to \$0.00 per kilowatt-hour. As a result of the stipulation, there is no bill impact at this time.

Board Staff ("Staff") recommended that the Board issue an Order approving the stipulation and directing RECO to file revised tariffs by August 31, 2022.

**DECISION:** After discussion, the Board adopted the recommendation of Staff as set forth above.

Roll Call Vote: President Fiordaliso Aye
Commissioner Holden Aye
Commissioner Solomon Aye
Commissioner Gordon Aye

F. Docket No. ER21060871 – In the Matter of the Petition of Atlantic City Electric Company Establishing a Cost Recovery Mechanism Through the Regional Greenhouse Gas Initiative Recovery Charge ("Rider RGGI") for the Community Solar Energy Pilot ("CSEP") Program and Other Associated Tariff Revisions.

Paul Lupo, Division of Water and Energy, presented this matter.

**BACKGROUND:** On June 1, 2021 Atlantic City Electric Company ("ACE") filed a petition with the New Jersey Board of Public Utilities ("Board") seeking approval to establish a cost recovery mechanism to recover future costs associated with implementing the Community Solar Energy Pilot Program and proposed to recover the revenue requirements associated with the pilot program as a new component of ACE's Rider Regional Greenhouse Gas Initiative ("RGGI") tariff. In the petition, ACE sought approval to set an initial rate of \$0.00 per kilowatt-hour as there are no costs incurred to date. The parties have executed a stipulation recommending establishing and incorporating a pilot program rate as a component of ACE's Rider RGGI tariff and setting the initial rate to \$0.00 per kilowatt-hour. As a result of the stipulation, there is no bill impact at this time.

Board Staff ("Staff") recommended that the Board issue an Order approving the stipulation and directing ACE to file revised tariffs by August 31, 2022.

**DECISION:** After discussion, the Board adopted the recommendation of Staff as set forth above.

Roll Call Vote: President Fiordaliso Aye Commissioner Holden Aye Commissioner Solomon Aye

Commissioner Gordon Aye

G. Docket No. ER22020114 – In the Matter of the Petition of Atlantic City Electric Company for Approval of a True-Up of its Energy Efficiency Surcharge, and to Set its Energy Efficiency Surcharge for Plan Year Two of its Energy Efficiency Program.

Paul Lupo, Division of Water and Energy, presented this matter.

**BACKGROUND:** On April 27, 2021, the New Jersey Board of Public Utilities ("Board") approved Atlantic City Electric Company's ("ACE's") Energy Efficiency ("EE") Program for a three-year period from July 1, 2021 through June 30, 2024 with a total investment not to exceed approximately \$96 million. The Board also approved the implementation of cost recovery mechanism, the EE surcharge, which would be a component of ACE's Rider Regional Greenhouse Gas Initiative tariff to recover the costs associated with the EE Program. On February 28, 2022, ACE filed a petition requesting approval for cost recovery associated with year two of the EE Program and to true up costs incurred from year one of the EE Program. ACE proposed to recover a revenue requirement of approximately \$6.7 million by increasing the EE Surcharge per kilowatt-hour. The parties have executed a stipulation requesting the Board approve the new EE Surcharge rate. As a result of the stipulation, a typical residential customer using 680 kilowatt-hours per month will see an increase of \$0.29.

Board Staff ("Staff") recommended the Board issue an Order approving the stipulation and irecting ACE to file revised tariffs sheets by August 31, 2022.

**DECISION:** After discussion, the Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Fiordaliso	Aye
	Commissioner Holden	Aye
	<b>Commissioner Solomon</b>	Aye
	Commissioner Gordon	Δνρ

H. Docket No. EO18080899 – In the Matter of the Implementation of L. 2018, c. 16 Regarding the Establishment of a Zero Emission Certificate Program for Eligible Nuclear Power Plants;

Docket No. EO18121338 – Application for Zero Emission Certificates of Salem 1 Nuclear Power Plant;

Docket No. EO18121339 – Application for Zero Emission Certificates of Salem 2 Nuclear Power Plant; and

Docket No. EO18121337 – Application for Zero Emission Certificates of Hope Creek Nuclear Power Plant.

Paul Lupo, Division of Water and Energy, presented this matter.

**BACKGROUND:** On May 28, 2018, Governor Murphy signed a law requiring the New Jersey Board of Public Utilities ("Board") to create a program and mechanism for the issuance of Zero Emissions Certificates ("ZECs"). On August 29, 2018, the Board initiated the ZEC Program. On November 19, 2018, the Board approved the form of ZEC

applications, the ZEC Program process and tariffs for the collection of funds. On April 18, 2019, the Board determined that Salem 1, Salem 2 and Hope Creek were eligible for the Program and should receive ZECs. ZECs were awarded for the stub period, April 18, 2019 through May 31, 2019, and energy years 2020, 2021 and 2022. On July 10, 2019, the Board approved the recommendation of Board Staff ("Staff") for the forward steps to implement the program. One forward requirement is the Board's responsibility to determine the price of a ZEC in each energy year via a set calculation based upon information provided by the electric distribution companies and ZEC recipients. Additionally, Staff is to present the ZEC price annually in August of each year that the selected units are eligible to receive ZECs.

Using the calculation approved by the Board, Staff determined that the ZEC price was \$10 for the stub period, and energy years 2020, 2021, and 2022. Staff recommended that the Board issue an Order determining the ZEC price to be \$10 for the stub period, and energy years 2020, 2021, and 2022 based upon Staff's calculation.

**DECISION:** After discussion, the Board adopted the recommendation of Staff as set forth above.

Roll Call Vote: President Fiordaliso Aye
Commissioner Holden Aye
Commissioner Solomon Aye

Commissioner Solomon Aye Commissioner Gordon Aye

I. Docket No. ER22010003 – In the Matter of the Board of Public Utilities – Federal Energy Regulatory Commission (FERC) Items for 2022 – Regional Energy Access Expansion Project FERC Docket No. CP21-94.

David Schmitt, Legal Specialist, presented this matter.

**BACKGROUND:** On March 26, 2021, Transcontinental Gas Pipeline Company, LLC ("Transcontinental") filed its application at the Federal Energy Regulatory Commission ("FERC") for approval to construct the Regional Energy Access Expansion Project pipeline. As a part of this application, Transcontinental filed a study showing that New Jersey needed additional natural gas pipeline capacity due to an increase in demand for natural gas in New Jersey. However, on June 29, 2022, the New Jersey Board of Public Utilities ("Board") approved the findings of a report on the need for additional natural gas capacity. The report was completed by London Economics on behalf of the Board, came to a different conclusion that Transcontinental's report concluding that there were no need for additional natural gas pipeline capacity to serve New Jersey. To allow the FERC to better understand the need or lack of need for additional pipeline capacity, Staff of the Board ("Staff"), on behalf of the Board, along with the New Jersey Division of Rate Counsel, filed a motion at the FERC on June 11, 2022 to intervene out of time and to lodge the Board's order accepting the findings of the gas capacity report and the report itself into the docket.

