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BOARD OF PUBLIC UTILITIES

MAIL ROOM

January 5, 2016

Irene K. Asbury, Secretary New Jersey Board of Public Utilities 44 South Clinton Avenue P.O. Box 350 Trenton, New Jersey 08625-0350

Re:

In the Matter of the Petition of Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas for Approval of a Safety, Modernization and Reliability Program and Associated Cost Recovery Mechanism

BPU Docket No. GR15091090

Dear Secretary Asbury:

Enclosed are an original and ten copies of the motion of the New Jersey Large Energy Users Coalition to Participate in the above proceeding, together with a Motion for Admission Pro Hac Vice of Paul F. Forshay, Esq. By copy of this letter, copies of the motions are being forwarded this date via electronic mail to all persons whose names appear on the attached distribution list.

Thank you for your anticipated courtesies.

espectfully submitted,

Steven S. Gøldenberg

SSG:jfp Encl.

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cc: Distribution List (w/ encl.)

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### STATE OF NEW JERSEY BOARD OF PUBLIC UTILITIES

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In The Matter Of The Petition Of	)	
Pivotal Utility Holdings, Inc. d/b/a	)	BPU DOCKET NO. GR15091090
Elizabethtown Gas For Approval	)	
Of A Safety, Modernization And	)	
Reliability Program And Associated	)	
Cost Recovery Mechanism	)	

## MOTION TO INTERVENE OF THE NEW JERSEY LARGE ENERGY USERS COALITION

The New Jersey Large Energy Users Coalition ("NJLEUC"), an association whose members include large volume natural gas customers serviced by Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas ("Elizabethtown"), hereby moves to intervene in the above-captioned proceeding. In support of its motion, NJLEUC states as follows:

1. All communications and correspondence concerning this proceeding should be directed to:

Steven S. Goldenberg
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sgoldenberg@foxrothschild.com

Paul F. Forshay Sutherland, Asbill & Brennan LLP 700 Sixth Street, N.W., Suite 700 Washington, D.C. 20001-3980 Phone: 202-383-0100

paul.forshay@sutherland.com

2. On September 22, 2015, Elizabethtown filed a Petition requesting the Board of Public Utilities ("Board") to approve a safety, modernization and reliability construction program and related tariff rider, together known as the "SMART Program". Under the SMART Program, Elizabethtown proposes to implement a ten-year program to modernize and enhance the reliability of its gas distribution system by replacing and retiring its vintage, at-risk facilities.

These at-risk facilities include aging cast iron mains, unprotected and bare steel mains and services, ductile iron, vintage plastic and copper mains, and vintage plastic and copper services.

- 3. As a further part of the SMART Program, Elizabethtown proposes to move meter sets currently located inside buildings to outdoor locations, upgrade its legacy low pressure system to an elevated pressure system, install excess flow valves, and to retire district regulators that are required to operate the existing low pressure system.
- 4. The total proposed expenditures associated with the SMART Program are approximately \$1.1 billion dollars. The Petition states that this proposed investment will enable Elizabethtown to replace and retire approximately 630 miles of at-risk main and 67,000 services, including all existing unprotected steel and copper services. The program is described as a logical extension of Elizabethtown's previous infrastructure modernization programs.
- 5. Elizabethtown proposes to recover the revenue requirement associated with the SMART Program through a combination of base rate recovery and the use of a tariff rider similar to the one adopted for Elizabethtown's Utility Infrastructure Enhancement program. The rider is designed to recover the after-tax return on capital associated with the SMART Program, depreciation expense, carrying costs on over and under recovery balances, and all taxes and assessments. The rider is proposed to be assessed against firm customers in stated rate classes. The SMART rider rate would be established in Elizabethtown's 2016 rate case and would be subject to annual reconciliation. The rates would be recovered on a provisional basis, subject to a prudence review that would occur in connection with the company's periodic base rate cases or a re-opener of its most recent base rate case.

