



Agenda Date: 10/16/13
Agenda Item: 9A

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

IN THE MATTER OF ADDITIONAL METHODS TO) ORDER
INFORM THE PUBLIC CONCERNING UTILITY)
FILINGS)
)
) DOCKET NO. AO13030252

Parties of Record:

- Stefanie A. Brand, Esq., Director, New Jersey Division of Rate Counsel**
- Andrew Hendry, New Jersey Utilities Association**
- Evelyn Liebman, AARP New Jersey**
- Zsuzsanna E. Benedek, Esq., CenturyLink**
- Robert J. Brabston, Esq., New Jersey American Water Company**
- William D. Smith, Esq., Verizon**
- Kerri Kirschbaum, Esq., ConEd on behalf of Rockland Electric Company**
- Will Burchell, on behalf of Schneider Electric**

BY THE BOARD:

In an effort to increase public awareness regarding the appropriate method(s) to obtain information about, or participate in, a matter pending before the Board of Public Utilities ("Board" or "BPU"), Board Staff proposed that the utilities undertake additional actions to educate the public and provide transparency. The proposed actions, as set forth below, were provided for public review and comment in a notice dated July 17, 2013.

"Board Staff proposes that the utilities undertake the following actions to educate the public and provide transparency regarding the Board's process and pending matters:

1. When a utility files a case which could result in an increase in rates – where a public hearing is required pursuant to regulation or statute, the utility will.
 - a. Post the following documents on prominent location (s) on its website, such as the home page and other pages frequented by ratepayers, and provide a link to the documents on its social media sites (if it maintains a social media presence):

- i. Petition and all attachments
 - ii. Company testimony and rebuttal testimony
 - iii. The public hearing notice(s) (date, time & place) with an **explanation** that the time to comment is during the public hearing. Also, it should be made clear to the public that information provided at such hearings will be part of the record and considered by the Board prior to voting on the issue(s), and
- b. Place a url (web address) for the information contained in (a) above in all public hearing notices.

Such postings shall be made in a universally accessible format (e.g. PDF) with appropriate redactions for any information which is claimed to be confidential pursuant to N.J.A.C. 14:1-12.1 et seq.

2. Each utility shall place a line on its bill with a url (web address) for the above information on the utility's website.
3. Each utility shall provide a link on its website to the BPU website.
4. Each utility shall provide a link on its website to the Division of Rate Counsel website."

Comments were due by August 9, 2013.

Comments Received

Comments were received from 8 parties: 1) Christine M. Juarez, on behalf of the Division Rate Counsel ("Rate Counsel"); 2) Andrew Hendry, on behalf of the New Jersey Utilities Association ("NJUA"); 3) James Dieterle and Evelyn Liebman on behalf of AARP New Jersey ("AARP"); 4) Zsuzsanna Benedek on behalf of CenturyLink ("CenturyLink"); 5) Robert Brabston on behalf of New Jersey American Water ("NJAWC"); 6) William D. Smith on behalf of Verizon ("Verizon"); 7) Kerri Kirschbaum on behalf of Rockland Electric Company ("RECO"); and 8) Will Burchell on behalf of Schneider Electric.

The Board thanks each of the 8 commenters for their thoughtful and helpful comments and input, the details of which are provided by category below.

General Comments:

Public Comments:

Will Burchell was supportive of the proposed actions set forth in the July 17, 2013, notice and indicated he thought making additional information available would be beneficial. Rate Counsel was also supportive, and made additional suggestions as noted below.

Staff's Response:

Staff thanks both Mr. Burchell and Rate Counsel for their comments.

Items to be Posted on Each Utility's Website and Linked to Social Media:

Public Comments:

RECO indicated that it already includes many of the documents pertaining to cases where a rate increase may result on its website, and supports the Staff recommendation regarding the items to be posted as well as linking these to social media. RECO suggested that linking all potential rate increase filings to a notice on social media may cause customers to be confused or "tune-out" because of frequency. Therefore, RECO recommended only focusing on significant filings such as those related to rate cases.

NJAWC stated that it currently posts important rate information, including a FAQ about each case, on its webpage, and could provide the URL for this page via social media. However NJAWC is concerned about too much information being posted, outside the context of the litigated proceeding, as it might cause customer confusion. The Company suggested that the Board's website be used as the "official" central repository for all case related information rather than have the information spread out among all the utilities. NJUA also encouraged the Board to use its website for this purpose, thereby creating a centralized location for all filings. This concept was also supported by CenturyLink and Verizon, with the later indicating it would not object to the Board including a Verizon URL on its website. NJUA also indicated that any information to be posted on a company's website should only be required to remain on the respective site until the new tariff for that case is posted.

Staff's Response:

RECO is correct that there are many different types of filings which could result in a rate increase, with some of these increases being more significant than others. However Staff believes customers should have easier access to filings related to potential increases so they can make informed decisions regarding which matters to follow. Many increases are small in relation to the overall utility bill, but end up being significant when added together.

As the Board's system for filing cases changes, the Board will consider whether additional case information should be made available on its website. Nonetheless, Staff believes that it is appropriate for each utility to have information about filings resulting in a rate increase available on each utility's website.

