



STATE OF NEW JERSEY
Board of Public Utilities
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DIVISION OF ENERGY AND
OFFICE OF CLEAN ENERGY

IN THE MATTER OF THE VERIFIED PETITION OF
 ROCKLAND ELECTRIC COMPANY FOR APPROVAL
 OF AN ENERGY EFFICIENCY STIMULUS PROGRAM
 AND ASSOCIATED RATE RECOVERY

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ORDER EXTENDING 180
 DAY REVIEW PERIOD

DOCKET NO. ER17080869

(SERVICE LIST AND STIPULATION ATTACHED)

BY COMMISSIONER CHIVUKULA:

BACKGROUND AND PROCEDURAL HISTORY

On August 9, 2017, Rockland Electric Company (“RECO” or “Company”) filed a petition (“August 2017 Petition”) with the New Jersey Board of Public Utilities (“Board”) for approval of a Low Income Audit and Direct Install Energy Efficiency III Program (“Low Income III Program” or “Program”). By way of a letter dated September 7, 2017 (“Deficiency Letter”), Board Staff (“Staff”) informed the Company that it found the August 2017 Petition to be administratively deficient with respect to the Minimum Filing Requirements set forth in the Board’s May 2008 Order. In response to Staff’s Deficiency Letter, the Company filed supplemental information on September 26, 2017. On October 6, 2017, Staff advised RECO that the August 2017 Petition was administratively complete as of September 26, 2017. The 180-day review period therefore ends on March 25, 2018.

In its petition, RECO requested approval of a two year Low Income Audit III Program designed to provide eligible RECO customers with energy efficiency measures based on results of an energy audit, including health and safety testing, at no charge. Cost effective energy savings measures may include air sealing measures and thermal barriers, LED lightbulbs, programmable thermostats, insulation and refrigerator and room air conditioner replacement.

The Company proposed a total projected cost of \$225,800 in Year 1 and \$229,600 in Year 2, or a total of \$455,400 over the two years of the Program. Approximately \$356,000 remains from the Low Income Audit II Program because average participation and measure spending was lower than projected. RECO requested the Board approve the use of those funds and an additional \$100,000 for the Low Income Audit III Program. The Company’s proposal would provide an average of \$1,600 in energy efficiency measures (to be capped at \$2,500) per household in Year One. The maximum per household value per year would increase in the second year of the Program by 2.1% to account for the annual cost of inflation, so that the

maximum value would increase to \$1,634 per household in Year 2 of the program (to be capped at \$2,553). In addition, the Company requested approval of rate recovery of all costs through its RGGI Surcharge, with the carrying charge on its deferred balances for the Low Income III Program based on the overall weighted average cost of capital as authorized by the Board in its most recent base rate case (7.47%).¹

By Order dated September 22, 2017, the Board determined that this matter should be retained by the Board for review and hearing and designated me as the presiding officer, with the authority to rule on all motions that arise during the pendency of these proceedings and modify any schedules that may be set as necessary to secure a just and expeditious determination of the issues. Moreover, to enable the Board to effectively and efficiently carry out its mandate under N.J.S.A. 48:3-98.1 and to allow development of a complete record, the Board authorized me to render decisions on stipulations, pursuant to N.J.S.A. 48:2-21.3, extending the 180-day review period, if submitted, provided that the stipulation extending the time period is executed by all parties to the proceeding. The authority so delegated was limited to extensions that do not collectively exceed 180 days, with any further request for extensions to be directed to the Board.

On November 8, 2017, I issued a Prehearing Order in this matter which, among other things, established the issues to be determined by the Board and a procedural schedule. On December 14, 2017, the Company filed a letter motion with me seeking to amend the Prehearing Order. On December 22, Rate Counsel filed a letter motion in opposition to the Company's motion. On December 29, the Company submitted a letter in response to Rate Counsel's reply, renewing its request to amend the Prehearing Order. On January 5, 2018, Rate Counsel submitted a letter in response to the Company's reply, renewing its request that the Company's motion be denied.