WHEREFORE, in support of its application for intervention in this proceeding, and as further summarized below, NJLEUC respectfully submits that all factors for intervention set

forth in <u>N.J.A.C.</u> 1:1-16 weigh in favor of granting NJLEUC's motion to intervene in the above-captioned proceeding:

- 1. NJLEUC formed, in part, to monitor regulatory proceedings involving the State's electric and natural gas utilities, including Elizabethtown, and to intervene or participate in regulatory and rate proceedings to the extent necessary to represent its members' common interests. Members of NJLEUC are large volume purchasers of natural gas distribution service from Elizabethtown and, therefore, have a significant interest in the outcome of this proceeding;
- 2. Given its capacity as an association of large end-use customers on the Elizabethtown system, NJLEUC's interests with regard to the proposed program are unique from those of any other party.
- 3. NJLEUC has a unique perspective and insight regarding the potential impact, on large volume gas customers, of the relief sought by Elizabethtown in this proceeding.
- 4. NJLEUC's motion is timely and will not delay or otherwise disrupt the prosecution of this proceeding;
- 5. Fundamental fairness and due process considerations require that NJLEUC be afforded an opportunity to intervene in this proceeding, the outcome of which will have an impact on the reliability and cost of gas distribution service received from Elizabethtown by the members of NJLEUC;
- 6. NJLEUC has been granted Intervenor status in prior Elizabethtown infrastructure and rate proceedings, the NUI/AGL Resources merger proceeding, and a number of regulatory proceedings involving Elizabethtown, including the recent ENDURE proceeding;

- 7. Accordingly, the issues to be decided in this proceeding substantially, specifically and directly affect NJLEUC within the meaning of these terms as used in the Uniform Rules, thereby making it appropriate for NJLEUC to intervene as a party;
- 8. Furthermore, the interests of NJLEUC's members as large end-use customers of Elizabethtown are substantially different from those of any other party seeking intervention or participation. Therefore, NJLEUC's interests in this proceeding are unique on both a quantitative and qualitative basis;
- 9. NJLEUC's entry as a party would measurably and constructively advance this proceeding because of the unique status of its members as large end-use customers on the Elizabethtown system. NJLEUC's entry as a party would promote an informed and balanced presentation of the issues;
- 10. Notwithstanding its unique interests, where it is possible and practical for it to do so, NJLEUC will endeavor to work cooperatively with other parties in this proceeding in the interests of administrative efficiency and economy;
- 11. For the foregoing reasons, and because the cost and quality of natural gas delivery service to NJLEUC's members will be directly and substantially affected by the issues to be determined in this proceeding, NJLEUC has a direct and immediate interest in the outcome of this proceeding that cannot adequately be represented by any other party.

WHEREFORE, pursuant to <u>N.J.A.C.</u> 1:1-16, *et seq.*, NJLEUC respectfully requests that it be permitted to intervene in the above-captioned proceeding.

Respectfully submitted,

Steven S. Goldenberg
Fox Rothschild LLP
997 Lenox Drive, Bldg. 3
Lawrenceville, NJ 08648
Phone: 609-896-3600
Attorneys for New Jersey Large Energy
Users Coalition

Dated: January 5, 2016

#### **CERTIFICATION OF SERVICE**

I hereby certify that I have this day served via electronic mail copies of the foregoing Motion to Intervene to the parties identified on the service list. The original and 10 copies have been forwarded via first class mail to Irene K. Asbury, Secretary, Board of Public Utilities.

Dated at Lawrenceville, New Jersey, this 5th day of January, 2016.

Steven S. Goldenberg

# IN THE MATTER OF THE PETITION OF PIVOTAL UTILITY HOLDINGS, INC. D/B/A ELIZABETHTOWN GAS FOR APPROVAL OF A SAFETY, MODERNIZATION AND RELIABILITY PROGRAM AND ASSOCIATED COST RECOVERY MECHANISM DOCKET NO. GR15091090

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#### STATE OF NEW JERSEY BOARD OF PUBLIC UTILITIES

In The Matter Of The Petition Of Pivotal	)
Holdings, Inc. d/b/a Elizabethtown Gas	) BPU DOCKET NO. GR15091090
For Approval Of A Safety, Modernization	)
And Reliability Program And Associated	)
Cost Recovery Mechanism	)

#### MOTION FOR ADMISSION PRO HAC VICE

The undersigned counsel, a member in good standing of the bar of the State of New Jersey and willing to serve as attorney of record in this proceeding, hereby moves for the admission *pro hac vice* of Paul F. Forshay, Esq. Mr. Forshay is a member in good standing of the bar of the District of Columbia.

