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TRENTON, NJ



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**One Riverfront Plaza** 

Newark, New Jersey 07102

**BOARD OF PUBLIC UTILITIES** 

NAME: DEBORAH M. FRANCO, ESO. TITLE: PARTNER DIRECT DIAL: 973-849-9005 DFRANCO@CULLENANDDYMAN.COM

Via Electronic Mail and FedEx

Aida Camacho-Welch, Secretary New Jersey Board of Public Utilities

Trenton, New Jersey 08625-0350

P.O. Box 350

44 South Clinton Avenue, 3rd Fl., Suite 314

November 23, 2018 RECEIVED MAIL ROOM

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BOARD OF PUBLIC UTILITIES TRENTON, NJ

## Re: In The Matter Of The Petition Of Public Service Electric and Gas Company For Approval Of Its Clean Energy Future – Electric Vehicle And Energy Storage ("CEF-**EVES")** Program On A Regulated Basis BPU Docket No. EO18101111

Dear Secretary Camacho-Welch,

Public Service Electric and Gas Company ("PSE&G"), through its undersigned counsel, hereby submits an original and ten (10) copies of its Opposition to Motion to Intervene of Direct Energy Business, LLC, Direct Energy Business Marketing, LLC, Direct Energy Services, LLC, Gateway Energy Services Corporation and Centrica Business Solutions pursuant to N.J.A.C. 1:1-12.2 the above-referenced matter. Pursuant to the Board's Order Designating a Commissioner, Setting a Bar Date and Manner of Service, issued on October 29, 2018 in this proceeding, Commissioner Upendra Chivukula has been designated as the presiding officer int this proceeding and is authorized to rule on all motions, including this motion to intervene.

Copies of this filing have been served electronically on all parties. Kindly acknowledge receipt of this letter by date stamping and returning the designated copy in the enclosed self-addressed envelope.

Should you have any questions concerning this matter, please feel free to contact me directly.

Sincerely,

eborth m. !

Deborah M. France Cullen and Dykman LLP Attorneys to Public Service Electric and Gas Company

cc: Commissioner Upendra Chivukula w/ enclosure Service List w/ enclosure Christopher Torkelson (ctorkelson@eckertseamans.com) Karen Moury (kmoury@eckertseamans.com) Sarah Stoner (sstoner@eckertseamans.com) Leslie Radgman (lradgman@eckertseamans.com)

# Public Service Electric and Gas Company CEF-EVES

## Page 1 of 3

### <u>BPU</u>

Alice Bator Board of Public Utilities 44 South Clinton Avenue 3rd Floor, Suite 314 P.O. Box 350 Trenton NJ 08625-0350 (609) 943-5805 alice.bator@bpu.nj.gov

# <u>BPU</u>

Paul Flanagan Board of Public Utilities 44 South Clinton Avenue 3rd Floor, Suite 314 P.O. Box 350 Trenton NJ 08625-2836 paul.flanagan@bpu.nj.gov

### <u>BPU</u>

Sherri Jones Board of Public Utilities 44 South Clinton Avenue 3rd Floor, Suite 314 P.O. Box 350 Trenton NJ 08625-0350 (609) 292-7471 sherri.jones@bpu.nj.gov

## <u>BPU</u>

Megan Lupo Board of Public Utilities 44 South Clinton Avenue 3rd Floor, Suite 314 P.O. Box 350 Trenton NJ 08625-0350 megan.lupo@bpu.nj.gov

#### <u>BPU</u>

Bethany Rocque-Romaine Esq. Board of Public Utilities 44 South Clinton Avenue 3rd Floor, Suite 314 P.O. Box 350 Trenton NJ 08625-0350 (609) 292-1496 bethany.romaine@bpu.nj.gov

## DAG

Geoffrey Gersten NJ Dept. of Law & Public Safety Division of Law 124 Halsey Street, 5th Flr. P.O. Box 45029 Newark NJ 07101 (973) 648-3510 geoffrey.gersten@dol.lps.state.nj.us

