Agenda Date: 5/25/16 Agenda Item: IIA



STATE OF NEW JERSEY

Board of Public Utilities 44 South Clinton Avenue, 3RD Floor, Suite 314 Post Office Box 350 Trenton, New Jersey 08625-0350 www.nj.gov/bpu/

ENERGY

IN THE MATTER OF THE VERIFIED PETITION OF)	ORDER SUSPENDING
ROCKLAND ELECTRIC COMPANY FOR	j	INCREASES, CHANGES OR
APPROVAL OF CHANGES IN ELECTRIC RATES,)	ALTERATIONS IN RATES FOR
ITS TARIFF FOR ELECTRIC SERVICE, AND ITS	,)	SERVICE
DEPRECIATION RATES; APPROVAL OF AN)	
ADVANCED METERING PROGRAM; AND FOR	.)	
OTHER RELIEF ("2016 Base Rate Filing"))	BPU DOCKET NO. ER16050428

Parties of Record:

James C. Meyer, Esq., on behalf of Rockland Electric Company, Petitioner **Stefanie A. Brand**, **Esq., Director**, Division of Rate Counsel

BY THE BOARD:

On May 13, 2016, pursuant to N.J.S.A. 48:2-21 and N.J.A.C. 14:1-5.12, Rockland Electric Company ("RECO" or "Company"), a public utility of the State of New Jersey subject to the jurisdiction of the New Jersey Board of Public Utilities ("Board"), filed a petition for approval of an increase in its current base rates for electric service of approximately \$9.644 million, including Sales and Use Tax, to be effective for electric service provided on or after June 12, 2016 (and in no event later than the anticipated conclusion of the Board-ordered suspension period(s) on February 12, 2017). The Company is also requesting a return on equity of 10.2%. According to the petition, the primary reason for the requested increase is that Company's current base rates are not adequate to recover the operating, capital and other costs of the company, do not provide an adequate return on investment and are not just and reasonable.

The Company is also seeking approval to change its electric and general plant depreciation rates and to deploy Advance Metering Infrastructure and smart meters throughout RECO's service territory from 2017 through 2019. Additionally, RECO is requesting approval to rely on a Company-sponsored Cost of Service Study ("COSS"), and be relieved of the obligation to file an alternative COSS Peak and Average Coincident Peak method as required by the Board in the Order issued in connection with Docket No. ER1311135.

It appearing that the proposed revisions, if approved, will increase existing rates and change or alter existing classifications in the Company's tariff, it is **HEREBY ORDERED** that:

- (1) Pursuant to N.J.S.A. 48:2-21 (d), the proposed revisions are suspended until October 12, 2016, unless prior to that date the Board makes a determination disposing of the petition or enters an Order further suspending the proposed revisions;
- (2) RECO shall, at least ten (10) days prior to the date set for hearing on the petition by the Office of Administrative Law, file with this Board and with the Office of Administrative Law, proof of compliance with the notice provisions of N.J.S.A. 48:2-32.2 and N.J.A.C. 14:1-5.12 (b) and (c), which notice shall include a statement that any relief found by the Board to be just and reasonable may be allocated by the Board to any class or classes of customers on any rate or schedule as the Board may determine; and
- (3) RECO shall serve copies of this Order upon the Office of Administrative Law, the Division of Rate Counsel (140 East Front Street, 4th Floor. Post Office Box 003, Trenton, N.J. 08625), the clerk of each affected municipality, the clerk of the Boards of Chosen Freeholders of the affected county, and where appropriate, the executive officer of the affected county within its service area. Service of the petition, notice of hearings and this Order may be made simultaneously. Proof of service of this Order shall be filed with the Board within fifteen (15) days of the effective date of this Order.

This Order shall be effective on June 4, 2016.

