

May 13, 2015

Irene Kim Asbury, Secretary
Board of Public Utilities
ATTN: BPU Docket Number AX15010031
44 S. Clinton Ave., 9th Floor
P.O. Box 350
Trenton, NJ 08625-0350

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MAY 14 2015

BOARD OF PUBLIC UTILITIES
SECRETARY'S OFFICE

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Re: In the Matter of the Board's Proposed Readoption with Amendments: N.J.A.C. 14:1
BPU Docket No.: AX15010031

*Case mgmt
J. Egan*

Dear Secretary Asbury:

The telecommunications, natural gas, electric, water, and wastewater utilities listed in footnote 1 that are members ("Companies") of the New Jersey Utilities Association ("NJUA")¹ jointly provide these comments in the above referenced matter. An additional ten copies of this letter are enclosed. An electronic copy of these comments has also been provided to rule.comments@bpu.state.nj.us.

The Companies appreciate the New Jersey Board of Public Utilities' ("Board") examination of its Rules of Practice and this opportunity to comment. NJUA respectfully urges reconsideration of the proposed new rule N.J.A.C. 14:1-7.5, "Approval of settlements". NJUA believes that existing rules already set forth the processes related to settlement agreements and the proposed new rule may cause confusion. NJUA notes that the New Jersey Uniform Administrative Procedure Rules, specifically at N.J.A.C. 1:1-2.1, define "settlement" as "an agreement between parties which resolves disputed matters and may end all or part of the case. ..." The first sentence in the Board's proposed new rule N.J.A.C. 14:1-7.5 merely restates, with slight modification, the definition of "settlement" under the Administrative Procedure Rules which govern the procedural aspects pertaining to the conduct of contested cases in the Executive Branch of the State Government. See N.J.S.A. 52:14F-5. As such, NJUA respectfully urges the Board to consider deletion of proposed new rule N.J.A.C. 14:1-7.5 from the proposed readoption.

If the Board determines to include the proposed new rule in the readoption, NJUA asks that the Board consider amendment as proposed below. NJUA is concerned that, without modification, this rule

¹The 16 NJUA member companies participating in this submission include: Aqua New Jersey, Inc., Atlantic City Electric Company, Atlantic City Sewerage Company, CenturyLink, Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas, Jersey Central Power & Light Company, Public Service Electric & Gas Company, Rockland Electric Company, South Jersey Gas Company, Gordon's Corner Water Company, Middlesex Water Company, New Jersey American Water, New Jersey Natural Gas, Shorelands Water Company, United Water, and Verizon New Jersey. NJUA is the New Jersey statewide trade association for New Jersey's investor-owned utilities that provide essential water, wastewater, electric, natural gas and telecommunications services 24 hours a day, 7 days a week, 365 days a year.

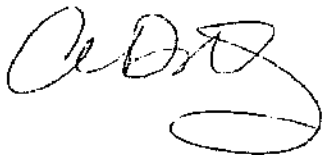
may be construed as expanding the types of "settlements" that must be approved by Board order, rather than simply codifying current procedure. In fact, it may be construed as requiring a Board order for each and every settlement of a "disputed matter". Further, the term "disputed matter" is not defined and thus may be read broadly to include informal matters or matters that do not typically require Board action.

We do not believe it is the Board's intent to expand the universe of what requires a Board order. Thus, NJUA recommends amendment to the proposed new rule, which essentially states that the new rule does not expand the types of settlement requiring a Board order. Accordingly, the proposed new rule N.J.A.C. 14:1-7.5 would read as follows (deletions indicated in brackets and additions indicated in boldface):

A settlement includes any agreement between [the] parties that resolves disputed matters and may end all or part of the case. No **party may assert that a** settlement [shall be] **is** deemed approved by the Board unless **that settlement is** acted on in accordance with *N.J.S.A. 48:2-40*. **This section shall not be construed to provide that the settlement or disposition of any informal complaint, including but not limited to, the type described in N.J.A.C. 14:1-5.13, or any matter or case that has been previously or simultaneously withdrawn by any party, requires Board approval by the issuance of a Board order.**

Thank you for providing the opportunity to comment on this matter.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "A. D. Hendry", with a large, stylized flourish at the end.

Andrew D. Hendry
President and Chief Executive Officer