

Metro Corporate Campus I  
99 Wood Avenue South  
Suite 307  
Iselin, New Jersey 08830  
Tel: 732-491-2100  
Fax: 732-491-2120

A New Jersey Limited Liability Company

www.krollfirm.com

RECEIVED  
MAIL ROOM

AUG 20 2018

BOARD OF PUBLIC UTILITIES  
TRENTON, NJ

August 17, 2018

*Fwd  
8/22/18*

ATTORNEYS  
Albert G. Kroll \*  
Raymond G. Heineaman, Jr. ▾  
Michael T. Carton ▾  
Bradley M. Parsons  
Seth Prasiewicz ▾  
Jennifer Chang ▲  
Amy E. Spekhardt ▲

BAR ADMISSIONS  
† NJ & PA Bar  
▲ NJ & NY Bar  
\* NJ, PA & DC Bar  
▾ NJ, NY & DC Bar  
▾ NJ, NY & PA Bar

**VIA OVERNIGHT MAIL & ELECTRONIC MAIL**

New Jersey Board of Public Utilities  
Attn: Aida Camacho-Welch, Board Secretary  
44 South Clinton Avenue, 3<sup>rd</sup> Floor, Suite 314  
Trenton, NJ 08625-0350

**Re: In the matter of the Petition of Public Electric and Gas Company for Approval of Second Energy Strong Program ("Energy Strong II")**

**Docket Nos.: EO 18060629 and GO18060630  
Motion to Intervene or to Participate**

Dear Ms. Secretary:

This firm represents the New Jersey Laborers-Employers Cooperation and Education Trust ("NJLECET"). Enclosed, please find an original and ten copies of the NJLECET's motion to intervene, as Intervenor or as Participant, in the above proceedings.

Per my conversation with your office today, NJLECET's Motion is being accepted for filing today by electronic mail, with the hard copy to be delivered via overnight mail on Monday, August 20, 2018.

By copy of this letter, copies of the motion are being forwarded via electronic mail to all persons whose names appear on the distribution lists associated with the above-captioned petition.

Thank you for your attention to this matter.

Very truly yours,

Bradley M. Parsons

RECEIVED  
CASE MANAGEMENT

AUG 20 2018

BOARD OF PUBLIC UTILITIES  
TRENTON, NJ

BMP:bmp  
Enclosures

cc: Distribution lists

*Cmc*  
*Energy*  
*DAG*  
*Legal*  
*B. Kilan, Energy*  
*D. Brown, Energy*

**KROLL HEINEMAN CARTON, LLC**  
Metro Corporate Campus One  
99 Wood Avenue South, Suite 307  
Iselin, New Jersey 08830  
Tel: (732) 491-2100  
Fax: (732) 491-2120  
Attorneys for prospective Intervenors or Participants

RECEIVED  
MAIL ROOM  
AUG 20 2018  
BOARD OF PUBLIC UTILITIES  
TRENTON, NJ

STATE OF NEW JERSEY BOARD OF PUBLIC UTILITIES

IN THE MATTER OF THE PETITION OF  
PUBLIC SERVICE ELECTRIC AND GAS  
COMPANY FOR APPROVAL OF THE  
SECOND ENERGY STRONG PROGRAM  
(ENERGY STRONG II) AND ASSOCIATED  
COST RECOVERY MECHANISM

BPU DOCKET NOS.  
EO18060629  
GO18060630

**MOTION TO INTERVENE OR FOR PARTICIPANT STATUS BY LABORERS-  
EMPLOYERS COOPERATION AND EDUCATION TRUST**

New Jersey Laborers-Employers Cooperation and Education Trust (“NJLECET”), a 501(c)(3) nonprofit labor management fund, representing more than 25,000 laborers in New Jersey, and their signatory contractors, hereby moves to participate as Intervenor or as Participant in the above-captioned Petition for Approval of the Second Energy Strong Program (“Energy Strong II”), filed by Public Service and Gas Company (“PSE&G”). NJLECET’s membership comprises local unions engaged in the construction and the heavy highway construction industry. The management component of the NJLECET Board comprises representatives from labor as well as representatives from the Associated Construction

Contractors of New Jersey (“ACCNJ”), which is itself representative of some of the largest construction firms, working in New Jersey. The ACCNJ’s members work for New Jersey’s utilities and for PSE&G. NJLECET supports its motion as follows:

**I. Facts:**

1. PSE&G has petitioned the New Jersey Board of Public Utilities (“BPU”) for approval of Energy Strong II, an extension of PSE&G’s Energy Strong Program (“Energy Strong or “ESI”), which was approved by a May 21, 2014 Board order (“Energy Strong Order”). Additionally, PSE&G has petitioned for approval of a proposed mechanism to recover the costs of the program.