DATED: May 25,2016

BOARD OF PUBLIC UTILITIES

BY:

YRICHARD S. MRØZ PRESIDENT

JOSEPH L. FIORDALISO

COMMISSIONER

MARY/ANNA HOLDEN COMMISSIONER

DIANNE SOLOMON

COMMISSIONER

ATTEST:

VRENE KIMASBUR SECRETARY UPENDRA J. CHIVUKULA COMMISSIONER

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

Our Kin Arting

IN THE MATTER OF THE VERIFIED PETITION OF ROCKLAND ELECTRIC COMPANY FOR APPROVAL OF CHANGES IN ELECTRIC RATES, ITS TARIFF FOR ELECTRIC SERVICE, AND ITS DEPRECIATION RATES; APPROVAL OF AN ADVANCED METERING PROGRAM; AND FOR OTHER RELIEF ("2016 Base Rate Filing") BPU DOCKET NO. ER16050428

SERVICE LIST

James C. Meyer, Esq.
Riker, Danzig, Scherer, Hyland & Perretti,
LLP
Headquarters Plaza
One Speedwell Avenue
P.O. Box 1981
Morristown, NJ 07962-1981
imeyer@riker.com

John L. Carley, Esq.
Assistant General Counsel
Consolidated Edison Company of NY, Inc.
Law Department, Room 1815S
4 Irving Place
New York, NJ 10003
Carleyi@coned.com

Jack Deem
Department Manager of Regulatory Policy
Consolidated Edison Company of NY, Inc.
Room 549-S
4 Irving Place
New York, NJ 10003

Stefanie A. Brand, Esq. Director Division of Rate Counsel 140 East Front Street, 4th Floor Post Office Box 003 Trenton, NJ 08625-0003 sbrand@rpa.state.nj.us

Ami Morita, Esq.
Division of Rate Counsel
140 East Front Street, 4th Floor
Post Office Box 003
Trenton, NJ 08625-0003
amorita@rpa.state.nj.us

Caroline Vachier, Esq.
Department of Law & Public Safety
Division of Law
124 Halsey Street
Post Office Box 45029
Newark, NJ 07101-45029
caroline.vachier@dol.lps.state.nj.us

Alex Moreau, Esq.
Department of Law & Public Safety
Division of Law
124 Halsey Street
Post Office Box 45029
Newark, NJ 07101-45029
alex.moreau@dol.lps.state.nj.us

Christopher Psihoules, Esq.
Department of Law & Public Safety
Division of Law
124 Halsey Street
Post Office Box 45029
Newark, NJ 07101-45029
christopher.psihoules@dol.lps.state.nj.us

Geoffrey Gersten, Esq.
Department of Law & Public Safety
Division of Law
124 Halsey Street
Post Office Box 45029
Newark, NJ 07101-45029
geoffrey.gersten@dol.lps.state.nj.us

Jenique Jones, Paralegal
Dept. of Law & Public Safety
Division of Law
124 Halsey Street
Post Office Box 45029
Newark, NJ 07101-45029
Jenique.jones@dol.lps.state.nj.us

Brian Lipman, Esq.
Litigation Manager
Division of Rate Counsel
140 East Front Street, 4th Floor
Post Office Box 003
Trenton, NJ 08625-0003
Blipman@rpa.state.nj.us

Kurt Lewandowski, Esq. Division of Rate Counsel 140 East Front Street, 4th Floor Post Office Box 003 Trenton, NJ 08625-0003 klewando@rpa.state.nj.us

Christine Juarez, Esq.
Division of Rate Counsel
140 East Front Street, 4th Floor
Post Office Box 003
Trenton, NJ 08625-0003
cjuarez@rpa.state.nj.us

Lisa Gurkas
Division of Rate Counsel
140 East Front Street, 4th Floor
Post Office Box 003
Trenton, NJ 08625-0003
lgurkas@rpa.state.nj.us

Robert Schultheis
Division of Energy
Board of Public Utilities
44 South Clinton Avenue, 3rd Fl., Suite 314
Post Office Box 350
Trenton, NJ 08625-0350
robert.schulteis@bpu.state.nj.us