Staff recommended that the Board ratify the comments by July 11, 2022.

**DECISION:** After discussion, the Board adopted the recommendation of Staff as set forth above.

Roll Call Vote: President Fiordaliso Aye

Commissioner Holden Aye Commissioner Solomon Aye Commissioner Gordon Aye

J. Docket No. ER22010003 – In the Matter of the Board of Public Utilities – Federal Energy Regulatory Commission (FERC) Items for 2022 – FERC Docket No. ER22- 2110 – PJM Interconnection, L.L.C Tariff Revisions for Interconnection Process Reform.

David Schmitt, Legal Specialist, presented this matter.

**BACKGROUND:** On June 14, 2022, PJM Interconnection, LLC ("PJM") filed revised tariffs to reform its Generation Interconnection Process with the Federal Energy Regulatory Commission ("FERC"). On July 14, 2022, Staff of the New Jersey Board of Public Utilities ("Board") ("Staff"), on behalf of the of Board, filed comments in response to PJM's Interconnection Process Reforms that were proposed. The comments are in overall support of the proposed reforms to the PJM's new service request queue process. However, the current state of the PJM queue is unacceptable and the transition period proposed to arrive at implementing such reform is neither timely nor appropriate. Therefore, Staff's comments were critical of the PJM efforts that have led to the current immense Interconnection queue backlog and emphasize the transition period must be minimized to accommodate market needs and state policy goals.

Staff recommended that the Board ratify the comments Staff filed with FERC on July 14, 2022.

**DECISION:** After discussion, the Board adopted the recommendation of Staff as set forth above.

Roll Call Vote: President Fiordaliso Ave

Commissioner Holden Aye Commissioner Solomon Aye Commissioner Gordon Aye

#### 3. CABLE TELEVISION

There were no items in this category.

#### 4. TELECOMMUNICATIONS

A. Docket No. TO21121237 – In the Matter of the Broadband Access Study Commission (P.L. 2021, c. 161) – Request for Approval of Subcontractor – Executive Session.

Joe Rivera, Broadband Manager, presented this matter.

**BACKGROUND:** This matter was initially discussed in Executive Session. This matter related to a request for the addition of a subcontractor to the previously awarded contract

between the New Jersey Board of Public Utilities ("Board") and ECC Technologies Inc. ("ECC").

Board Staff ("Staff") recommended the Board approve the amendment to the contract between the Board and ECC Technologies.

**DECISION:** After discussion, the Board adopted the recommendation of Staff as set forth above.

Roll Call Vote: President Fiordaliso Aye Commissioner Holden Aye

Commissioner Solomon Aye Commissioner Gordon Aye

#### 5. WATER

A. Docket No. WO21091144 – In the Matter of the Petition of the Borough of Ho-Ho-Kus to Enter Into a Maintenance Contract with a Private Firm Suez Advanced Solutions (Utility Service Co., Inc.) for the Provision of Water Supply Services.

**Mike Kammer, Director**, Division of Water and Energy presented this matter.

BACKGROUND: By Order dated September 28, 2021, the New Jersey Board of Public Utilities ("Board") approved a maintenance contract for the provision of water supply services, for the maintenance and management of two (2) water storage tanks between the Borough of Ho-Ho-Kus ("Ho-Ho-Kus") in Bergen and Suez Advanced Solutions. Board approval over the contract was required, even though the Board does not normally have jurisdiction over Ho-Ho-Kus. On June 22, 2022, Ho-Ho-Kus requested an amendment to the contract in order to expand the scope of work to include an additional water storage tank. By letter dated August 8, 2022, the New Jersey Division of Rate Counsel ("Rate Counsel") submitted comments, which among other things, stated that the expanded scope of work identified additional work to be performed under the umbrella of the existing Board approved contract and that Board approval my not be required. Rate Counsel went on to state that the terms of the expanded scope of work were not unreasonable and that it had no objection to the Board approving the expanded scope of work. Rate Counsel recommended that the Board indicate that the Board's jurisdiction over the expanded scope of work should terminate until or unless the contract is amended to change the formula or other basis for determining charges contained in the expanded scope of work were consistent with N.J.S.A. 58:26-25(7)(c).

Staff recommended that the Board approve the expanded s cope of work to include the additional water storage tank subject to certain conditions as specified in the Order. **DECISION:** After discussion, the Board adopted the recommendation of Staff as set forth above.

Roll Call Vote: President Fiordaliso Aye Commissioner Holden Ave

Commissioner Holden Aye Commissioner Solomon Aye Commissioner Gordon Aye

B. Docket Nos. BPU WR22010019 and OAL PUC 00808-22 – In the Matter of the Petition of New Jersey-American Water Company, Inc. for Approval of Increased Tariff Rates and Charges for Water and Wastewater Service, and Other Tariff Modifications.

**Mike Kammer**, **Director**, Division of Water and Energy presented this matter.

**BACKGROUND:** On January 14, 2022, New Jersey-American Water Company, Inc. ("NJAWC") filed a petition with the New Jersey Board of Public Utilities ("Board") seeking to increase its base tariff rates and charges for water and wastewater service amounting to approximately \$94.7 million or an 11.71 percent increase in additional annual revenues. NJAWC, the New Jersey Division of Rate Counsel, and the Optional Industrial Wholesale coalition entered into a stipulation, which was approved by Administrative Law Judge Tricia Caliguire that recommended that the NJAWC be permitted to increase its base rates in a manner designed to produce a total annual operating revenue increase for water and wastewater service of approximately \$45.5 million, an overall revenue increase of 5.67 percent. As a result of the stipulation, the bills for most of NJAWC's customers would increase from \$62.39 per month to \$65.31 per month or \$2.93 per month, which is an increase of 4.69 percent.

Staff recommended that the Board adopt the stipulation. Staff further recommended that NJAWC be directed to file tariffs consistent with the terms of the stipulation.

**DECISION:** After discussion, the Board adopted the recommendation of Staff as set forth above.

Roll Call Vote: President Fiordaliso Aye

Commissioner Holden Aye Commissioner Solomon Aye Commissioner Gordon Aye

C. Docket No. WR22030230 – In the Matter of the Petition of New Jersey-American Water Company, Inc. for Authorization to Implement a Distribution System Improvement Charge ("DSIC").

**Mike Kammer**, **Director**, Division of Water and Energy presented this matter.

**BACKGROUND:** On March 31, 2022, New Jersey-American Water Company, Inc. ("NJAWC") filed a petition with the New Jersey Board of Public Utilities ("Board") seeking authorization to implement a Distribution System Improvement Charge for the renewal of water distribution system assets for the period 2022 through 2025. NJAWC, the New Jersey Division of Rate Counsel and Board Staff ("Staff") entered into a stipulation that recommended that NJAWC's new foundational filing be approved.