2. Consistent with Board regulations on Infrastructure Investment Programs (“IIPs”), N.J.A.C. 14:3-2A, Energy Strong II seeks to invest \$1.503 billion in electric infrastructure, and .999 billion in gas infrastructure, over five (5) years, from March 1, 2019 through February 29, 2024. Cost recovery would be based on the Board’s IIP regulations and consistent with the recovery for Energy Strong.

3. The Energy Strong II program contemplates the following infrastructure improvements: (1) flood mitigation for 16 electrical substations, located in flood zones; (2) circuit upgrades to approximately 475 circuit miles; (3) continuation of Energy Strong’s investment into hardening the existing electric system and into improving system resiliency; (4) modernization of electrical grid infrastructure, including technological upgrades to its data gathering and analysis capabilities, continued implementation of advanced metering infrastructure and installation of a wireless and fiber technology-based communications network; (5) improvements to the resiliency of PSE&G’s gas distribution system to potential supply

curtailments; (6) rebuilding seven (7) gas metering and regulating stations to update the stations and improve storm hardening for stations in flood zones.

4. The continuity provided by the five-year construction schedule is designed to facilitate efficient project management and minimal municipal disruption, which are stated goals for Energy Strong II and its predecessor. NJLECET's membership comprises more than 25,000 laborers specializing in construction and heavy construction. Its board features members from large New Jersey construction and heavy construction contractors. NJLECET is therefore uniquely qualified to advise as to: the costs and feasibility of planned infrastructure construction; construction industry best practices with respect to project continuity; the related economic impact of infrastructure investment; and the impact of the current financing environment and amortized costs on long-term construction projects.

5. Energy Strong II would build on the infrastructure improvements, and investment into planned improvements, begun in Capital Infrastructure Programs ("CIP") I & II, in the Energy Strong Program. Those programs collectively helped mitigate the negative impacts of poor economic conditions on aging gas and electric infrastructure.

**Statutory and legal standards:**

N.J.A.C. 1:16.3(a) establishes the standard to decide a motion for intervention. The BPU must consider:

[T]he nature and extent of the movant's interest in the outcome of the case, whether the movant's interest is sufficiently different from that of any party so as to add measurably and constructively to the scope of the case, the prospect of confusion or undue delay arising from the movant's inclusion, and other appropriate matters.

N.J.A.C. 1:16.3(a)

**II. Argument:**

6. NJLECET's participation as Intervenor, or as Participant, would measurably and constructively advance this Proceeding. Its members, experienced workers and employers in the construction industry, advance a unique perspective into: the costs and feasibility of planned infrastructure construction; the related economic impact; and the impact of the current financing environment and amortized costs on long-term construction projects.

7. NJLECET represents more than 25,000 construction laborers who are employed and have significant experience in building construction and in heavy highway construction. Additionally, NJLECET's board comprises representatives from large New Jersey construction contractors. These contractors work for many of New Jersey's largest private corporations as well as New Jersey's largest utility companies, including PSE&G. NJLECET has particular expertise in: tracking construction projects; researching and providing market guidance in the construction industry; and legislative analysis as relates to construction and infrastructure investment. NJLECET partners with all sectors of the construction industry, local businesses, community activists and government agencies, to research and promote effective economic development through investment in transportation and infrastructure.

8. NJLECET's members, representing the construction industry, have significant experience in undertaking large-scale construction projects, and are uniquely situated to provide input on the impact of borrowing costs and the interest rate environment on large scale construction projects like Energy Strong II.

9. NJLECET's membership has extensive experience in the construction industry and is uniquely able to analyze the cost feasibility of proposed large-scale infrastructure projects.