There is good cause for Mr. Forshay to be admitted *pro hac vice* because he has had significant experience representing the interests of large end-use customers, he has an attorney-client relationship with the New Jersey Large Energy Users Coalition, and this proceeding involves a complex field of law in which he is a specialist. Specifically, Mr. Forshay has had significant experience with matters arising under the Natural Gas Act and matters involving interstate natural gas pipelines, including ratemaking, capacity release and infrastructure and construction-related issues. Mr. Forshay has also had a longstanding, ongoing representation of the New Jersey Large Energy Users Coalition in a multiplicity of natural gas matters before the Federal Energy Regulatory Commission and the Board of Public Utilities.

As evidenced by his affidavit attached hereto, Mr. Forshay has paid to the New Jersey

Lawyers' Fund for Client Protection the fees required by R. 1/20-1(b).

Respectfully submitted,

Steven S. Goldenberg

Fox Rothschild LLP

997 Lenox Drive, Bldg. 3

Lawrenceville, NJ 08648

Phone: 609-896-3600

Attorneys for New Jersey Large Energy

Users Coalition

Dated: January 5, 2016

#### **CERTIFICATION OF SERVICE**

I hereby certify that I have this day served via electronic mail copies of the foregoing Motion for Admission *Pro Hac Vice* to the parties identified on the service list. The original and 10 copies have been forwarded via first class mail to Irene K. Asbury, Secretary, Board of Public Utilities.

Dated at Lawrenceville, New Jersey, this 5th day of January, 2016

Steven \$. Goldenberg

# IN THE MATTER OF THE PETITION OF PIVOTAL UTILITY HOLDINGS, INC. D/B/A ELIZABETHTOWN GAS FOR APPROVAL OF A SAFETY, MODERNIZATION AND RELIABILITY PROGRAM AND ASSOCIATED COST RECOVERY MECHANISM DOCKET NO. GR15091090

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In The Matter Of The Petition Of Pivotal	)	
Holdings, Inc. d/b/a Elizabethtown Gas	)	BPU DOCKET NO. GR15091090
For Approval Of A Safety, Modernization	)	
And Reliability Program And Associated	)	
Cost Recovery Mechanism	)	

## AFFIDAVIT IN SUPPORT OF REQUEST TO APPEAR PRO HAC VICE

Washington	)	
	)	SS
District of Columbia	)	

- I, Paul F. Forshay, duly sworn according to law, depose and say:
- 1. I am an attorney in good standing admitted to practice in the District of Columbia. I am not admitted to practice in New Jersey. I have no disciplinary proceedings pending against me in any jurisdiction and no discipline has been previously imposed on me in any jurisdiction.
- 2. I am associated in this matter with New Jersey counsel of record, Steven S. Goldenberg of the firm of Fox Rothschild LLP, who is qualified to practice law in this State pursuant to  $\underline{R}$ . 1:21-1.
- 3. The New Jersey Large Energy Users Coalition ("NJLEUC") has requested my representation in this matter.
- 4. There is good cause for my admission *pro hac vice* in that I have had considerable experience representing large end-use customers in various proceedings before the Federal Energy Regulatory Commission ("FERC") and Board of Public Utilities ("Board") and I have an attorney-client relationship with NJLEUC. The proceeding in which I seek admission involves a

complex field of law in which I am a specialist. I have had significant experience with matters arising under the Natural Gas Act and matters involving interstate natural gas pipelines, including ratemaking, capacity release, infrastructure and construction-related issues. I have had a longstanding relationship with NJLEUC and have represented NJLEUC in a multiplicity of natural gas matters before FERC and the Board.

- 5. I have paid to the New Jersey Lawyers' Fund for Client Protection the fees required by R. 1:20-1(b) and 1:28-2.
  - 6. If this application to appear *pro hac vice* is granted, I agree to:
    - a. abide by the New Jersey Court Rules, including all disciplinary rules;
- b. consent to the appointment of the Clerk of the Supreme Court as agent upon whom service of process may be made for all actions against me or my firm that may arise out of my participation in this matter;
- c. notify the Board and/or Office of Administrative Law immediately of any matter affecting my standing at the bar of any court; and
  - d. have all pleadings, briefs and other papers filed with the Board and/or

Office of Administrative Law signed by the attorney of record.

SUBSCRIBED AND SWORN to before me this 4th day of January, 2016

Notary Public

REBECCA A. MENSO

Notary Public, District of Columbia My Comm. Exp. October 14, 2020