Henry Rich
Division of Energy
Board of Public Utilities
44 South Clinton Avenue, 3rd Fl., Suite 314
Post Office Box 350
Trenton, NJ 08625-0350
henry.rich@bpu.state.nj.us

Irene Kim Asbury, Esq.
Secretary of the Board
Board of Public Utilities
44 South Clinton Avenue, 3rd Fl., Suite 314
Post Office Box 350
Trenton, NJ 08625-0350
Irene.asbury@bpu.state.nj.us

Paul Flanagan, Esq.
Executive Director
Board of Public Utilities
44 South Clinton Avenue, 3rd Fl., Suite 314
Post Office Box 350
Trenton, NJ 08625-0350
paul.flanagan@bpu.state.nj.us

Jerome May, Director
Division of Energy
Board of Public Utilities
44 South Clinton Avenue, 3rd Fl., Suite 314
Post Office Box 350
Trenton, NJ 08625-0350
jerome.may@bpu.state.nj.us

Stacy Peterson
Division of Energy
Board of Public Utilities
44 South Clinton Avenue, 3rd Fl., Suite 314
Post Office Box 350
Trenton, NJ 08625-0350
stacy.peterson@bpu.state.nj.us

Scott Sumliner
Division of Energy
Board of Public Utilities
44 South Clinton Avenue, 3rd Fl. Suite 314
Post Office Box 350
Trenton, NJ 08625-0350
scott.sumliner@bpu.state.nj.us

Andrea Reid
Division of Energy
Board of Public Utilities
44 South Clinton Avenue, 3rd Fl., Suite 314
Post Office Box 350
Trenton, NJ 08625-0350
andrea.reid@bpu.state.nj.us

Jacqueline Galka
Issues Manager
Division of Energy
Board of Public Utilities
44 South Clinton Avenue, 3rd Fl., Suite 314
Post Office Box 350
Trenton, NJ 08625-0350
jacqueline.galka@bpu.state.nj.us

John Zarzycki
Division of Energy
Board of Public Utilities
44 South Clinton Avenue, 3rd Fl., Suite 314
Post Office Box 350
Trenton, NJ 08625-0350
John.zarzycki@bpu.state.nj.us

Beverly Tyndell
Division of Energy
Board of Public Utilities
44 South Clinton Avenue, 3rd Fl., Suite 314
Post Office Box 350
Trenton, NJ 08625-0350
beverly.tyndell@bpu.state.nj.us

Mark Beyer, Chief Economist Board of Public Utilities 44 South Clinton Avenue, 3rd Fl., Suite 314 Post Office Box 350 Trenton, NJ 08625-0350 mark.beyer@bpu.state.nj.us

Jackie O'Grady
Office of Chief Economist
Board of Public Utilities
44 South Clinton Avenue, 3rd Fl., Suite 314
Post Office Box 350
Trenton, NJ 08625-0350
jackie.ogrady@bpu.state.nj.us

Dr. Son Lai
Office of Chief Economist
Board of Public Utilities
44 South Clinton Avenue, 3rd Fl., Suite 314
Post Office Box 350
Trenton, NJ 08625-0350
son-lin.lai@bpu.state.nj.us

Cynthia Covie, Esq., Chief Counsel
Board of Public Utilities
44 South Clinton Avenue, 3rd Fl., Suite 314
Post Office Box 350
Trenton, NJ 08625-0350
cynthia.covie@bpu.state.nj.us

Bethany Rocque-Romaine, Esq.
Chief Counsel's Office
Board of Public Utilities
44 South Clinton Avenue, 3rd Fl., Suite 314
Post Office Box 350
Trenton, NJ 08625-0350
bethany.rocque-romaine@bpu.state.nj.us

Megan Lupo, Esq.
Chief Counsel's Office
Board of Public Utilities
44 South Clinton Avenue, 3rd Fl., Suite 314
Post Office Box 350
Trenton, NJ 08625-0350
megan.lupo@bpu.state.nj.us