

STATE OF NEW JERSEY

BOARD OF PUBLIC UTILITIES

In the Matter of the Petition of Public)
Service Electric and Gas Company for) **BPU Docket No. EO 18101115**
Approval of Its Clean Energy Future-Energy
Cloud (“CEF-EC”) On A Regulated Basis)

MOTION TO PARTICIPATE OF

AARP

AARP, a nonprofit, nonpartisan social welfare organization with a membership, including more than 1.3 million individuals residing in New Jersey, hereby moves to participate in the above-captioned proceeding pursuant to N.J.A.C. 1:1-16.3 (standards for intervention). In support of its motion, AARP states as follows:

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

Evelyn Liebman, State Director of Advocacy
AARP New Jersey State Office
303 George Street, Suite 505
New Brunswick, NJ 08901
Phone: 732-509-2117
Fax: 609-514-0341
Email: ELiebman@aarp.org

Janine G. Bauer, Esquire
Member NY, NJ, PA and FL Bars
Szaferman, Lakind, Blumstein, & Blader, P.C.
101 Grovers Mill Road, Suite 200
Lawrenceville, New Jersey 08648
Phone: (609) 275-0400 x 249
Fax: (609) 275-4511
Email: JBauer@szaferman.com

2. On October 11, 2018, Public Service Electric and Gas Company (“PSE&G”) filed a petition (Docket No. EO18101115) with the New Jersey Board of Public Utilities (“BPU”

or “Board”) seeking approval of its Clean Energy Future – Energy Cloud (“CEF-CE”) program on a regulated basis including Advanced Metering Infrastructure (“AMI”). In the EC-AMI Petition, PSE&G requested Board approval to implement a five (5) year program with an investment of approximately \$721 million, plus operation and maintenance (“O & M”) costs of \$73 million, to implement AMI throughout PSE&G’s electric service territory. If approved, this Petition would increase electric rates.

3. Specifically, PSE&G forecasted that the initial annual increase of \$5.52 for the typical residential customer (assuming 750 Kwh use in a summer month) during the first roll-in period. (PSE&G EC-AMI Petition at pp. 13-14, Para. 30.) Any ratepayer opting out of the AMI program will be charged \$20 per month for meter reading. PSE&G plans to install 2.2 million “smart” meters over the five year period of the AMI program.

4. This estimated \$5.52 increase would be achieved through a proposed cost recovery mechanism that would allow for semi-annual base rate adjustment filings. PSE&G also proposed that the following costs would be included in rates: “depreciation/amortization of the invested capital over its useful book life; return on net investment, where net investment is the capital expense less accumulated depreciation/amortization, less associated accumulated deferred income taxes; and the impact of any tax adjustments applicable to the CEF-EC Program.” (ECI-AMI Petition at p. 12, Para. 27.)

5. The Board accepted the Petition in 2018 and designated Commissioner Holden as the Presiding Officer. A Pre-Hearing Order including a schedule for public hearings and for evidentiary hearings before the Board on the issues to be resolved was entered on April 1, 2020. That Order also disposed of then-pending motions to intervene and to participate.

6. Pursuant to the standards set forth in N.J.A.C. 1:1-16.2, this motion by AARP to intervene as a participant is timely and neither PSE&G nor any other party will be prejudiced if the Board entertains this motion now. While other entities filed motions to intervene when this Petition was first filed, a moratorium was imposed on implementation of smart meter technology until after the Rockland & Orange Electric Company (“RECO”) test, subject to prudence review, under the Board’s 2017 RECO AMI Order (Docket No. ER16060524).

7. In considering a motion to intervene (the standard is the same for a motion to participate), the Board is required to consider the nature and extent of the moving party’s interest in the outcome of the case; whether the interest is sufficiently different from that of any other party so as to add measurably and constructively to the scope of the case, the prospect for confusion or delay; and other appropriate matters. N.J.A.C. 1:1-16.3(a).

