



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

ENERGY

IN THE MATTER OF THE PETITION OF NEW JERSEY )  
NATURAL GAS COMPANY FOR APPROVAL OF THE )  
EXTENSION OF ENERGY EFFICIENCY PROGRAMS )  
AND THE ASSOCIATED COST RECOVERY )  
MECHANISM PURSUANT TO N.J.S.A. 48:3-98.1 ) ORDER EXTENDING  
180 REVIEW PERIOD  
DOCKET NO. GO12070640

(NOTIFICATION LIST ATTACHED)

**Tracey Thayer, Esq.**, Attorney for Petitioner, New Jersey Natural Gas Company  
**Stefanie A. Brand, Esq.**, Director, New Jersey Division of Rate Counsel

BY THE BOARD:

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

**BACKGROUND AND PROCEDURAL HISTORY**

On January 13, 2008, L. 2007, c. 340 ("Act") was signed into law by former Governor Corzine based on the New Jersey Legislature's findings that energy efficiency and conservation measures must be essential elements of the State's energy future, and that greater reliance on energy efficiency and conservation will provide significant benefits to the citizens of New Jersey. The Legislature also found that public utility involvement and competition in the conservation and energy efficiency industries are essential to maximize efficiencies. N.J.S.A. 26:2C-45.

Pursuant to Section 13 of the Act, codified as N.J.S.A. 48:3-98.1, an electric or gas public utility may, among other things, provide and invest in energy efficiency and conservation programs in its service territory on a regulated basis. Such investment in energy efficiency and conservation programs may be eligible for rate treatment approved by the New Jersey Board of Public Utilities ("Board"), including a return on equity, or other incentives or rate mechanisms that decouple utility revenue from sales of electricity and gas. N.J.S.A. 48:3-98.1(b). Ratemaking treatment may include placing appropriate technology and program cost investments in the utility's rate base, or recovering the utility's technology and program costs through another ratemaking methodology approved by the Board. An electric or gas public utility seeking cost recovery for any energy efficiency and conservation programs pursuant to N.J.S.A. 48:3-98.1 must file a petition with the Board.

On July 17, 2009, the Board authorized New Jersey Natural Gas Company ("NJNG" or "Company") to implement three energy efficiency programs: 1) Home Performance with

Energy Star ("HPwES") Enhancements; 2) Enhanced Warm Advantage Rebate Program; and 3) Commercial Customer Direct Install Program as part of former Governor Corzine's Economic Stimulus Plan announced in October 2008<sup>1</sup> ("Original Programs"). The programs were designed to complement or supplement existing New Jersey Clean Energy Program ("NJCEP") offerings including the ongoing WarmAdvantage, COOLAdvantage, HPWES, Commercial Direct Install and Smart Start Building programs. The NJNG programs were to be available to eligible customers for approximately twelve months. In the event there was still program funding available after that period, NJNG could continue to offer the approved programs through December 31, 2010.

By Order dated September 24, 2010, the Board authorized NJNG to extend and expand the Original Programs through December 31, 2011<sup>2</sup> ("September 2010 Order"). In addition to authorizing modifications to the Original Programs, the September 2010 Order also authorized the Company to implement an OPOWER pilot through which customers obtain information about their specific energy use in comparison to comparable households, an incremental incentive for Combined Heat and Power ("CHP") projects undertaken in conjunction with NJCEP, and a program with that offers eligible customers an opportunity for customized provisions, Fostering Environmental and Economic Development ("FEED") (collectively, "NJNG SAVEGREEN Project").

By Order dated January 18, 2012 the Board authorized NJNG to continue its existing SAVEGREEN Project and implement certain proposed SAVEGREEN program changes through December 31, 2012, or twelve months from the date the Board Order approving the SAVEGREEN extension was served, whichever was later.

### **July 2012 Filing NJNG**

On July 9, 2012, NJNG filed a petition with the Board requesting approval of an extension to the Company's existing energy-efficiency ("EE") programs offered through the SAVEGREEN Project and its associated cost recovery mechanisms. As part of the petition, the Company also requested that the Board approve certain modifications to its current programs.

NJNG's petition was accompanied by supporting schedules, program descriptions, financial and other related information. On August 8, 2012, Board Staff notified NJNG that the petition was found to be administratively complete pursuant to the terms of the Board's May 12, 2008 Order in Docket No. EO08030164 ("May 12 Order"), and that the 180-day period prescribed by N.J.S.A. 48:3-98.1 (b) for a final Board determination on cost recovery commenced as of July 9, 2012, the date of the filing. Consequently, the statutory 180-day review period shall expire on January 5, 2013 ("Review Date").