# <u>BPU</u>

Rachel Boylan Board of Public Utilities 44 South Clinton Avenue 3rd Floor, Suite 314 P.O. Box 350 Trenton NJ 08625-0350 (609) 292-1458 Rachel Boylan@bpu.nj.gov

# <u>BPU</u>

Noreen M. Giblin Esq. Board of Public Utilities 44 South Clinton Avenue, Suite 314 P.O. Box 350 Trenton NJ 08625-0350 noreen.giblin@bpu.nj.gov

# <u>BPU</u>

Bart Kilar Board of Public Utilities 44 South Clinton Avenue 3rd Floor, Suite 314 P.O. Box 350 Trenton NJ 08625-0350 bart.kilar@bpu.nj.gov

#### <u>BPU</u>

Jacqueline O'Grady Board of Public Utilities 44 South Clinton Avenue 3rd Floor, Suite 314 P.O. Box 350 Trenton NJ 08625-0350 (609) 292-2947 jackie.ogrady@bpu.nj.gov

# <u>BPU</u>

Scott Sumliner Board of Public Utilities 44 South Clinton Avenue 3rd Floor, Suite 314 P.O. Box 350 Trenton NJ 08625-0350 (609) 292-4519 scott.sumliner@bpu.nj.gov

#### <u>DAG</u>

Jenique Jones NJ Dept. of Law & Public Safety Division of Law 124 Halsey Street, 5th Flr. P.O. Box 45029 Newark NJ 07101 jenique.jones@dol.lps.state.nj.us

#### <u>BPU</u>

Aida Camacho-Welch Board of Public Utilities 44 South Clinton Avenue, 3rd Floor, Suite 314 Post Office Box 350 Trenton NJ 08625-0350 aida.camacho@bpu.nj.gov

# <u>BPU</u>

Scott Hunter Board of Public Utilities 44 South Clinton Avenue 3rd Floor, Suite 314 P.O. Box 350 Trenton Nj 08625-0350 (609) 292-1956 B.Hunter@bpu.nj.gov

### <u>BPU</u>

Christine Lin Board of Public Utilities 44 South Clinton Avenue 3rd Floor, Suite 314 P.O. Box 350 Trenton NJ 08625-0350 (609) 292-2956 christine.lin@bpu.nj.gov

## <u>BPU</u>

Stacy Peterson Board of Public Utilities 44 South Clinton Avenue 3rd Floor, Suite 314 P.O. Box 350 Trenton NJ 08625-0350 (609) 292-4517 stacy.peterson@bpu.nj.gov

# Cullen and Dykman LLP

Deborah M. Franco Cullen and Dykman LLP One Riverfront Plaza Newark NJ 07102 (973) 849-9005 dfranco@cullenanddykman.com

#### <u>DAG</u>

Patricia A. Krogman DAG NJ Dept of Law & Public Safety Division of Law 124 Halsey Street, 5th Flr. P.O. Box 45029 Newark NJ 07101 (973) 648-3441 patricia.krogman@dol.lps.state.nj.us

# Public Service Electric and Gas Company CEF-EVES

## <u>DAG</u>

Andrew Kuntz Esq. NJ Department of Law & Public Safety 124 Halsey Street Post Office Box 45029 Newark NJ 07101 Andrew.kuntz@lps.state.nj.us

#### <u>DAG</u>

Emma Xiao DAG NJ Dept of Law & Public Safety Division of Law 124 Halsey Street, 2nd Floor Newark NJ 07101 emma.xiao@law.njoag.gov

### PSE&G

Justin Incardone Esq. PSEG Services Corporation 80 Park Plaza, T5 P.O. Box 570 Newark NJ 07102 (973) 430-6163 justin.incardone@pseg.com

#### PSE&G

Bernard Smalls PSEG Services Corporation 80 Park Plaza-T5 Newark NJ 07102-4194 (973) 430-5930 bernard.smalls@pseg.com

#### Rate Counsel

Stefanie A. Brand Division of Rate Counsel 140 East Front Street, 4th Flr. P.O. Box 003 Trenton NJ 08625 (609) 984-1460 sbrand@rpa.state.nj.us