Staff recommended that the Board adopt the stipulation. Staff further recommended that the Board order NJAWC to file revised tariffs consistent with the terms of the stipulation.

**DECISION:** After discussion, the Board adopted the recommendation of Staff as set forth above.

Roll Call Vote: President Fiordaliso Aye Commissioner Holden Aye

Commissioner Solomon Aye Commissioner Gordon Aye

D. Docket Nos. BPU WM21091150 and OAL PUC 08739-2021S – In the Matter of the Petition of New Jersey-American Water Company, Inc. for: (1) Approval of Its Agreement with Egg Harbor City, New Jersey for the Purchase and Sale of Systems; (2) A Determination that the Purchase Price Is Reasonable; and (3) for Such Other Approvals As May Be Necessary To Complete the Proposed Transaction.

Mike Kammer, Director, Division of Water and Energy presented this matter.

**BACKGROUND:** Egg Harbor City ("City"), in Atlantic County, owns and operates a water and wastewater system that provides water and wastewater service to approximately 1.500 water customers and approximately 1.400 wastewater customers within the city and also in the portions of the Townships of Galloway and Mullica. On September 30, 2022, New Jersey-American Water Company, Inc. ("NJAWC") filed a petition with the New Jersey Board of Public Utilities ("Board"), pursuant to the Water Infrastructure Protection Act for approval of an agreement between the City and NJAWC, as well as the determination that the purchase price pursuant to the agreement was reasonable and that certain transaction costs should to be recovered in a future base rate case. The matter was transmitted to the New Jersey Office of Administrative Law and was assigned to Administrative Law Judge ("ALJ") Jacob Gertsman. After a series of telephonic status conferences before ALJ Gertsman, representatives of NJAWC, the New Jersey Division of Rate Counsel and Board Staff ("Staff") entered into a stipulation that resolved all issues related to the proceeding. Middlesex Water Company, which had been granted intervenor status filed a letter indicating that it did not object to the stipulation. ALJ Gertsman filed his initial decision on July 7, 2022 recommending that the Board adopt the stipulation.

Staff recommended that the Board adopt the initial decision.

**DECISION:** After discussion, the Board adopted the recommendation of Staff as set forth above.

Roll Call Vote: President Fiordaliso Aye

Commissioner Holden Aye Commissioner Solomon Aye Commissioner Gordon Aye

# 6. RELIABILITY AND SECURITY

There were no items in this category.

# 7. CUSTOMER ASSISTANCE

A. Docket No. EO22070436 – In the Matter of the Department of Community Affairs' State Fiscal Year 2023 Universal Service Fund Administrative Cost Budget.

Maureen Clerc, Division of Customer Assistance, presented this matter.

BACKGROUND: This matter concerned a request in the New Jersey Department of

Community Affairs ("DCA") for approval of the Universal Service Fund ("USF") Program's Administrative Cost Budget for fiscal year ("FY") 2023. The DCA administers this USF Program on behalf of the New Jersey Board of Public Utilities ("Board') and provided monthly credits on the electric and natural gas bills of approximately 220,000 over the year, which is an increase of 53 percent from this time last year. For FY 2023, DCA requested \$9,875,034, which was less than five percent of the current year's \$215 million total program budget. Included in the Administrative Budget request are DCA's costs for administering the program, as well as costs for DCA's subgrantees, which process USF applications and provide outreach to the public at the local level. The Administrative Budget represents a 23 percent increase from last year's budget of \$8,005,013. Due to shared program infrastructure between USF and DCA's federal LIHEAP Program, each year DCA submits a joint USF budget cost breakdown between the two programs according to the percentage of recipients that benefitted from each program in a prior FY. Therefore, most increases in FY 23 budget were due to the increase in USF enrollment, which occurred in FY 22. The increase in USF enrollment was due to temporary program expansions which were put in place in response to the pandemic. It was noted this is only a budget and Staff would return to the Board with an accounting of all FY 23 expenses for Board approval.

Having thoroughly reviewed the budget, Board Staff ("Staff") found it appropriate and necessary for administering the program. Staff recommended that FY 23 USF administer cost budgets be approved.

**DECISION:** After discussion, the Board adopted the recommendation of Staff as set forth above.

Roll Call Vote: President Fiordaliso Aye

Commissioner Holden Aye Commissioner Solomon Aye Commissioner Gordon Aye

#### 8. CLEAN ENERGY

A. Docket No. QO22070439 – In the Matter of the Fiscal Year 2023 Clean Fleet Incentive Program for Electric Vehicles and Chargers.

**Kelly Mooij, Director**, Division of Clean Energy, presented this matter.

BACKGROUND: In June 2022, the New Jersey Board of Public Utilities ("Board") approved the Fiscal Year 2023 ("FY 23") Clean Fleet Program as part of the New Jersey Clean Energy Program's FY 23 budget. The FY 23 budget order allocated \$10 million to the Clean Fleet Program, dedicating \$6 million to the State for State vehicle fleets and \$4 million to eligible local and municipal governments for their fleets. The Clean Fleet Program offers incentives to local and state government entities for the purchase of electric vehicles ("EVs") and EV chargers. Board Staff ("Staff") proposed modifications to the FY 23 Program as follows: 1) the FY 23 Program add an incentive of up to 50 percent of the Make-Ready costs up to \$50,000 for Level-Two fleet chargers and up to 50 percent of the Make-Ready costs up to \$50,000 for direct current fast chargers ("DCFCs") for fleet charging for eligible entities; 2) the FY 23 Program include a DCFC incentive of up to \$50,000, up to the cost of each eligible charger. The programmatic recommendations

were consistent with the FY 22 Program and would allow funding for Make-Ready only on Fleet chargers, as there are currently no utility incentives available for this purpose. The eligibility and programmatic requirements of Clean Fleet remain the same except for these two additions of these two incentives.

Staff recommended approval of the proposed modifications.