On September 13, 2012, the Board issued an Order retaining this matter for consideration and, pursuant to N.J.S.A. 48:2-32, designated Commissioner Mary-Anna Holden as the presiding officer. Additionally, the Board adopted a procedural schedule agreed to by the Company, Rate Counsel and Board Staff (collectively, the "Parties").

---

<sup>1</sup> I/M/O Energy Efficiency Programs and Associated Cost Recovery Mechanisms and I/M/O the Petition of New Jersey Natural Gas Company for Approval of Energy Efficiency Programs with an Associated Cost Recovery Mechanism, BPU Docket Nos. EO09010056 and GO09010057, Order dated July 17, 2009.

<sup>2</sup> I/M/O the Petition of New Jersey Natural Gas for Approval of Regional Greenhouse Gas Initiative Programs and Associated Cost Recovery Mechanisms Pursuant to N.J.S.A. 48:3-98.1, BPU Docket No. GO10030225, Order dated September 24, 2010.

The Board is informed that discovery questions in this matter have been propounded by Rate Counsel and Board Staff, and NJNG has provided responses to all requests. On October 26, 2012, Rate Counsel filed the direct testimonies of witnesses Robert J. Henkes and Robert Fagan. Public notice was provided for four public hearings scheduled for December 19, 2012 in Freehold Township and December 20, 2012 in Rockaway Township, New Jersey.

The Parties are currently discussing a possible resolution of this proceeding. In light of the fact that discovery and discussions may not be complete by January 5, 2013, the Review Date, the Parties have discussed the need for an extension to allow additional time to complete the administrative processing and review of the petition and accompanying materials, and to provide the Board with sufficient time to issue a final determination in this matter. On December 13, 2012 the Parties executed a stipulation agreeing to extend the 180 day review period to February 1, 2013.

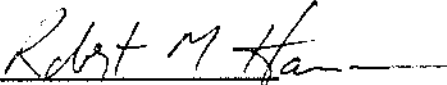
**DISCUSSION AND FINDING**

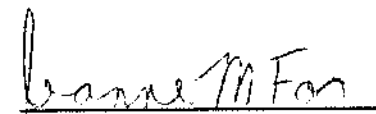
The Board has carefully reviewed the record to date in this matter. The Board is satisfied and **HEREBY FINDS** that the stipulation extending the Review Date to February 1, 2013, is fair and reasonable and is in the public interest as it will provide additional time for a thorough review of the proposed extension of the SAVEGREEN Project, and allows for the development of a full and complete record for review by the Board. Accordingly, the Board **HEREBY ADOPTS** the attached stipulation as its own, incorporating by reference its terms and conditions as if fully set forth herein.

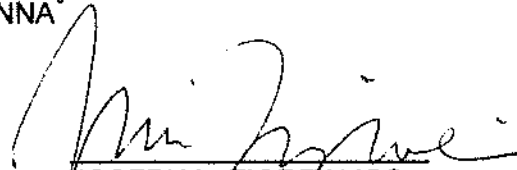
The Board Order shall be effective as of the date that it is served.

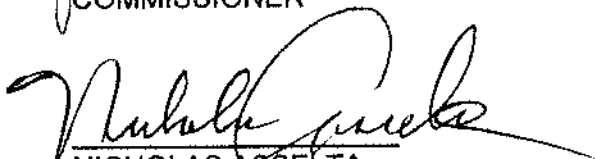
DATED: 12/19/12

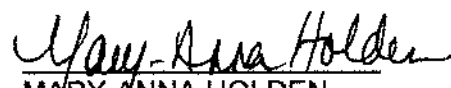
BOARD OF PUBLIC UTILITIES  
BY:

  
ROBERT M. HANNA  
PRESIDENT


  
JEANNE M. FOX  
COMMISSIONER

  
JOSEPH L. FIORDALISO  
COMMISSIONER

  
NICHOLAS ASSELTA  
COMMISSIONER

  
MARY-ANNA HOLDEN  
COMMISSIONER

ATTEST:   
KRISTI IZZO  
SECRETARY

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


IN THE MATTER OF THE PETITION OF NEW JERSEY NATURAL GAS COMPANY FOR  
APPROVAL OF THE EXTENSION OF ENERGY EFFICIENCY PROGRAMS AND THE  
ASSOCIATED COST RECOVERY MECHANISM PURSUANT TO N.J.S.A. 48:3-98.1  
DOCKET NO. GO12070640

SERVICE LIST

Kristi Izzo, Secretary  
Board of Public Utilities  
44 S. Clinton Ave., 9<sup>th</sup> Fl.  
PO Box 350  
Trenton, NJ 08625

Jerry May, Director  
Board of Public Utilities  
44 S. Clinton Ave., 9<sup>th</sup> Fl.  
PO Box 350  
Trenton, NJ 08625