WHEREFORE, in support of its motion to participate in this proceeding, and as further summarized below, AARP respectfully submits that all criteria for intervention set forth in N.J.A.C. 1:1-16.3 are met and there are ample reasons to grant AARP’s motion to participate in the above-captioned proceeding. Specifically:

A. AARP is a non-governmental, non-profit, and non-partisan organization whose interest is to protect the affordability, reliability, efficiency and safety of utility services for its NJ members who are concurrently residential ratepayers in the PSE&G electric service area aged 50 and over.

B. In New Jersey, AARP has 1.3 million members aged 50+ including hundreds of thousands of members residing within PSE&G’s electric service territory. Members of AARP purchase electricity from PSE&G and will be affected by the outcome of the above captioned proceeding;

C. AARP has sought, through its affordable utilities work, to guarantee that all residents in the state of New Jersey have access to safe, reliable, and affordable utility rates, advocating in particular for the needs of 50+ low, moderate and fixed-income ratepayers many of whom are AARP's members.

D. In 2011, AARP commissioned a survey designed to better gather information on the needs, interests and concerns of 50+ New Jerseyans and determined that over two-thirds of NJ 50+ adults have experienced a problem paying their household utilities.

E. AARP found that older adults are especially vulnerable to high utility prices, in part because they spend a far greater proportion of their income on home energy costs than younger households.

F. AARP also found that older people limit or do without food (15%), medical services (11%) and prescription medicine (11%) to pay for higher energy bills.

G. Based on the impact of higher rates and tariffs and mechanisms to recover other costs on individuals who are age 50+ and who are less likely to be able to increase their income to meet higher rates of service and costs, AARP's purpose in intervening in this proceeding is to represent the interest of its members aged 50+ who purchase gas and electric service from PSE&G and who stand to be directly affected and impacted monetarily by PSE&G's gas and electric service rates and tariffs.

H. AARP and its members have a substantial, direct and specific interest not represented by other parties to this proceeding, which interest is sufficiently different from that of any other party.

I. AARP's interests are unique from and not adequately or sufficiently represented by the Division of the Rate Counsel or any other party. Rate Counsel's statutory duty is to

represent all ratepayers whereas AARP represents the specific interests of its members who are age 50+ residential, many of whom live on fixed and limited household budgets.

J. N.J.A.C. 1:1-16.3(b) states that “In cases where one of the parties is a State agency authorized by law to represent the public interest in a case, no movant shall be denied intervention solely because the movant’s interest may be represented in part by said State agency.”

K. AARP’s members’ interests are substantially different from those of any other parties including Rate Counsel in this proceeding.

L. AARP will add measurably and constructively to the scope of the case because of its policy expertise, the experience of its counsel and professional staff, by helping the fact finder to achieve a fair, balanced and informed examination of the issues presented by PSE&G’s petition and the impact of those rates, tariffs, depreciation rates and cost recovery mechanisms on ratepayers age 50+ particularly low, moderate and fixed income ratepayers.

M. AARP will not confuse or delay the proceeding if the motion for intervention is granted.

N. AARP has actively participated in numerous electric and gas energy proceedings including base rate cases, infrastructure investment and modernization cases, and storm cost recovery-related proceedings as well as those related to future mitigation. AARP has also been granted intervenor status recently in telephone and water utility cases.

O. AARP was granted intervenor status in PSE&G’s initial Energy Strong (I) proceeding and participated at trial, cross-examining witnesses and offering direct testimony, AARP was also a party to the Board-approved settlement in that matter. See NJBPU Docket Nos. EO13020155 and GO13020156. AARP was also granted intervenor status in PSE&G’s

Energy Strong II Petition (Docket Nos. EO18060629 and GO18060630). The current petition is filed, in part, pursuant to the terms of the Board-approved settlement of PSE&G's Energy Strong proceeding.