**DECISION:** After discussion, the Board adopted the recommendation of Staff as set forth above.

Roll Call Vote: President Fiordaliso Aye

Commissioner Holden Aye Commissioner Solomon Aye Commissioner Gordon Aye

B. Docket No. QO19010040 – In the Matter of the Implementation of L. 2018, c. 17 Regarding the Establishment of Energy Efficiency and Peak Demand Reduction Programs;

Docket No. EO20090621 – In the Matter of the Petition of Atlantic City Electric Company for Approval of an Energy Efficiency Program, Cost Recovery Mechanism, and Other Related Relief for Plan Years One Through Three;

Docket No. GO20090619 – In the Matter of the Petition of Elizabethtown Gas Company for Approval of New Energy Efficiency Programs and Associated Cost Recovery Pursuant to the Clean Energy Act and the Establishment of a Conservation Incentive Program;

Docket No. EO20090620 – In the Matter of the Verified Petition of Jersey Central Power & Light Company for Approval of JCP&L's Energy Efficiency and Conservation Plan Including Energy Efficiency and Peak Demand Reduction Programs (JCP&L EE&C);

Docket No. GO20090622 – In the Matter of the Petition of New Jersey Natural Gas Company for Approval of Energy Efficiency Programs and the Associated Cost Recovery Mechanism Pursuant to the Clean Energy Act, N.J.S.A. 48:3-87.8 et seq. and 48:3-98.1 et seq.;

Docket Nos. GO18101112 and EO18101113 – In the Matter of the Petition of Public Service Electric and Gas Company for Approval of its Clean Energy Future-Energy Efficiency ("CEF-EE") Program on a Regulated Basis;

Docket No. EO20090623 – In the Matter of the Petition of Rockland Electric Company for Approval of Its Energy Efficiency and Peak Demand Reduction Programs; and

Docket No. GO20090618 – In the Matter of the Petition of South Jersey Gas Company for Approval of New Energy Efficiency Programs and Associated Cost Recovery Pursuant to the Clean Energy Act.

Stacy Ho Richardson, Deputy Director, Division of Clean Energy, presented this matter.

**BACKGROUND:** On November 8, 2021, the State's investor-owned utilities ("Utilities") filed a joint letter petition with the New Jersey Board of Public Utilities ("Board") requesting approval to implement a proposed joint utility solution to the budget constraints experienced during the first triennium ("Triennium 1"), of approved Energy Efficiency ("EE") programs. Board Staff ("Staff") notified all parties to the Utilities docketed EE cases of the November 8, 2021 joint petition. Following discovery and settlement conferences, the Utilities, the New Jersey Division Rate Counsel, and Staff reached an agreement to enter into a stipulation of settlement, resolving all issues related raised in or related to the November 8, 2021 joint petition.

By way of background, in its June 10th, 2020 Order, the Board approved a transition framework for EE programs implemented pursuant to the Clean Energy Act ("CEA"), including requirements for the utilities to establish programs that reduce the use of electricity and natural gas within their territory. The Board directed the utilities to submit their first respective three-year filings for EE and peak demand reduction programs. As the June 2020 Order requires, the utilities coordinated extensively on the design Many of the approved programs provide an opportunity to deliver comprehensive energy solutions to customers that could reduce both their gas and electric usage and increase their energy savings. This required a sharing of the investments and savings for dual-fuel projects where electric and gas utility service territories overlap. In such a territory overlap scenario, a utility that serves as a primary point of contact for customers, contractors, and trade allies for a project is considered to be the lead utility for that project. Customers and contractors have the option of applying to either of their electric or gas utility to participate in a program when that project involves both fuels. The lead utility follows the project through to completion, pays a project incentive and financing or ongoing payment, if relevant, and then works with its applicable electric or gas partner utility to transfer the energy savings for their fuel and the cost of the investment for their share of the project, commensurate with savings for each fuel. The Utilities have established a Joint Budget Allocation Committee to monitor the status of program budgets. While partner utilities have Board-approved budgets that were forecasted at the time of approval to be sufficient to achieve their respective EE savings targets, in some instances these budgets are proving insufficient to cover a partner utility's share of costs for all of the dual-fuel EE projects that a lead utility is able to implement in a shared service territory. The stipulation allows the utilities to implement certain remedies to address budget constraints, including allowing lead utilities to use their approved budgets to invest in dualfuel, electric and gas, EE projects on behalf of their partner utilities. The stipulation also allows utilities to apply energy savings in excess of annual compliance goals toward goals and targets in Programs Years 2023, 2024, 2025. This shall not alleviate the utilities' minimum energy savings obligations under the CEA. Staff also noted that, throughout discovery and settlement discussions on this matter. Staff consulted with the Statewide Evaluator of New Jersey's EE programs to ensure that the stipulation took into account the best available information and approaches in the treatment of energy savings attributed to EE programs.

Staff recommended Board approval of the stipulation in this matter, which resolves all issues raised in or related to joint petition.

**DECISION:** After discussion, the Board adopted the recommendation of Staff as set forth above.

Roll Call Vote: President Fiordaliso Aye

Commissioner Holden Aye Commissioner Solomon Aye Commissioner Gordon Aye

C. Docket No. QO21081073 – In the Matter of the Implementation of P.L. 2021, c. 200 Regarding Establishment of the School and Small Business Energy Efficiency Stimulus Program.

Stacy Ho Richardson, Deputy Director, Division of Clean Energy, presented this matter.

**BACKGROUND:** This item pertained to the School and Small Business Energy Efficient Program, which was completed by the New Jersey Board of Public Utilities ("Board") in response to legislation in October of 2021. The program includes the School and Small Business Ventilation and Energy Efficiency Verification and Repair ("HVAC") Program, which provides grants to schools and small businesses for the maintenance and replacement of certain heating, ventilation, and air conditioning systems. The program pays for 75 percent of project costs. Specifically, under the replacement path of the HVAC Program, an applicant is able to apply for a utility incentive to apply to their 25 percent cost share. This can create a unique situation where both the State and utility incentives are applied to the same project, which impacts the attribution of energy savings associated with the project under the Clean Energy Act. The statute that authorize the program states: "The Board shall adjust energy efficiency savings targets, as necessary, to ensure that energy savings created through the expenditures made pursuant to this law are not double counted in any public utility energy efficiency program." Board Staff ("Staff") engaged in discussions with the utilities, the New Jersey Division of Rate Counsel, and the program administrator on the issues of savings, contributions, taking into consideration the overlap between State administration of the program and utility incentives that applicants may receive as part of participation of the program; the small size of anticipated energy savings generated from the HVAC Program relative to energy savings that may be generated statewide; and the logistical complications and lack of that cost-effectiveness of apportioning the savings between the State and the Utilities. Staff believed it will benefit program to not apportion the energy savings.

Staff recommended that the Board direct the utilities to be able to account 100 percent of the energy savings associated with any equipment that receives financial incentives from both the HVAC Program and the utility program toward the utilities' energy savings goals. Staff noted that it did not anticipate this would be the scenario with any other programs in the future. Staff stated that this is one of a kind and Staff was taking measures to make sure that there are no overlaps for the same project of utilities in the same incentives.

