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TRENTON, NEW JERSEY 08625 SHEILA OLIVER Lt. Governor

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SEP 0 3 2019

BOARD OF PUBLIC UTILITIES TRENTON, NJ

> STEFANIE A. BRAND Director

September 3, 2019

Via Hand Delivery

PHIL MURPHY

Governor

Aida Camacho-Welch, Secretary New Jersey Board of Public Utilities 44 South Clinton Ave., 10th Floor P.O. Box 350 Trenton, New Jersey 08625-0350

Re:

I/M/O Petition of Public Service Electric & Gas Co. For Approval of Its Clean Energy Future-Energy Cloud ("CEF-EC") Program on a Regulated Basis BPU Docket No. EO18101115

Dear Secretary Camacho-Welch:

Please accept this letter in response to the letter filed by Public Service Electric & Gas Company ("PSE&G") on August 30, 2019 in the above-referenced matter. For all of the reasons set forth below, Rate Counsel respectfully requests that the Board not act on PSE&G's proposed schedule, but instead grant the Motion to Dismiss PSE&G's petition ("Motion") filed by Rate Counsel that is currently pending before the Board.

On August 23, 2019, PSE&G circulated a proposed schedule to the parties in this matter. Rate Counsel responded to the parties on August 27, 2019. In its response, Rate Counsel asserted it was inappropriate to proceed with a procedural schedule given Rate Counsel's pending Motion to Dismiss. Rate Counsel reminded the parties that the Board issued a moratorium specifically barring the petition filed by PSE&G pending review of the Rockland Electric AMI Pilot. That review is currently pending at the Office of Administrative Law, with evidentiary hearings scheduled for January 2020. Until that matter is concluded and the Board reverses its prior Order, it is inappropriate to begin a procedural schedule in this matter.

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Aida Camacho-Welch, Secretary September 3, 2019 Page 2

On August 30, 2019, PSE&G filed with the Board a response to Rate Counsel's letter.¹ In this letter, PSE&G asserts it is appropriate for the parties to proceed with developing a schedule and that failure to impose a procedural schedule will result in "further, undue delay." PSE&G fails to address the prejudice to Rate Counsel, Board Staff and any other parties with proceeding with a matter that was barred by Board Order at the time it was filed. Indeed, the Board was clear that it "does not intend to authorize or act on any previously submitted or newly petitioned pre-approvals for AMI programs until such time as the Board has made a determination that advanced metering technology is a prudent investment." I/M/O Petition of Rockland Electric Co. for Approval of an Advanced Metering Program: and for Other Relief. BPU Docket NO. ER16060524, Order dated 8/23/17, p. 24. The review of the RECO AMI program is currently pending at the Office of Administrative Law. Rate Counsel, Board Staff and the other parties should not be required to expend administrative resources on a matter that was filed in violation of a Board Order. This is more so because the Board is in fact reviewing the prudency of RECO's AMI investment right now. Furthermore, the purpose for the moratorium was to allow Rockland's pilot to proceed so that all stakeholders can better understand whether the proposal for broad replacement of meters with AMI is cost effective. The Board is retaining an expert in the Rockland matter to assist with this process. PSE&G's petition should not proceed until all data in the Rockland pilot has been received, evaluated, and acted on by the Board.

Because PSE&G's AMI petition seeks the pre-approval currently barred by the Board's moratorium, its petition should be dismissed. Given the moratorium currently in place, the relief requested by PSE&G's petition should not be granted by the Board. Accordingly, a procedural schedule in this matter should not be set. Instead, Rate Counsel requests that Board decide the Motion as expeditiously as possible, and issue an order dismissing PSE&G's petition. Otherwise any work done in this matter may need to be redone after the Board issues its RECO decision.

Thank you for your attention to this matter.

Respectfully submitted,

STEFANIE A. BRAND

Director, Division of Rate Counsel

By:

Brian O. Lipman Litigation Manager

dl/BOL Enclosure c: Service List

¹ Because PSE&G failed to provide the Board with a copy of Rate Counsel's August 27 letter to the parties, a copy is attached to this letter. That letter more fully spells out Rate Counsel's position on a procedural schedule in this matter.