Following adequate public notice, public hearings on the Company's Petition were held on November 29, 2017 at 4:30 p.m. and 5:30 p.m. at the Mahwah Township Hall in Mahwah, New Jersey. No members of the public appeared at the public hearings and the Board received no written comments on the matter.

The Company, the New Jersey Division of Rate Counsel, and Staff (collectively, "Parties") have engaged in extensive discovery and participated in a number of settlement and discovery conferences.

STIPULATION

Based on the status of current settlement discussions, the Parties have agreed that an extension of the 180-day review period is appropriate. Accordingly, on February 27, 2018, the Parties entered into a stipulation to extend the review period ("Stipulation") to April 25, 2018 to allow time for a thorough review of the proposed Low Income III Program by the Board.

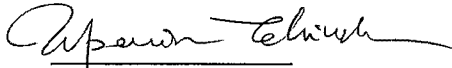
¹ In re the Verified Petition of Rockland Electric Company for Approval of Changes in Electric Rates, Its Tariff for Electric Services, and Its Depreciation Rates; Approval of an Advanced Metering Program; and for Other Relief, BPU Docket No. ER16050428, Order dated February 22, 2017.

DISCUSSION AND FINDING

N.J.S.A. 48:2-21.3 allows any public utility to file with the Board a written stipulation waiving the effective date of any tariff or rate, subject to the Board's approval. In this case, the Parties have agreed to an extension until April 25, 2018. No party has opposed the Stipulation or the extension of the review period. I **HEREBY FIND** that the Stipulation extending the review period to April 25, 2018 is fair, reasonable, and in the public interest by providing additional time for a thorough review of the proposed Low Income III Program. Accordingly, I **HEREBY ADOPT** the attached Stipulation, incorporating by reference its terms and conditions as if fully set forth herein, and **HEREBY EXTEND** the review period to April 25, 2018.

This provisional ruling is subject to ratification or other alteration by the Board as it deems appropriate during the proceedings in this matter.

DATED: 3/16/2018



UPENDRA J. CHIVUKULA
COMMISSIONER

In the Matter of the Verified Petition of Rockland Electric Company for Approval of an an Energy Efficiency Stimulus Program and Associated Rate Recovery
Order Extending 180 Day Review Period
BPU DOCKET NO. ER17080869

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**STATE OF NEW JERSEY
BOARD OF PUBLIC UTILITIES**

IN THE MATTER OF THE VERIFIED
PETITION OF ROCKLAND ELECTRIC
COMPANY FOR APPROVAL OF A LOW
INCOME AUDIT AND DIRECT INSTALL
ENERGY EFFICIENCY PROGRAM AND
ASSOCIATED RATE RECOVERY
MECHANISM ("LOW INCOME III
PROGRAM")

BPU DOCKET NO. ER17080869

**STIPULATION
EXTENDING 180-DAY REVIEW
PERIOD**

APPEARANCES:

Margaret Comes, Attorney for the Petitioner, Rockland Electric Company

Brian Lipman, Esq., Litigation Manager, **Felicia Thomas-Friel, Esq.**, Deputy Rate Counsel and **Kurt S. Lewandowski, Esq.**, Assistant Deputy Rate Counsel, Division of Rate Counsel (**Stefanie A. Brand**, Director)

Alex Moreau and Renee Greenberg, Deputy Attorneys General, for Staff of the New Jersey Board of Public Utilities (**Gurbir S. Grewal**, Attorney General of New Jersey)

TO THE HONORABLE COMMISSIONER UPENDRA J. CHIVUKULA

It is hereby AGREED, as of the 27th day of February, 2018, by and among Rockland Electric Company ("Rockland" or "Company"), the Staff of the New Jersey Board of Public Utilities ("Staff"), and the New Jersey Division of Rate Counsel ("Rate Counsel") (referred to collectively as the "Signatory Parties") to execute this Stipulation Extending 180-Day Review Period ("Stipulation"), for Board approval of Rockland's Verified Petition For Approval Of An Energy Efficiency Stimulus Program and Associated Rate Recovery ("Petition") in Docket Number ER17080869.