Staff agrees with NJUA that once the new tariff has been filed and is posted on the company website, the documents from the related proceeding may be removed from the company website.

Including a Line on the Bill:

Public Comments:

Rate Counsel suggested a clarification regarding the line on the bill; that the information should be included on the bill not just at the time the petition is filed, but at least through the time the public hearing is scheduled. Hearings are not scheduled until after the petition is filed and keeping the line on the bill until the hearings are scheduled could ensure better access to hearing date information. NJUA recommended the link be included on customer bills only upon filing of the petition, with the companies posting the notice about hearings on their respective websites as soon as the details are finalized. There are a number of bill messages and limited space, and NJUA asserts that repeated posting of the suggested line on the bill is not possible or practical.

NJUA strongly recommended the Board recognize other more urgent notices may need to be included on a bill, such as those pertaining to disconnection of service or leak information, which may result in no room for the URL information suggested. NJAWC agreed, noting it can accommodate the request and a specific timeframe for including the URL should be provided, such as one full billing cycle immediately preceding the public hearing.

Verizon believes telecommunications companies should be exempt from all requirements set forth in the notice because its industry is competitive and no longer subject to rate of return regulation. However, Verizon explained that if the Board moves ahead with the suggestions, a line on its bills with a URL for any rate increase filing would only relate to a few products, be costly and result in customer confusion.

AARP supported Staff's proposal, and suggested it be enhanced by requiring the companies to provide a bill insert with a plain language explanation of the filing, information about the public hearings and how to comment in writing. AARP also suggested including the specifics regarding public hearings directly on customers' bills.

Staff's Response:

Informing the public about potential rate increases and how and when they can be heard is especially important in a regulatory process. Including a line on the bill with the link to the URL information about the rate increase request is not overly burdensome. Further, the information should be included on the bill after the filing is made and until the opportunities for public participation are closed.

Because of the complexity of cases that may result in an increase in rates, Staff believes the company's website is the appropriate location to include information about the proceeding and public hearings. Further, the time for noticing a public meeting may not coincide with billing cycles. Posting the hearing information on a company website allows for the information about the case and public notice to be posted as soon as it is available. Also, including the URL identifies how the public can find this pertinent information.

Providing a Link to the BPU and Rate Counsel Websites:

Public Comments:

RECO supported Staff's proposal to include a link on the company website for both the Board and Rate Counsel. NJAWC was also supportive, but stressed the importance of the Board's website being the central repository for all filing information.

While Verizon stated telecommunications carriers should be completely exempt from the imposition of any of the proposed measures, it objected to providing links to either the Board or Rate Counsel's websites, stating such links would create customer confusion. Verizon indicated it would not object to a link to Verizon's website being included on the Board's website.

Staff's Response:

Including links to both the Board and Rate Counsel's websites on the company's websites will serve as yet another way to provide the public with information about these two state government entities that play an important role in utility regulation. In the future, Staff will consider whether additional information should be posted on the Board's website, but it remains important to have utilities post information on their websites about their rate filings.

Exemptions for Requirements:

Public Comments:

Rate Counsel suggested small water and small sewer companies, especially those with no existing websites, may find the requirements burdensome and costly. It therefore suggested that companies with fewer than 2,000 customers be exempt.

Both Verizon and CenturyLink stated they, and all telecommunications carriers, should be exempt from any of the steps suggested in the notice because the telecommunications industry is competitive and does not rely on the rate-of-return regulation or the traditional process involved with these types of cases. Verizon further referenced its pending reclassification proceeding where it states it has made a case that the remaining rate-regulated services are subject to competition and should no longer be regulated. Both companies suggested the issues relevant to the notice can be addressed in the existing process for litigated matters by the presiding commissioner or judge.

CenturyLink further indicated that the process would create a disparity between regulated and unregulated telecommunications carriers.

Verizon further argued the Board must engage in rulemaking if it is going to adopt new procedures.

Staff's Response:

While Verizon and CenturyLink are correct in stating regulation of the telecommunications industry has changed, both companies are public utilities and the Board still has rate making authority over various services that may be subject to proposed rate increases. Therefore, Verizon and CenturyLink should be treated no differently than other public utilities and the public should be made aware of such filings and afforded the opportunity to access the appropriate documents.

With regard to Verizon's comment regarding the rules, N.J.A.C. 14:1-5.12 (b)(3), sets forth the notice requirements "for the filing and a statement of the effect on customers of various classes on all current customers who are billed on a recurring basis and who will be affected by said filing." In order to provide adequate notice to the public consistent with this section, the utilities covered by this proposal must provide the public with access to the relevant documents on its website.

Additional Suggestions:

Public Comments:

AARP provided additional suggestions as follows:

1. Board require a public hearing in every county of the company service territory
In a case that could result in a rate increase;
2. Public and evidentiary hearings should be live-streamed on the BPU's website and transcripts be posted on the BPU and company websites; and
3. Board agenda meetings should be live-streamed and transcript posted on BPU website.