#### Rate Counsel

Kurt Lewandowski Esq. Division of Rate Counsel 140 East Front Street, 4th Fir. P.O. Box 003 Trenton NJ 08625 (609) 984-1460 klewando@rpa.state.nj.us

# <u>DAG</u>

Caroline Vachier DAG NJ Dept. of Law & Public Safety Division of Law 124 Halsey Street, 5th Flr. P.O. Box 45029 Newark NJ 07101 (973) 648-3709 caroline.vachier@dol.lps.state.nj.us

### PSE&G

Joseph F. Accardo, Jr. PSEG Services Corporation 80 Park Plaza, T5G P.O. Box 570 Newark NJ 07102 (973) 430-5811 joseph.accardojr@pseg.com

#### PSE&G

Danielle Lopez Esq. Public Services Corporation 80 Park Plaza, T5 P.O. Box 570 Newark NJ 07102 973-430-6479 danielle.lopez@pseg.com

### PSE&G

Matthew M. Weissman Esq. PSEG Services Corporation 80 Park Plaza, T5 P.O. Box 570 Newark NJ 07102 (973) 430-7052 matthew.weissman@pseg.com

# Rate Counsel

James Glassen Division of Rate Counsel 140 East Front Street, 4th Flr. P.O. Box 003 Trenton NJ 08625 (609) 984-1460 jglassen@rpa.state.nj.us

#### Rate Counsel

Brian O. Lipman Division of Rate Counsel 140 East Front Street, 4th Flr. P.O. Box 003 Trenton NJ 08625 (609) 984-1460 blipman@rpa.nj.gov

#### DAG

Peter VanBrunt NJ Dept of Law & Public Safety 124 Halsey Street P.O. Box 45029 Newark NJ 07101 Peter.VanBrunt@law.njoag.gov

#### PSE&G

Michele Falcao PSEG Services Corporation 80 Park Plaza, T5 P.O. Box 570 Newark NJ 07102 (973) 430-6119 michele.falcao@pseg.com

#### PSE&G

Joseph A. Shea Esq. PSEG Service Corporation 80 Park Plaza, T5 P.O. Box 570 Newark NJ 07102 (973) 430-7047 joseph.shea@pseg.com

#### PSE&G

Caitlyn White PSEG Services Corporation 80 Park Plaza, T-5 P.O. Box 570 Newark NJ 07102 (973)-430-5659 caitlyn.white@pseg.com

## Rate Counsel

Lisa Gurkas Division of Rate Counsel 140 East Front Street, 4th Flr. P.O. Box 003 Trenton NJ 08625 (609) 984-1460 Igurkas@rpa.state.nj.us

#### Rate Counsel

Shelly Massey Division of Rate Counsel 140 East Front Street, 4th Flr. P.O. Box 003 Trenton NJ 08625 (609) 984-1460 smassey@rpa.nj.gov

# Public Service Electric and Gas Company CEF-EVES

#### **Rate Counsel**

Ami Morita Division of Rate Counsel 140 East Front Street, 4th Flr. P.O. Box 003 Trenton NJ 08625 (609) 984-1460 amorita@rpa.state.nj.us

## Rate Counsel

Sarah Steindel Division of Rate Counsel 140 East Front Street, 4th Flr. P.O. Box 003 Trenton NJ 08625 (609) 984-1460 ssteinde@rpa.state.nj.us

# Rate Counsel

Henry M. Ogden Esq. Division of Rate Counsel 140 East Front Street, 4th Flr. P.O. Box 003 Trenton NJ 08625 (609) 984-1460 hogden@rpa.nj.gov

#### Rate Counsel

Felicia Thomas-Friel Division of Rate Counsel 140 East Front Street, 4th Fir. P.O. Box 003 Trenton NJ 08625 (609) 984-1460 fthomas@rpa.nj.gov

## Rate Counsel

Diane Schulze Esq. Division of Rate Counsel 140 East Front Street, 4th Flr. P.O. Box 003 Trenton NJ 08625 (609) 984-1460 dschulze@rpa.state.nj.us