**DECISION:** After discussion, the Board adopted the recommendation of Staff as set forth above.

Roll Call Vote: President Fiordaliso Aye

Commissioner Holden Aye Commissioner Solomon Aye Commissioner Gordon Aye

D. Docket No. QO19010068 - In the Matter of a New Jersey Solar Transition Pursuant to P.L. 2018, c. 17;

Docket No. QO22040243 – In the Matter of the Verified Petition of AB Newark (Fund IV) Operating, LLC and Anheuser Busch, LLC for Approval of a Waiver and Extension of the Solar Transition Incentive Program Commercial Operation Deadline for Non- Residential Net-Metered Rooftop and Carport Solar Project NJSTRE1547207739;

Docket No. QO22040261 – In the Matter of the Verified Petition of NJ Solar 3, LLC for Approval of a Waiver and Extension of the Solar Transition Incentive Program Commercial Operation Deadline for the M. Gordon Construction Company Solar Project NJSTRE1546554415, NJSTRE1546554647, NJSTRE1546553890;

Docket No. QO22030186 – In the Matter of the Verified Petition of NJ Solar 8 LLC for Approval of a Waiver and Extension of the Solar Transition Incentive Program Commercial Operation Deadline for the Princeton Health Solar Projects NJSTRE1547456206, NJSTRE1547455704;

Docket No. QO22030183 – In the Matter of the Verified Petition of NJ Solar 9 LLC for Approval of a Waiver and Extension of the Solar Transition Incentive Program Commercial Operation Deadline for the St. Thomas the Apostle RC Church Solar Projects NJSTRE1547186450, NJSTRE1547187242;

Docket No. QO22030194 – In the Matter of the Verified Petition of NJ Solar 11 LLC for Approval of a Waiver and Extension of the Solar Transition Incentive Program Commercial Operation Deadline for the Laurel Creek Country Club Solar Project NJSTRE1547462183;

Docket No. QO22030184 – In the Matter of the Verified Petition of NJ Solar 12 LLC for Approval of a Waiver and Extension of the Solar Transition Incentive Program Commercial Operation Deadline for Cherry Hill Hotel MGMT LLC Solar Project NJSTRE1547462340;

Docket No. QO22050343 – In the Matter of the Verified Petition of NJ Solar 15 LLC for Approval of a Waiver and Extension of the Solar Transition Incentive Program Commercial Operation Deadline for the Industrial Opportunities II Solar Projects– NJSTRE154538852, NJSTRE154758838, NJSTRE1547538845, NJSTRE1547465089, and NJSTRE1547462602;

Docket No. QO22030192 – In the Matter of the Verified Petition of NJ Solar 18 LLC for Approval of a Waiver and Extension of the Solar Transition Incentive Program Commercial Operation Deadline for St. Pius High School C/O Diocese of Metuchen St. John Neumann Pastoral Center Solar Project NJSTRE1547538650;

Docket No. QO22030201 – In the Matter of the Verified Petition of NJ Solar 19 LLC for Approval of a Waiver and Extension of the Solar Transition Incentive Program Commercial Operation Deadline for the St. Joseph's University Medical Center Solar Projects – NJSTRE1547536943, NJSTRE1547538763, NJSTRE1547538751, NJSTRE1547538784 and NJSTRE1547538779;

Docket No. QO22030185 – In the Matter of the Verified Petition of NJ Solar 23 LLC for Approval of a Waiver and Extension of the Solar Transition Incentive Program Commercial Operation Deadline for the Spencer Gifts Solar Project NJSTRE1547465089;

Docket No. QO22030195 – In the Matter of Verified Petition of NJ Solar 24 LLC for Approval of a Waiver and Extension of the Solar Transition Incentive Program Commercial Operation Deadline for the Impacting Your World Ministries Christian Center Solar Project NJSTRE1547538146;

Docket No. QO22030193 – In the Matter of the Verified Petition of NJ Solar 25 LLC for Approval of a Waiver and Extension of the Solar Transition Incentive Program Commercial Operation Deadline for the Jefferson Health and Wellness Center Solar Projects NJSTRE1547537931, NJSTRE1547537882, NJSTRE1547537816;

Docket No. QO22030188 – In the Matter of the Verified Petition of NJ Solar 29 LLC for Approval of a Waiver and Extension of the Solar Transition Incentive Program Commercial Operation Deadline for the Ocean City Tabernacle Church Solar Project NJSTRE1547538686, NJSTRE1547538716, NJSTRE1547538732;

Docket No. QO22040240 – In the Matter of the Petition of the Pennington School for an Extension of the Expiration Date of Four Projects in the Solar Transition Incentive Program – Gym NJSTRE1547233075, Buck Hall NJSTRE1547232942, Campus Center NJSTRE1547234271, Stainton NJSTRE1547233114; and

Docket No. QO22050355 – In the Matter of the Petition of Tri-Borough Sand and Stone and Ward Sand & Stone for Extensions in the Transition Incentive Program #NJSTRE1547532017 & NJSTRE1547532602.

**Scott Hunter**, Division of Clean Energy, presented this matter.

BACKGROUND: This matter related to the consideration of the petition of 15 entities with 37 projects seeking extensions of time to complete the Transition Incentive ("TI") Program. The TI Program was approved by order of the New Jersey Board of Public Utilities ("Board") dated December 6, 2019 to serve as an opportunity for incentive for solar projects after the closure of the legacy Solar Renewable Energy Certificate ("SREC") program until the opening of the Successor Incentive program. The interim nature of the TI program had continuously been reinforced since inception of the program. Consistent with the interim nature of the program, there are no provisions for extension of incentive eligibility in the Board Order or rules for the program. All projects in TI, except those conditionally certified as Subsection "t" projects are provided one (1) year to commence commercial operations and submit a post-construction certification package. incentives in the TI program were developed from cost data collected in the legacy SREC program from 2017 through 2019. The 13 projects anticipated to be served by the TI program were primarily those registered in the legacy SREC program that were not expected to meet the statutory deadline for closure. The Board determined that the State's solar capacity provided 5.1 percent of our retail electricity consumption in May 2020. requiring the closure of the legacy SREC registration program and opening of the TI Program. By Order dated July 28, 2021, the Board directed Board Staff ("Staff") to close

the TI program to new registrations on August 27, 2021. At the same agenda meeting, the Board also established the Administratively Determined Incentive ("ADI") Program within the Successor Solar Incentive Program and directed Staff to begin accepting registrations from August 28, 2021. The petitions and factual circumstances addressed in this agenda were described in the draft Order provided to the Board. The vast majority of the registrations for the projects covered by the petitions were submitted in the last week before the registration window closed. The petitions frequently cite general supply chain and labor shortage issues and rely upon news articles documenting the nationwide delays, in some cases the articles were published before the project registrations were being submitted. Staff carefully reviewed the petitions and found a similar fact pattern among the causes of their inability to meet the one (1) year deadline required for TI program eligibility. When submitted, these project were not mature enough to meet the deadlines and they were not delayed by unforeseen interconnection upgrades required by the electric distribution company, such as those in the Gibbstown case that provided an extension opportunity for similarly situated projects.