Mark Beyer, Chief Economist  
Board of Public Utilities  
44 S. Clinton Ave., 9<sup>th</sup> Fl.  
PO Box 350  
Trenton, NJ 08625

Alice Bator, Bureau Chief  
Board of Public Utilities  
44 S. Clinton Ave., 9<sup>th</sup> Fl.  
P.O. Box 350  
Trenton, NJ 08625

Naji Ugoji  
Board of Public Utilities  
44 S. Clinton Ave., 9<sup>th</sup> Fl.  
P.O. Box 350  
Trenton, NJ 08625

Eleana Lihan  
Board of Public Utilities  
44 S. Clinton Ave., 9<sup>th</sup> Fl.  
P.O. Box 350  
Trenton, NJ 08625

Elizabeth Ackerman  
Board of Public Utilities  
44 S. Clinton Ave., 9<sup>th</sup> Fl.  
P.O. Box 350  
Trenton, NJ 08625

Stacy Peterson  
Board of Public Utilities  
44 S. Clinton Ave., 9<sup>th</sup> Fl.  
P.O. Box 350  
Trenton, NJ 08625

Alex Moreau, DAG  
NJ Dept. Law & Public Safety  
Division of Law  
124 Halsey Street, 5<sup>th</sup> Fl.  
PO Box 45029  
Newark, NJ 07101

Veronica Beke, DAG  
NJ Dept. Law & Public Safety  
Division of Law  
124 Halsey Street  
PO Box 45029  
Newark, NJ 07101

Caroline Vachier, Section Chief  
NJ Dept. Law & Public Safety  
Division of Law  
124 Halsey Street  
PO Box 45029  
Newark, NJ 07101

Jenique Jones  
NJ Dept. Law & Public Safety  
Division of Law  
124 Halsey Street  
P.O. Box 45029  
Newark, NJ 07101

Paul Flanagan, Litigation Mgr.  
The Division of Rate Counsel  
31 Clinton Street, 11<sup>th</sup> Floor  
P.O. Box 45029  
Newark, NJ 07101

Stefanie Brand, Acting Director  
The Division of Rate Counsel  
31 Clinton Street, 11<sup>th</sup> Floor  
P.O. Box 46005  
Newark, NJ 07101

Felicia Thomas-Friel, Esq.  
Division of Rate Counsel  
31 Clinton Street – 11<sup>th</sup> Fl.  
P.O. Box 46005  
Newark, NJ 07101

Tricia Caliguire, Chief Counsel  
Board of Public Utilities  
44 S. Clinton Ave., 9<sup>th</sup> Fl.  
P.O. Box 350  
Trenton, NJ 08625

Mona Mosser  
Board of Public Utilities  
44 S. Clinton Ave., 9<sup>th</sup> Fl.  
P.O. Box 350  
Trenton, NJ 08625

Robert Henkes  
Henkes Consulting  
7 Sunset Road  
Old Greenwich, CT 06870

Robert Fagan  
Synapse Energy Economics, Inc.  
485 Massachusetts Ave. Suite 2  
Cambridge, MA 02139-4095

Mark R. Sperduto  
New Jersey Natural Gas Company  
1415 Wyckoff Road  
P.O. Box 1464  
Wall, NJ 07719

Ann-Marie Peracchio  
New Jersey Natural Gas Company  
1415 Wyckoff Road  
P.O. Box 1464  
Wall, NJ 07719

Tracey Thayer, Esq.  
New Jersey Natural Gas Company  
1415 Wyckoff Road  
P.O. Box 1464  
Wall, NJ 07719

Sarah Steindel, Esq.  
Division of Rate Counsel  
31 Clinton Street – 11<sup>th</sup> Fl.  
P.O. Box 46005  
Newark, NJ 07101

Christine Juarez, Esq.  
Division of Rate Counsel  
31 Clinton Street – 11<sup>th</sup> Fl.  
P.O. Box 46005  
Newark, NJ 07101

Tina Sinks  
New Jersey Natural Gas Company  
1415 Wyckoff Road  
P.O. Box 1464  
Wall, NJ 07719

Frances Karras  
New Jersey Natural Gas Company  
1415 Wyckoff Road  
P.O. Box 1464  
Wall, NJ 07719

Michael Moscufo  
New Jersey Natural Gas Company  
1415 Wyckoff Road  
P.O. Box 1464  
Wall, NJ 07719

Thomas Massaro  
New Jersey Natural Gas Company  
1415 Wyckoff Road  
P.O. Box 1464  
Wall, NJ 07719

Susan Ellman  
New Jersey Natural Gas Company  
1415 Wyckoff Road  
P.O. Box 1464  
Wall, NJ 07719

Daniel P. Yardley  
1415 Wyckoff Road  
P.O. Box 1464  
Wall, NJ 07719