The Signatory Parties do hereby join in recommending that Commissioner Upendra J. Chivukula issue an appropriate Order approving this Stipulation as set forth herein.

BACKGROUND

1. On August 9, 2017, Rockland filed the Petition in Docket Number ER17080869 seeking Board approval to administer a RECO Energy Efficiency Stimulus Program (“EESP”) and to implement an associated cost recovery mechanism pursuant to *N.J.S.A. 48:3-98.1*.
2. On September 7, 2017, Board Staff notified the Company that its Petition was administratively incomplete.
3. On September 26, 2017, the Company made a subsequent filing to remedy the deficiencies in its original Petition and it was deemed administratively complete.
4. On October 6, 2017, Board Staff advised Rockland that the Petition was administratively complete as of September 26, 2017. The 180-day review period therefore ends on March 25, 2018.
5. By Order dated September 22, 2017, the Board determined that this matter should be retained by the Board for review and hearing and designated Commissioner Chivukula as the presiding officer with the authority to rule on all motions that arise during the pendency of these proceedings and modify any schedules that may be set as necessary to secure a just and expeditious determination of the issues. Moreover, to enable the Board to effectively and efficiently carry out its mandate under *N.J.S.A. 48:3-98.1* and to allow development of a complete record, the Board authorized Commissioner Chivukula to render decisions on stipulations, pursuant to *N.J.S.A. 48:2-21.3*, extending the 180-day review period, if submitted, provided that the stipulation extending the time period is executed by all parties to the

proceeding. The authority so delegated was limited to extensions that do not collectively exceed 180 days, with any further requests for extensions to be directed to the Board.

STIPULATED MATTERS

6. The Signatory Parties hereby agree that the 180-day review period is extended from March 25, 2018 to April 25, 2018.

CONCLUSION

7. This Stipulation represents a mutual balancing of interests, contains interdependent provisions and, therefore, is intended to be accepted and approved in its entirety. In the event any particular aspect of this Stipulation is not accepted and approved in its entirety by Commissioner Chivukula, any Party aggrieved thereby shall not be bound to proceed with this Stipulation and shall have the right to litigate all issues addressed herein to a conclusion. More particularly, in the event this Stipulation is not approved in its entirety by Commissioner Chivukula, then any Party hereto is free to pursue its then available legal remedies with respect to all issues addressed in this Stipulation as though this Stipulation had not been signed.

8. It is the intent of the Signatory Parties that the provisions hereof be approved by Commissioner Chivukula as being in the public interest. The Signatory Parties further agree that they consider the Stipulation to be binding on them for all purposes herein.


9. It is specifically understood and agreed that this Stipulation represents a negotiated agreement and has been made exclusively for the purpose of this case.

10. Except as expressly provided herein, the Company, Staff, and Rate Counsel shall not be deemed to have approved, agreed to, or consented to any principle or methodology underlying or supposed to underlie any agreement provided herein and, in total or by specific item. The

Signatory Parties further agree that this Stipulation is in no way binding upon them and shall not be asserted in any other proceeding, except to enforce the terms of this Stipulation.


WHEREFORE, the Signatory Parties hereto do respectfully submit this Stipulation and request that Commissioner Chivukula issue an appropriate Order approving it in its entirety, in accordance with the terms hereof.

ROCKLAND ELECTRIC COMPANY
Petitioner

By: 

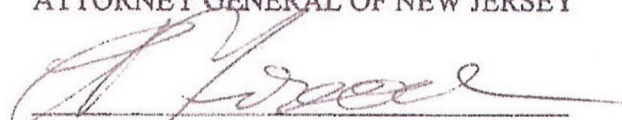
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