Staff made three recommendations. First, Staff recommended that the Board find that the petitioners have not established adequate actual basis, nor demonstrated good cause justifying a waiver of the Board's rule. Second, Staff recommended that the Board finds that the petitioners should not receive extensions for the subject projects. Finally, Staff recommended that, for the petitioners' projects, the Board waive the Boards rules in the ADI Program that requires that they receive notice of registration in the ADI program prior to commencing commercial construction, so as to provide these projects with an appropriate pathway to the suitable successor program and completion.

**DECISION:** After discussion, the Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Fiordaliso	Aye
	Commissioner Holden	Aye
	<b>Commissioner Solomon</b>	Aye
	Commissioner Gordon	Δνρ

E. Docket No. QO19010068 – In the Matter of a New Jersey Solar Transition Pursuant to P.L. 2018, c.17 – Order Granting Extensions to Public Entities Seeking an Incentive Pursuant to the Solar Transition Incentive Program.

**Scott Hunter**, Division of Clean Energy, presented this matter.

**BACKGROUND:** This matter related to the registration length of the solar projects proposed by public entities in the Transition Incentive ("TI") Program. More than 320 solar projects have registered in the program as public entities with an aggregate capacity exceeding 176 megawatts. The total count of public entities with TI Program registrations includes more than 200 public schools, 54 public universities, and a variety of municipalities and municipal authorities, often with multiple solar projects. The TI pipeline includes 23 public entities that are participating in the Energy Savings Improvement Program, and that have proposed at least one solar installation in their Energy Savings Plan. The New Jersey Board of Public Utilities ("Board") has received at least 12 petitions on behalf of public entity solar projects seeking an extension of the TI Program expiration dates. Municipal and public solar school projects provide benefits beyond the solar development enabled and electricity produced. These projects contribute financial

security to the public entities by allowing them to provide services with lower energy costs thus reducing taxpayer burdens. In addition, solar projects on public buildings provide visibility for and education about clean energy. These types of projects do, in part to the requirements of the public contracting and the requirements for construction on the public property, consistently face unique challenges in achieving commercial operation.

Staff made five (5) recommendations to ensure that the budgeting and planning capabilities of public entities are not disrupted by an inability to complete construction and begin operation by the current TI Program deadlines. First, Staff recommended that the Board find that good cause exists for granting a blanket extension to all public projects that have current registrations pending in the TI Program or that have petitions pending before the Board. Second, Staff recommended that the Board waive the timeline requirements in the TI Program for this class of projects. Third, Staff recommended that the Board grant up to two (2) six-month extensions conditioned upon projects submission of documentation demonstrating the status of project development and viability, including quarterly submissions of standardized Milestone Reporting Forms. Fourth, Staff recommended that the Board direct the program administrator to issue a revised final acceptance letter to projects that meet the conditions specified by the Board Order. Finally, Staff recommended that the Board find that any given project may only qualify for one category of blanket extension. For instance, a public entity filing for an extension as a public entity may not also seek an extension as a Subsection "t" Community Solar project.

**DECISION:** After discussion, the Board adopted the recommendation of Staff as set forth above.

Roll Call Vote: President Fiordaliso Aye

Commissioner Holden Aye Commissioner Solomon Aye Commissioner Gordon Aye

F. Docket No. QO19010068 – In the Matter of a New Jersey Solar Transition Pursuant to P.L. 2018, c.17 – Extensions for Projects Seeking an Incentive Pursuant to Subsection t in the Solar Transition Incentive Program.

**Scott Hunter**, Division of Clean Energy, presented this matter.

**BACKGROUND:** This matter related to the terms of eligibility of solar projects in the Transition Incentive ("TI") Program that had been granted conditional certification pursuant to Subsection (t) of the Solar Act of 2020 or will receive conditional certification on the application pending review by Staff of the New Jersey Board of Public Utilities ("Board") ("Staff") and the New Jersey Department of Environmental Protection ("NJDEP"). Subsection (t) requires certain solar projects seeking solar incentives to be determined by the Board in consultation with the NJDEP to be located on properly closed sanitary landfills, brownfields, or areas of historic fill. The State has a long history of solar on these types of environmental sensitive properties in order to relieve the pressure from the solar development on open State's requirements. There are currently 30 Subsection (t) projects totaling nearly 500 megawatts in solar capacity that seek eligibility in the TI Program. Ten of these projects were approximately 117 megawatts, which the Board has provided conditional certification, and an additional 20 projects at nearly 375 megawatts under review by Staff or the NJDEP. These projects by statute are what we to refer to as grid

supply projects, meaning they sell their power into the wholesale electricity markets operated by PJM Interconnection, LLC ("PJM"). Most, if not all, of the projects have or will be subject to delays resulting from the backlog of new generator interconnection requests at PJM. The exact length of the delay depends upon when the project entered the PJM queue, where it's located, and whether the project requires upgrades to the transmission grid. PJM has proposed reforms to the interconnection process to handle the backlog and improve processing times.

Given the current backlog and proposed changes to the PJM interconnection process which must be followed by all Subsection (t) projects and the unique challenges faced by these projects located in sensitive locations requiring site-specific environmental protections, Staff recommended an extension to the time to complete construction is warranted. In addition, given the consistent widespread nature of the delays, a single blanket extension granted by the Board Order would be more equitably levied and less administratively burdensome than handling extension requests case-by-case.

Staff made five (5) recommendations. First, Staff recommended that the Board find that good cause existed for granting a blanket extension to all Subsection (t) projects that have been conditionally certified or have submitted applications for TI Program certification. Second, Staff recommended that the Board waive the timeline requirements in the TI Program for this class of projects. Third, Staff recommended that the Board grant up to two (2) six-month extensions conditioned upon project developer's submission of documentation demonstrating the status of project development and viability, including quarterly submissions of standardized Milestone Reporting Forms. Fourth, Staff recommended that the Board direct the TI Program administrator issue a revised conditional acceptance letter to projects that meet the conditions specified by the Board Order. Finally, Staff recommended that the Board find that any given project may only qualify for one category of blanket extension, for instance, a public entity filing for an extension as a public entity may not also seek an extension as a Subsection (t) municipal community project.