Staff's Response:

At present, the utilities conduct hearings according to the applicable statutory requirements as well as in the Board's regulations (which can vary depending on the type of proceeding). The suggested changes will be considered by Staff when these rules are scheduled for re-adoption. The Board will also review any future statutory amendments regarding public hearings. Staff can endeavor to work with the companies and, in instances where there is great public attention, determine if additional hearings would best serve the public interest.

Staff appreciates the suggestion about live-streaming hearings and will investigate the possibility of doing so at its meetings. Also, while the Board does receive some transcripts, most often the company which filed the petition hires the court reporting service and transcripts are the proprietary work product of the court reporting service.

DISCUSSION AND FINDINGS

The Board believes the public should have broader access to information about filings that may lead to rate increases.

After consideration of the comments received and Staff's responses, the Board **HEREBY FINDS** that in providing public notice pursuant to N.J.A.C. 14:1-5.12(b)(3), public notices that are published and circulated should include information linking customers to filings and other public documents which provide the basis for a utility's petition to increase rates. As the Internet, utility websites, social media sites and mobile applications become the means by which such information is often sought by the public, providing information relating to utility filings on utility websites and through social media is appropriate.

Therefore, the Board **HEREBY ORDERS** that all Public Utilities which operate an Internet website and have more than 2,000 customers in New Jersey, shall comply with the following requirements for all cases that pertain to a regulated service and where a request for an increase in rates requires a public notice pursuant to statute or regulation:

1. The utility shall post the following documents on a prominent location (s) on its website, such as the home page and other pages frequented by ratepayers.

The postings shall be made in a universally accessible format (e.g. PDF) with appropriate redactions for any information which is claimed to be confidential pursuant to N.J.A.C. 14:1-12.1 et seq.¹

- a. Petition and all attachments
 - b. Company testimony and rebuttal testimony
 - c. The public hearing notice(s) (date, time and place) with an explanation that the time to comment is during the public hearing. Also, it should be made clear that information provided at such hearings will be part of the record.
 - d. Place a URL (web address) for this information in all public hearing notices
2. The utility shall also provide a link to the above noted documents on its social media accounts (if it maintains a social media presence). Postings on social media accounts should include, but not be limited to, hashtag (or its equivalent), utility acronym, and rates, with a brief description and a link to the page on the utility website where the information is posted. Use of a URL shortener is acceptable. As an example, a posting for Public Service Electric and Gas Company would appear, at a minimum, with the following:

#PSE&G-rates-URL

The Board **DETERMINES** that these postings may be removed from the utility website once the petition has been considered by the Board, its Order is effective, and the related new tariff pages filed.

¹ The posting may be accomplished by having a prominent link on the homepage and other pages frequented by ratepayers, identifying that a filing resulting in a rate increase has been made, and taking users to a separate web page, maintained or controlled by the utility, containing the required information.

The Board **FURTHER ORDERS** each utility shall place a line on its bill with a URL (web address) to the information set forth in number one above. This URL shall be placed on the bill with language indicating the type of information the customer will be directed to, and in a font size of at least 9 point. The Board **DIRECTS** that the URL and related information shall be included on customer bills no later than the next full billing cycle after the filing of the relevant petition and remain on the bill until the conclusion of the public hearings and any public comment period. The utilities shall begin complying with these provisions no later than 60 days from the effective date of this Order.

The Board **FURTHER ORDERS** that the URL to the information set forth in 1 above shall be included in all public hearing notices and/or newspaper publications relating to the filing. The Board further **DIRECTS** that Staff, in reviewing any public hearing notices and newspaper publications for any case which will result in a rate increase filed with the Board, shall ensure that the URL is also contained in the published notice.

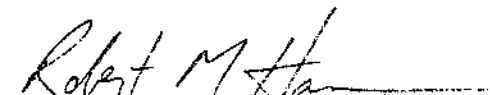
The Board also **DIRECTS** each utility website is to include a link to the Board's website and the Division of Rate Counsel website. The utilities shall comply with this requirement within 30 days of the effective date of this Order.


The Board **DIRECTS** Staff to monitor the utility websites and social media sites for compliance with this Order and **HEREBY AUTHORIZES** Staff to notify the utilities of any deficiencies and ensure they are corrected. Any dispute regarding Staff's findings may be filed with the Board.


The effective date of this Order is October 25, 2013.


DATED: 10/16/13


BOARD OF PUBLIC UTILITIES
BY:


ROBERT M. HANNA
PRESIDENT

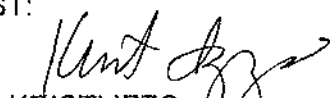

JEANNE M. FOX
COMMISSIONER


JOSEPH L. FIORDALISO
COMMISSIONER

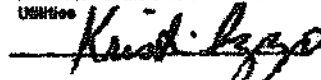

MARY-ANNA HOLDEN
COMMISSIONER


DIANNE SOLOMON
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 ADDITIONAL METHODS TO INFORM THE PUBLIC CONCERNING
UTILITY FILINGS – Docket No. AO13030252

SERVICE LIST

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