# STATE OF NEW JERSEY BOARD OF PUBLIC UTILITIES

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In The Matter Of The Petition Of	:
Public Service Electric and Gas	:
Company For Approval Of Its Clean	:
Energy Future – Electric Vehicle And	:
Energy Storage ("CEF-EVES")	:
Program On A Regulated Basis	:
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BPU Docket No. EO18101111

Opposition to Motion to Intervene of Direct Energy Business, LLC, Direct Energy Business Marketing, LLC, Direct Energy Services, LLC, Gateway Energy Services Corporation and Centrica Business Solutions

In accordance with *N.J.A.C.* 1:1-12.2, Public Service Electric and Gas Company ("PSE&G" or "Company") hereby submits this response in opposition to the Motion to Intervene Of Direct Energy Business, LLC ("Direct Business"), Direct Energy Business Marketing, LLC ("Direct Marketing"), Direct Energy Services, LLC ("Direct Services"), and Gateway Energy Services Corporation ("Gateway") (collectively "Direct Energy"), and Centrica Business Solutions ("Centrica"). As more fully described below, PSE&G respectfully requests that the motion to intervene of Direct Energy and Centrica be denied. In support of this requested relief, PSE&G states as follows:

# I. Background Statement

1. On October 11, 2018, PSE&G filed a Verified Petition in this proceeding seeking approval of the Board of Public Utilities ("BPU" or "Board") for its Clean Energy Future – Electric Vehicle and Energy Storage Program ("CEF-EVES Program" or "Program"). On October 29, 2018, the Board issued an Order Designating a Commissioner, Setting a Bar Date and Manner of Service in this proceeding ("October 29 Order"), which determined that the Company's Petition should be retained by the Board for hearing, designated Commissioner (iii) the prospect of confusion or undue delay arising from movant's inclusion; and

(iv) other appropriate matters.

5. In addition, under *N.J.A.C.* 1:1-16.5, every motion for leave to intervene shall be treated, in the alternative, as a motion for permission to participate. Under *N.J.A.C.* 1:1-16.6, a "participant" must have a significant interest in the outcome of a case and, in ruling on a request to participate, the trier of fact is required to determine whether the participant's interest "is likely to add constructively to the case without causing undue delay or confusion." Under *N.J.A.C.* 1:1-16(c), participation is limited to (i) the right to argue orally, (ii) the right to file a statement or brief, (iii) the right to file exceptions to the initial decision with the agency head, or (iv) all of the above. Direct Energy and Centrica have not forth a sufficient basis to be accorded either intervenor or participant status in these proceedings.

# III. <u>Direct Energy and Centrica Have Not Met the Standards for Intervention or</u> <u>Participation in this Proceeding</u>

6. Direct Energy and Centrica fail to offer any meaningful basis as to why either entity is entitled to intervene in this case. Direct Energy and Centrica attempt to support their motion to intervene with little more than vague claims that PSE&G's CEF-EVES Program raises cross-subsidization concerns, may deter private investment in energy technologies, and potentially harms the competitive interests of Direct Energy and Centrica.<sup>1</sup> The motion further alleges that PSE&G's filing is "premature" because the recently enacted Clean Energy Law directed the Board to undertake a study regarding energy storage in New Jersey.<sup>2</sup> None of the allegations made by Direct Energy and Centrica have any merit, nor do they establish that these entities "will be substantially, specifically and directly affected by the outcome" of this

<sup>&</sup>lt;sup>1</sup> Motion at ¶ 4, 19-28.

<sup>&</sup>lt;sup>2</sup> Motion at ¶¶ 4.; see also N.J.S.A. 48:3-87.8.

proceeding. As such, PSE&G respectfully requests that the Board denies the motion to intervene.