**DECISION:** After discussion, the Board adopted the recommendation of Staff as set forth above.

Roll Call Vote: President Fiordaliso Aye

Commissioner Holden Aye Commissioner Solomon Aye Commissioner Gordon Aye

G. Docket No. QO18060646 – In the Matter of the Community Solar Energy Pilot Program;

Docket No. QO20080556 – In the Matter of the Community Solar Energy Pilot Program Year 2 Application Form and Process;

Docket No. QO19010068 – In the Matter of a New Jersey Solar Transition Pursuant to P.L. 2018, c.17;

Docket No. QO19091119 –Community Solar Energy Pilot Program Application Form – Nexamp Solar, LLC, Block 91, Lot 13;

Docket Nos. QO19091103 and QO19091108 – In the Matter of Community Solar Energy Pilot Program Application Form – Nexamp Solar, LLC, Block: 117, Lot:1;

Docket No. QO22040235 -Atlantic City Utilities Authority's Extension of Operation Deadline for Community Solar Pilot Project Pursuant to N.J.A.C. 14:8-9.3(c)(8) and N.J.A.C. 14:1-1.2(b);

Docket No. QO19091171 –Community Solar Energy Pilot Program Application Form – Manchester Township, Block 2, Lots: 7, 64, 65;

Docket No. QO19091192 –Community Solar Energy Pilot Program Application Form – AC Power, LLC Block: 307, Lots: 2 & 2.01;

Docket No. QO22050324 – In the Matter of the Petition for an Extension of the Expiration Date of the Conditional Acceptance in the Transition Incentive Program and of the Project Completion Deadline for the Project Under the Program Year 1 ("PY1") of the Community Solar Energy Pilot Program NJSTRE1545017641 – OCCS Solar, LLC Ocean County Landfill;

Docket No. QO22040315 – In the Matter of the Petition of Brick Church Developer, LLC Seeking an Extension of its Project Completion Deadline Under the Community Solar Energy Pilot Program and Solar Transition Incentive Program, Respectively, and Waiver of N.J.A.C. 14:8-10.4(f)(4)(ii)(4) – City of East Orange, the Crossings at Brick Church Station, Solar Project;

Docket No. QO19091246 –Community Solar Energy Pilot Program Application Form – Advanced Solar Products, Block: 6, Lot: 6, 7 and 12; and

Docket No. QO22070445 - In The Matter of Community Solar Energy Pilot Program Application Form – Linden Hawk Rise Solar, LLC, Block 581, Lots 17 & 11.03.\*

**Scott Hunter**, Division of Clean Energy, presented this matter.

**BACKGROUND:** This matter related to nine (9) petitions that were pending before the New Jersey Board of Public Utilities ("Board"), covering a total of 10 Community Solar projects that were awarded by the Board in Program Year 1 of the Community Solar Pilot Program. The petitions were submitted by Nexamp; the Atlantic County Utilities Authority; Manchester Township; AC Power, OCCS landfill; Belmar Gateway Solar; Brick Church

Developer; and Linden Hawk Rise Solar. These project were awarded by the Board on December 20, 2019. All projects had a deadline of April 30, 2022 to reach commercial operation and submit a post-construction certification package in order to receive incentives under the Transition Incentive ("TI") Program. The petitioners sought extensions of the project completion deadlines due to various causes of delay. Board Staff ("Staff") noted that these projects, like all projects registered in the TI Program, have already benefitted from two (2) six-month extensions granted by the Board on July 29, 2020 and June 24, 2021. The petitions and factual circumstances were provided in the draft Orders provided to the Board. In developing a recommendation, Staff considered several factors. The Pilot Program was the Board's first implementation of the community solar model, which allows electricity customers to remotely participate in the solar project. The Pilot Program was designed to be of a limited size and duration to provide an opportunity to learn how community solar projects would be developed and implemented. Staff used lessons learned in the Program Year 1 solicitation to inform Program Year 2 in 2021. The Board elected to forego a third solicitation in the Pilot Program, directing Staff to use the experience gained in the first and second solicitations to develop rules for a permanent community solar program.

Staff made four (4) recommendations. First, Staff recommended that the Board grant the requests for extension of the project completion requirements for the following: The Nexamp South Brunswick project, OCCS, Belmar Gateway, and Linden Hawk. The projects in these petitions were in advanced stages of development and were nearing or have achieved commercial operation and these petitioners have requested extensions that are six (6) months or less and have shown specific causes for delay and specific timelines for imminent completion. Second, Staff recommended denying the requests for extension of the project completion requirements for the following: AC Power, Atlantic County Utility Authority and Nexamp Woodbine project, Brick Church and Manchester Township. The projects in these petitions were still in the early stages of development and were not nearing commercial operation. These petitioners have requested extensions of one (1) year or more and do not have specific timelines for forthcoming completion. Staff did not believe that it is in the public's interest to provide extensions to projects that do not appear likely to be completed within a reasonable timeframe. Third, Staff recommended that if the Board denies these petitions, they be allowed to reapply when the permanent community solar program is established. In order to provide continuity and certainty for developers, however, Staff recommended that the Board state that these projects accepted in the pilot program will have an opportunity to apply for the permanent program, regardless of the project selection method in that program. Fourth, and finally, Staff noted that the community solar deadline set forth in Title 14 of the Administrative Code, Chapter 8-9.3(c)(8) contemplated an extension opportunity, although the TI Program rules do not. Staff received several reports from Program Year 2 developers indicating that the 18-month deadline currently provided will likely be insufficient, particularly for the interconnection process. Staff stated its belief that granting a six-month extension to the community solar award up-front, and the equivalent of a six-month extension to the TI Program deadline, will provide needed certainty to all program Therefore, Staff's final recommendation was to provide a six-month participants. extension to the TI Program deadline for projects conditionally approved in the Program Year 2 of the Pilot Program.

**DECISION:** After discussion, the Board adopted the recommendation of Staff as set forth above.

Roll Call Vote: President Fiordaliso Aye

Commissioner Holden Aye Commissioner Solomon Aye Commissioner Gordon Aye

# H. Docket No. EO22030130 – In the Matter of Ratepayer Impact Study of the New Jersey Energy Master Plan.

Dr. Benjamin Witherell, Chief Economist, presented this matter.

BACKGROUND: In 2021, the New Jersey Board of Public Utilities ("Board") directed Board Staff ("Staff") to issue a Request for Quotation ("RFQ") to retain a consultant to provide modeling and analysis of the rate impact resulting from implementing the State's clean energy goals provided in the 2019 Energy Master Plan ("EMP"). The Board engaged The Brattle Group ("Brattle") to conduct this modeling and analysis. This agenda item related to Brattle's report titled, "New Jersey Energy Master Plan: Ratepayer Impact Study" ("Study"). The last major revision of the EMP was completed in late 2019, published in early 2020. The EMP included a determination of a least-cost pathway to achieve the goals and mandates of Clean Energy Act of 2018 ("CEA"). This least-cost pathway model was a high-level macro-model based on cost estimates to supply enough energy to meet all of the energy demand statewide, while also meeting the mandate to transition to 100 percent clean energy by 2050. But, it was not granular enough to estimate the impacts on the specific utility rates and end customer bills, while the Study does. The EMP itself provides a roadmap to achieving the State's clean energy goal of 100 percent clean energy by 2050, a goal critical for addressing the impacts of climate change.