IMO THE PETITION OF PUBLIC SERVICE ELECTRIC AND GAS COMPANY FOR APPROVAL OF ITS CLEAN ENERGY FUTURE ENERGY EFFICIENCY, CLEAN ENERGY FUTURE ELECTRIC VEHICLE AND ENERGY STORAGE, AND ITS CLEAN ENERGY FUTURE ENERGY CLOUD ("CEF-EC") BPU DKT. NO. E018101115

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DIVISION OF RATE COUNSEL 140 East Front Street, 4TH FL P.O. Box 003 TRENTON, New JERSEY 08625

STEFANIE A. BRAND Director

August 27, 2019

Via Regular Mail and Electronic Mail

Justine Incardone, Esq. PSEG Services Corporation 80 Park Plaza, T5 P.O. Box 570 Newark, NJ 07102

Re:

I/M/O Petition of Public Service Electric & Gas Co. For Approval of Its Clean Energy Future-Energy Cloud ("CEF-

EC") Program on a Regulated Basis BPU Docket No. EO18101115

Dear Mr. Incardone:

This letter is in response to your letter dated August 23, 2019 in connection with the above referenced matter proposing, among other things, testimony in Fall 2019, evidentiary hearings in January 2020, and Board action in February 2020. Rate Counsel objects to PSE&G's proposed schedule for the following reason.

On November 19, 2018, Rate Counsel filed a Motion to Dismiss in the above-referenced matter. PSE&G responded on November 29, 2018 and Rate Counsel filed a Reply on December 6, 2018. Rate Counsel's Motion has been pending before the Board since that time. In the Motion, Rate Counsel noted the moratorium on pre-approval of AMI petitions imposed on all of the State's electric utilities in I/M/O Petition of Rockland Electric Co. for Approval of an Advanced Metering Program; and For Other Relief, BPU Docket No. ER16060524, Order dated 8/23/17 ("RECO AMI Order"). In the RECO AMI Order, the Board on its own initiative adopted a moratorium on both pre-approval of and cost recovery for any AMI petitions until it reviewed Rockland's fully-implemented program and issued further guidance to electric utilities. Rockland base rate case, of which review of its completed AMI investment is a component, is currently pending before the Office of Administrative Law with evidentiary hearings scheduled for January 2020. The moratorium on pre-approval of AMI is still in place since the Rockland matter has not concluded. The purpose for the moratorium was to allow Rockland's pilot to proceed so that all stakeholders can better understand whether the proposal for broad

Tel: (609) 984-1460 • Fax: (609) 292-2923 • Fax: (609) 292-4991 http://www.nj.gov/rpa E-Mail: niratepayer@rpa.nj.gov Justine Incardone, Esq. August 27, 2019 Page 2

replacement of meters with AMI is cost effective. The Board is retaining an expert in the Rockland matter to assist with this process. PSE&G's petition should not proceed until all data in the Rockland pilot has been received, evaluated, and acted on by the Board.

The moratorium imposed by the Board, however, is not a bar to the utilization of AMI, only to its pre-approval. The RECO AMI Order specifically stated that a utility may install AMI meters in its service territory, subject to a prudency review in a future rate case. Therefore, PSE&G is free to begin replacing meters in its service territory with AMI meters, as part of the normal course of its meter replacement schedule.

Because PSE&G's AMI petition seeks the pre-approval currently barred by the Board's moratorium, it is inappropriate for PSE&G's proposed schedule to go forward. Accordingly, a procedural schedule in this matter should not be set.

Respectfully submitted,

STEFANIE A. BRAND Director, Division of Rate Counsel

By:

Christine M. Juarez

Asst. Deputy Rate Counsel

cc: Service List (via e-mail and regular mail)

IMO THE PETITION OF PUBLIC SERVICE ELECTRIC AND GAS COMPANY FOR APPROVAL OF ITS CLEAN ENERGY FUTURE ENERGY EFFICIENCY, CLEAN ENERGY FUTURE ELECTRIC VEHICLE AND ENERGY STORAGE, AND ITS CLEAN ENERGY FUTURE ENERGY CLOUD ("CEF-EC")
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