P. AARP was also granted intervenor status in PSE&G's Gas System Modernization and GSMP II programs (Docket No. GR17070776), and PSE&G's 2018 Base Rate Case (Docket No. ER18010029 and GR18010030; OAL Docket No. PUC 01151-18).

Q. AARP has also actively participated in energy policy proceedings including the State's Energy Master Plan, legislative initiatives leading to and following the adoption of the Electric Discount & Energy Competition Act of 1999 (EDECA), and numerous deregulation and/or energy proceedings before the BPU and/or the state legislature.

R. AARP is an active participant in the BPU's New Jersey Energy Transition proceeding established pursuant to P.L. 2018, c. 16 (C.48:3-87.8 et al.) ("Act").

S. Since 1998 AARP has advocated for and actively participated in the establishment of New Jersey's Universal Service Fund ("USF") to provide affordable utility rates for low and fixed-income consumers, a program which became operational in 2003 and is now a model for the nation (BPU Docket No. EX0002091).

T. AARP is a member of the BPU's USF Working Group and continues in its efforts to make the program fully operational and accessible to all eligible ratepayers.

U. Considering AARP's history of both federal and state advocacy in support of affordable, safe and reliable utility services as well as AARP's intervention in past proceedings including PSE&G's Energy Strong and Gas Modernization proceedings, participation in legislative proceedings leading to and following the adoption of the Electric Discount & Energy Competition Act of 1999 (EDECA), our work to establish the USF, and our participation in the

Energy Master Plan process, AARP holds a unique perspective and insight regarding the impact on older individuals especially those with lower- and fixed-incomes of an increase in electric rates.

V. Fundamental fairness to older ratepayers and due process considerations militate in favor of allowing AARP an opportunity to participate in this proceeding.

W. Notwithstanding its unique interests, where it is possible and practical for it to do so, AARP will endeavor to work cooperatively with other parties in this proceeding in the interests of administrative efficiency and economy, and will not cause any delay.

X. For the foregoing reasons, and because PSE&G's electric rates and proposed \$20 per month meter reading charge (if the consumer does not opt in to the installation of a smart meter) will affect the quality of the lives of our members, AARP has a direct, substantial, specific and immediate interest in the outcome of this proceeding that cannot be adequately represented by any other party.

WHEREFORE, pursuant to N.J.A.C. 1:1-16.3, AARP respectfully requests that it be permitted to intervene in this proceeding, with full procedural and substantive rights including discovery, and participation in the hearing including oral argument, cross-examination of witnesses and the filing of briefs and exceptions to the initial decision, in this proceeding.

Respectfully submitted,

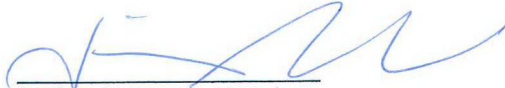


Janine G. Bauer, Esquire
Member NY, NJ, PA and FL Bars
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101 Grovers Mill Road, Suite 200
Lawrenceville, New Jersey 08648
Tel.: (609) 275-0400 x 249
Fax: (609) 275-4511
Email: JBauer@szaferman.com

CERTIFICATION OF SERVICE

I hereby certify that I have this day served by electronic mail a copy of the foregoing Motion to Intervene on all parties set forth on the attached service list.

Dated at Lawrenceville, New Jersey on this 13 th day of May, 2020.



Janine G. Bauer, Esquire
Member NY, NJ, PA and FL Bars
Szaferman, Lakind, Blumstein, & Blader, P.C.
101 Grovers Mill Road, Suite 200
Lawrenceville, New Jersey 08648
Phone: (609) 275-0400 x 249
Fax: (609) 275-4511
Email: JBauer@szaferman.com

CERTIFICATION

1. I am the New Jersey State Director of Advocacy for AARP.
2. I have read the contents of the foregoing Motion and hereby certify that the statements therein contained are true and accurate to the best of my knowledge.



Evelyn Liebman, New Jersey State Director of Advocacy
AARP

DATED: May 12, 2020