7. Direct Energy and Centrica's unsupported claims that the Program raises crosssubsidization concerns because of the proposal to utilize ratepayer dollars to benefit participating customers do not support the intervenor or participant status of either entity.<sup>3</sup> Neither Direct Energy nor Centrica has alleged that it is a ratepayer of PSE&G. To the extent Direct Energy and Centrica raise this issue out of an unfounded concern over potential harm to ratepayers, such a concern has no effect on either Direct Energy or Centrica, and neither is properly positioned to represent ratepayer interests in this proceeding. The interests of ratepayers will be adequately and amply represented by the New Jersey Division of Rate Counsel ("Rate Counsel").<sup>4</sup>

8. Direct Energy and Centrica's claims regarding the potential impact on private investment are similarly unavailing. While Direct Energy and Centrica allege that the Program "threatens to stymie the investment of private investment dollars" and will "push private investment in the energy storage and electric vehicle fields out of the market" (which it will not),<sup>5</sup> they do not set forth anywhere in their motion that either Direct Energy or Centrica has any concrete plans or commitments to make or receive any such private investment in energy technology in the State. Without more, these vague allegations are speculative and fall far short of the requirement that an intervenor "will be substantially, specifically or directly affected" by the proceeding, nor do they establish that either Direct Energy or Centrica has a "significant interest" to support participant status in this proceeding.

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<sup>&</sup>lt;sup>3</sup> Motion at ¶¶ 4, 27.

<sup>&</sup>lt;sup>4</sup> In re Pub. Serv. Elec. & Gas Co.'s Rate Unbundling, Stranded Costs and Restructuring Filings, 330 N.J. Super. 65, 122 (App. Div. 2000) (holding that a large customer was properly denied the intervenor status where "the BPU had the input of [Rate Counsel], which vigorously represents consumers of electricity in the State").

<sup>&</sup>lt;sup>5</sup> Motion at ¶¶ 22, 23.

"are best delivered by the competitive marketplace,"<sup>8</sup> but fails to provide any specific current or future plans, projects, or commitments related to energy storage in New Jersey. As such, Direct Energy and Centrica should not be permitted to intervene or participate in this proceeding based on competitive interests in energy storage.<sup>9</sup>

11. Finally, Direct Energy and Centrica allege that PSE&G's Petition is premature, "given that New Jersey's Clean Energy Law calls for the Board to conduct a study on energy storage."<sup>10</sup> As an initial matter, the Petition is not "premature." As stated in the Petition, it is reasonable and prudent for the Company to advance investment in regulated programs that will help New Jersey achieve its energy storage and electric vehicle goals.<sup>11</sup> The CEF-EVES Program represents an important step for the State to reach the aggressive goals for energy storage that are set forth in the Clean Energy Law (600 MW of energy storage by 2021 and 2,000 MW by 2030) and, with respect to the initial target, fast approaching.<sup>12</sup> The Program also supports environmentally beneficial economic development and job growth in the state consistent with New Jersey's stated goals, including those in the Clean Energy Law, the New Jersey Energy Master Plan, and other State initiatives. Further, the relationship between the Petition and the Clean Energy Law is entirely irrelevant to Direct Energy and Centrica's motion to intervene, as it does not establish any interest in the proceeding for either entity.

<sup>&</sup>lt;sup>8</sup> Motion at  $\P$  19.

<sup>&</sup>lt;sup>9</sup> In the alternative, should the Board determine that Centrica's energy storage business establishes a sufficient interest to grant intervenor status in this proceeding, PSE&G respectfully requests that such intervention be limited to the particular business interests established by Centrica in its motion to intervene: energy storage for non-residential customers. See Motion at ¶ 2 (stating that Centrica provides "localized energy solutions for businesses," which includes energy storage).

<sup>&</sup>lt;sup>10</sup> Motion at  $\P$  29.

<sup>&</sup>lt;sup>11</sup> Petition at  $\P$  8.

<sup>&</sup>lt;sup>12</sup> N.J.S.A. 48:3-87.8(d).

# **Certification of Service**

I hereby certify that on this date a copy of the foregoing response was served by electronic service on all parties set forth on the attached service list. I further certify that on this date two copies of this answer in opposition has been sent via Federal Express for filing to the Board of Public Utilities.

Dated: 11/23/18

Kim Bradshaw