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BOARD OF PUBLIC UTILITIES
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Rockland Electric Company

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BOARD OF PUBLIC UTILITIES
TRENTON, NJ

Margaret Comes
Associate Counsel
Law Department

January 10, 2019

VIA E-MAIL and OVERNIGHT MAIL

Honorable Aida Camacho
Secretary
State of New Jersey
Board of Public Utilities
44 South Clinton Avenue, 3rd Floor, Suite 314
Trenton, NJ 08625-0350

Re: In the Matter of Rockland Electric Company's Request For Deferred
Accounting Authority for Costs and Lost Revenue Related to Veterans'
Organizations Pursuant to N.J.S.A 48:2-21.41 and Associated Tariff
Changes
BPU Docket No. ER19010046

Dear Secretary Camacho:

Enclosed please find an original and eleven copies of Letter Petition and attached
documents for filing by Rockland Electric Company ("Rockland" or "Company) in the above
matter.

Enclosed in this filing are the following:

- This Letter Petition
- Attachment A – Proposed Tariff Leaves
- Attachment B - Proposed Application
- Attachment C – Proposed Questions and Answers

Rockland Electric Company

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CMS RPA
Legal S. Peterson
DAG Energy

Requested Relief in this Filing

The Company is seeking to modify its tariff to reflect changes to the requirements for Veterans' Organizations in accordance with *N.J.S.A 48:2-21.41* (also referred to as P.L.2018, c.77) ("Veterans Program"). Rockland encloses with this Letter Petition proposed revised Tariff Leaves (Attachment A). Also being submitted for approval is a proposed application form for Veterans' Organizations to complete in order to process the requests for the Veterans Program (Attachment B) and Questions and Answers for customers about the Veterans Program (Attachment C).

Proposed Costs and Recovery Mechanism

Currently, the Company has only a few potential Veterans Program applicants, and anticipates that any incremental administrative or IT costs will be minimal. The Company plans to implement the Veterans Program in-house with existing resources. In this filing, therefore, the Company is not seeking administrative or IT costs. In this filing, the Company is seeking authority to defer its lost revenues costs, as a result of the Veterans Program, and recover those deferred costs in Rockland's base rate cases. The Company also is seeking carrying charges on the deferred balances, calculated based on Rockland's weighted average cost of capital that was approved by the Board on February 22, 2017 in the Company's last base rate case, BPU Docket No. ER16050428. The Company reserves the right in the future to seek the recovery of additional incremental costs, such as administrative costs and/or IT costs, in a base rate case or through a different recovery mechanism, in the event the Company can no longer administer the Veterans Program with existing in-house resources.

Attached Tariff Leaves, Application, and Questions and Answers

The Company includes in this filing proposed Tariff Leaves, Application, and Questions and Answers for applicants. Specifically, the Company is implementing a Veterans' Organization Service Special Provision to Service Classification ("SC") No. 2, General Service ("Veterans' Organization Service"). As reflected in these attachments, each customer will be eligible for billing under the Company's Veterans' Organization Service by qualifying as a Veterans' Organization as defined by *N.J.S.A. 48:2-21.41* as "an organization dedicated to serving the needs of veterans of the armed forces that: is chartered under federal law, qualifies as a tax exempt organization under paragraph (19) of subsection (c) of section 501 of the federal Internal Revenue Code of 1986, 26 U.S.C. section 501 (c)(19), or that is organized as a corporation under the 'New Jersey Nonprofit Corporation Act,' N.J.S.15A:1-1 et seq."

As reflected in the Attachments to this filing, under the Company's Veterans' Organization Service, a qualified Veterans' Organization will be charged the residential rate for service delivered to the property where the Veterans' Organization primarily operates, if the residential rate is lower than the commercial rate for service at that property.

Applicants must furnish satisfactory proof of eligibility for the Company's Veterans' Organization Service, and proof of eligibility will require that the customer provide the documentation identified in the Application.

How the Company Intends to Calculate the Change in Rate for Eligible Customers

As set out in the Tariff Leaves, once proof of eligibility is determined by the Company, the Company will begin Veterans' Organization Service with the next billing cycle following

receipt of the Application.¹ The Company will annually review the eligible customer accounts. In the annual review, the Company will compare the Veterans' Organization's distribution charges under the Company's general residential service classification – SC No. 2 distribution charges. If the SC No. 1 distribution charges are lower than the SC No. 2 distribution charges during the review period, the Company will apply a credit to the Veterans' Organization's bill for distribution service in the amount of the difference between the two SCs.

Conclusion

The Company therefore requests the following:

1. Approval of the Company's proposed Tariff Leaves, Application, and Questions and Answers;
2. Approval of the Company's request to defer lost revenue costs to the Company's base rate case; and,
3. Such other relief that the Board deems just, reasonable, and necessary.

Respectfully,



Margaret Comes
Associate Counsel

Enclosures

c: Email Service List w/ paper copies to
New Jersey Rate Counsel

¹ The Company will apply the benefit retroactive to the first billing cycle that commences after the organization contacted the Company to inquire about the benefit before the Company's Application is approved by the Board. Rockland has been tracking the date Veterans' Organizations have contacted the Company before an Application was available.