10. NJLECET's membership includes large-scale residential and commercial contractors whose projects and businesses will be directly impacted by the contemplated improvements to New Jersey's energy infrastructure. Mitigation efforts aimed at improving the efficiency, safety and long-term costs associated with the delivery of gas and electricity will directly improve the sustainability of the residential and commercial projects built by NJLECET's membership. Conversely, continuing the status quo will pass mitigation costs on to developers and ultimately to New Jersey residents and businesses.

11. Energy Strong II would have a direct beneficial impact on job creation for NJLECET's membership. PSE&G estimates that the Energy Strong II, if implemented as planned currently, would continue the job creation established in the original Energy Strong, with many of the projected jobs in New Jersey's construction and heavy construction industries. Further, the planned infrastructure improvements, once implemented, would improve energy efficiency to developers of private and commercial properties, who are represented by NJLECET.

12. NJLECET's membership represents large-scale consumers of energy. They would be directly impacted both by any short-term increases in utility rate changes and by long-term efficiencies created by utility infrastructure improvement.

13. NJLECET is moving to intervene, or to participate, in the Proceeding related to its members' unique interests in energy costs, those costs' impact on the construction industry and related to NJLECET's members' direct financial interests related to job creation in the construction industry.

14. The above-referenced interests of NJLECET's membership are unique to the construction industry and those employed within. The interests are unique from and are not

adequately represented by the Division of the Rate Counsel or any other party to these proceedings. N.J.A.C. 1:1-16.1(a).

15. The issues to be decided in this Proceeding “substantially, specifically and directly affect” NJLECET and its constituent members, thereby making NJLECET’s intervention, or participation, in this Proceeding appropriate under the applicable standards.

16. NJLECET’s entry as Intervenor or as Participant would “measurably and constructively” advance this Proceeding, because: its members are uniquely situated to provide input related to large-scale construction financing and cost-benefit analysis; its members have a unique financial interest in Energy Strong II, both in the immediate benefit to construction employment and in the long-term cost savings to residential and commercial construction projects; its members represent large-scale consumers of energy who would be directly impacted by short term rate increases and in the long term costs of inadequate energy infrastructure. NJLECET’s entry as Intervenor or as Participant would promote better informed consideration of the costs and benefits of improving New Jersey’s energy infrastructure.

17. Notwithstanding its own interests, NJLECET will cooperate with other parties to the Proceeding to ensure that a decision is made in full view of all relevant facts. NJLECET’s participation will not cause confusion or delay the Proceeding.

WHEREFORE, pursuant to N.J.A.C. 1:1-1-16.6, NJLECET respectfully requests that its motion to intervene, or participate, be granted and that it be permitted to intervene as Intervenor or as Participant in the above-captioned proceedings.

**KROLL HEINEMAN CARTON, LLC**

\_\_\_\_\_  
*Albert G. Kroll*

Albert G. Kroll, Esq.  
Kroll Heineman Carton, LLC  
99 Wood Avenue South, Suite 307  
Iselin, New Jersey 08830  
Phone: 732.491.2103  
Fax: 732.491.2120  
Email: [akroll@krollfirm.com](mailto:akroll@krollfirm.com)

DATED: August 17, 2018

**CERTIFICATION OF SERVICE**

I hereby certify that copies of the herein motion were sent via electronic mail to all parties on the attached service lists.

\_\_\_\_\_  
*Albert G. Kroll*

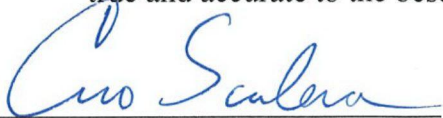
Albert G. Kroll, Esq.  
Kroll Heineman Carton, LLC  
99 Wood Avenue South, Suite 307  
Iselin, New Jersey 08830  
Phone: 732.491.2103  
Fax: 732.491.2120  
Email: [akroll@krollfirm.com](mailto:akroll@krollfirm.com)

Dated: August 17, 2018



**CERTIFICATION**

1. I am the Director of Government Relations of NJLECET.
2. I have read the herein motion and hereby certify that the statements contained therein are true and accurate to the best of my knowledge.



Ciro Scalera, Director, Government Relations, NJLECET

Dated: August 17, 2018