The scope of the Study was designed to answer the question that was raised by many stakeholders, "What is the impact of EMP programs on consumer's energy bills?" For most programs considered by the Board, the policy process involves robust stakeholder engagement, and the Study was no different. Two (2) stakeholder meetings were held to encourage input from our community of stakeholders and to provide information about the study. The first stakeholder meeting was held on March 25, 2022 to invite comments on the study design and key assumptions at the beginning of the modeling and analysis phase. More than 170 people participated in the meeting. On May 23, 2022, a second stakeholder meeting was held to provide a mid-study update on modeling and assumptions and share adjustments made in response to stakeholder feedback received through the March 21, 2022 meeting. Almost 150 people participated in the second meeting. In addition to verbal comments received at the meetings, more than 50 written comments were submitted by stakeholders and reviewed and considered by the project team. Adjustments to the modeling framework and analysis were incorporated based on the input from stakeholders. Many of the verbal and written comments received focused on two topic areas. First, many stakeholders sought a much broader and detailed analysis of the benefits that flow from the successful build out of clean energy infrastructure and programs. A detailed analysis of additional benefits was out of scope for this particular study, because these benefits are not included in rates and do not affect customer bills. However, economic and climate benefits are often provided when the Board considers a specific individual clean energy program and project. A second area of focus for some

<sup>\*</sup>This caption was inadvertently omitted from the published agenda, but was included in the Board's Decision and Order on this matter and was served on the parties.

stakeholders was a request to include the upfront or capital investment costs associated with the purchase of clean energy alternatives such as heat pumps or energy efficiency ("EE") equipment. These customer-side investment costs were also considered out of scope for this study because similarly they are not included in rates. Capital investments in energy efficient appliances, heating, EVs, and residential rooftop solar, for example, are not a requirement or mandate of State energy policy and, therefore, voluntary and do not directly impact customer utilities rates. Based on this stakeholder input, however, Staff acknowledged that interest in an analysis of the upfront capital investments is important and will incorporate this feedback into future studies and recommendations. Recognizing the many climate, economic and health benefits that flow from investments in clean energy solutions, the State does provide economic incentives to encourage adoption of and investment in clean energy solutions. These economic incentives are included in rates and were the subject of the modeling and analysis conducted for the Study. Regarding the design and structure of the Study, Brattle estimated total energy costs in the year 2030 for four (4) classes of customer: residential low-income, residential, non-low-income, and small and large commercial and industrial customers. For each class of customer, Brattle analyzed utility-specific data from almost every utility service territory, or combination of gas and electric service territory and compared these costs to energy costs in 2020, a 10 year horizon. Additionally, the comparison of customer energy cost in 2030 with 2020 was evaluated under three (3) different scenarios: A Current Policy Pathway, an EMP Achievement Pathway, and an Ambitious Pathway. The Current Policy Pathway includes the cost of clean energy programs currently mandated by statute or Executive action and consistent with current market trajectories. The EMP Achievement Pathway includes clean energy program costs which would be necessary to meet the EMP's Least Cost Pathway. The Least Cost Pathway was designed to result in 100 percent clean energy by 2050 and the Ambitious Pathway scenario looks at costs associated with earlier achievement of 100 percent clean energy by 2035 instead of 2050.

In addition to the four (4) customer classes, Brattle compared the results for each of the three (3) Pathways across different customer types to examine the incremental impacts for customers that adopt the various ways to increase use of clean energy solutions. The 3 customer types include four (4) for residential and three (3) for commercial or industrial, and described various levels of clean energy adoption.

Staff discussed three (3) key takeaways. The first key takeaway was that encouraging customers to reduce their consumption of electricity and natural gas through EE alone can offset much of the expected rise in fuel and delivery costs by 2030. Second, pairing EE investments with moving to an electric vehicle ("EV") is even more successful in reducing emissions and costs for the average consumer. Additionally, adding electrification of building heating can lower costs in 2030 to levels even below 2020 for many customers under all pathways. A corollary to these savings and reduction of emissions of greenhouse gases is that customers who are not able to or just don't implement any of the greenhouse gas reduction measures are likely to see their energy costs increase in 2020 levels by an average of around 16 percent by 2030. Roughly half of that increase, though, is due to generally increases in energy and energy related costs, with the other half being clean energy policies. A third key takeaway was that delivering EE and electrification solutions to low-income customers is vital to reaching the Statewide goals in the CEA and the EMP. Low-income customers often spend more of their annual household budget on energy needs and historically have fewer opportunities to participate in clean energy solutions. Therefore, it will be important for the Board to expand existing programs designed to assist low-income customers and to create new opportunities, like Community Solar, as an

example, to ensure that all New Jerseyans can benefit through the transition to 100 percent clean energy.

Staff stated its belief that the Study and its findings are accurate and beneficial to the Board and the public in understanding the cost implications of the incentives for clean energy pathways described and analyzed. Staff recommended the Board accept the Study and make it available to the public on the Board's website.

**DECISION:** After discussion, the Board adopted the recommendation of Staff as set forth above.

Roll Call Vote: President Fiordaliso Aye

Commissioner Holden Aye Commissioner Solomon No Commissioner Gordon Aye

#### 9. MISCELLANEOUS

A. Docket No. AX21121240 – In the Matter of the Proposed Readoption with Substantial Amendments to N.J.A.C. 14:1 et seq., Rules of Practice.

**Jacqueline Hardy, Esq., Counsel's Office**, presented this matter.

**BACKGROUND:** This item related to the recommendation of Staff of the New Jersey Board of Public Utilities ("Board") ("Staff") to readopt, with substantial changes, the Board's existing rules contained within the New Jersey Administrative Code, N.J.A.C. 14:1 et. seq, "Rules of Practice." These rules govern practice and procedure before the Board, which includes all pleadings, petitions, and filings; fees and charges; and appearances and motion practice both in the contested and uncontested cases. The rules also cover confidentiality issues that arise pursuant to the Open Public Records Act. Pursuant to N.J.S.A. 52: 14B-5.1c(2), the rules at N.J.A.C. 14:1 were set to expire on August 19, 2022. Staff stated that N.J.A.C. 14:1 is necessary and appropriate in that the rules will help ensure that New Jersey utility customers will receive safe, adequate, and proper service at reasonable rates.

On February 1, 2022, Counsel's Office held a stakeholder meeting to fully address possible amendments to the Chapter, any issues, and their effect on the stakeholder. After the stakeholder meeting, the Board collected comments from the stakeholder community for a period of 30 days through March 3, 2022.

Staff recommended that the Board approve the proposed readoption of this Chapter with substantial and technical changes for submission to the New Jersey Office of Administrative Law and publication and the New Jersey Register.

**DECISION:** After discussion, the Board adopted the recommendation of Staff as set forth above.

Roll Call Vote: President Fiordaliso Aye

Commissioner Holden Aye Commissioner Solomon Aye Commissioner Gordon Aye

There being no further business before the Board, the meeting was adjourned.

SHERRI L. GOLDEN BOARD SECRETARY

Levy S. Delder

Date: August 16, 2023