

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

IN THE MATTER OF THE)	
IMPLEMENTATION OF <u>L. 2018, c. 17</u>)	
REGARDING THE ESTABLISHMENT)	DOCKET NO. QO19010040
OF ENERGY EFFICIENCY AND PEAK)	
DEMAND REDUCTION PROGRAMS)	
)	
)	
IN THE MATTER OF THE PETITION)	DOCKET NO. EO20090623
OF ROCKLAND ELECTRIC)	
COMPANY FOR APPROVAL OF ITS)	STIPULATION EXTENDING
ENERGY EFFICIENCY AND PEAK)	180-DAY REVIEW PERIOD
DEMAND REDUCTION PROGRAMS)	

APPEARANCES:

Margaret Comes, Esq., on the Petitioner, Rockland Electric Company;

Brian O. Lipman, Esq., Litigation Manager, **Felicia Thomas-Friel, Esq.**, Deputy Rate Counsel, **Kurt S. Lewandowski, Esq.**, **Sarah H. Steindel, Esq.**, and **Maura Caroselli, Esq.**, Assistant Deputy Rate Counsels, New Jersey Division of Rate Counsel (**Stefanie A. Brand, Esq.**, Director);

Brandon Simmons, Deputy Attorney General, for the Staff of the New Jersey Board of Public Utilities (**Gurbir S. Grewal**, Attorney General of New Jersey);

Nathan Howe, Esq., K&L Gates LLP on behalf of Intervenor, the Energy Efficiency Alliance of New Jersey;

TO THE HONORABLE PRESIDENT JOSEPH L. FIORDALISO

It is hereby AGREED, by and among Rockland Electric Company (“Rockland” or “Company”), the Staff of the New Jersey Board of Public Utilities (“Staff”), the New Jersey Division of Rate Counsel (“Rate Counsel”), and Energy Efficiency Alliance of New Jersey (“EEANJ”) (collectively, “Parties”) to execute this Stipulation Extending 180-Day Review Period (“Stipulation”), for Board approval of Rockland’s Verified Petition for Approval of Its Energy

Efficiency (“EE”) and Peak Demand Reduction (“PDR”) Programs in Docket Nos. QO19010040 and EO20090623.

The Parties do hereby join in recommending that President Joseph L. Fiordaliso issue an appropriate Order approving this Stipulation as set forth herein.

BACKGROUND

On January 13, 2008, L. 2007, c. 340 (“RGGI Act”) was signed into law based on the New Jersey Legislature’s findings that EE and conservation measures must be essential elements of the State’s energy future and that greater reliance on EE and conservation will provide significant benefits to the citizens of New Jersey. The Legislature also found that public utility involvement and competition in the conservation and EE industries are essential to maximize efficiencies.

Pursuant to Section 13 of the RGGI Act, codified in part as N.J.S.A. 48:3-98.1(a)(1), an electric or gas public utility (“utility” or collectively, “utilities”) may provide and invest in EE and conservation programs in its service territory on a regulated basis. Upon petition, such investment in EE and conservation programs may be eligible for rate treatment approved by the Board, including a return on equity, or other incentives or rate mechanisms, including those that decouple utility revenues from the sales of electricity. N.J.S.A. 48:3-98.1(b). Ratemaking treatment may include placing appropriate technology and program costs in the utility’s rate base or recovering the utility’s technology and program costs through another ratemaking methodology approved by the Board.

On May 23, 2018, Governor Murphy signed the Clean Energy Act (“CEA”) into law.¹ The CEA builds upon the RGGI Act by employing clean energy strategies and establishing aggressive energy reduction requirements with the goal of improving public health by ensuring a cleaner

¹ The CEA, L. 2018, c. 17, is codified as N.J.S.A. 48:3-87.8 *et seq.*

environment for current and future New Jersey residents. Specifically, the CEA requires that each utility implement EE measures that “achieve annual reductions in the use of electricity of two percent of the average annual usage in the prior three years within five years of implementation of its electric energy efficiency program” and “annual reductions in the use of natural gas of 0.75 percent of the average annual usage in the prior three years within five years of implementation of its gas energy efficiency program.”²

By Order dated June 10, 2020, the Board approved an EE transition framework for EE programs to be implemented pursuant to the CEA, including requirements for the utilities to establish programs that reduce the use of electricity and natural gas within their territories.³ In the June 2020 Order, the Board directed the utilities to file petitions proposing three (3)-year programs by September 25, 2020, for approval by the Board by May 1, 2021 and implementation beginning July 1, 2021.

By Order dated September 23, 2020, the Board determined that RECO’s petition should be retained by the Board for hearing and, pursuant to N.J.S.A. 48:2-32, designated President Joseph L. Fiordaliso as the presiding commissioner authorized to rule on all motions that arise during the pendency of the proceeding and modify any schedules that may be set as necessary to secure a just and expeditious determination of the issues.⁴

On September 25, 2020, RECO filed its petition proposing a portfolio of EE and PDR programs targeted at the Company’s residential, commercial and industrial (“C&I”), and multi-

² See CEA, Sections 3(a) and (e)(1).

³ See In re the Implementation of P.L. 2018, c. 17 Regarding the Establishment of Energy Efficiency and Peak Demand Reduction Programs, BPU Docket Nos. QO19010040, QO19060748, and QO17091004, Order dated June 10, 2020 (“June 2020 Order”).

⁴ In re the Implementation of P.L. 2018, c. 17 Regarding the Establishment of Energy Efficiency and Peak Demand Reduction Programs, BPU Docket No. QO19010040, Order dated September 23, 2020.

family customer sectors at a cost of approximately \$18,009,216 over the three-year implementation period beginning July 1, 2021 through June 30, 2024 (“EE Program”) (“September 25 Petition”).

On October 16, 2020, Staff issued a letter of administrative deficiency to the Company. In response to the letter, the Company made a supplemental filing on November 2, 2020. On November 5, 2020, Staff notified RECO that, with the submission of the supplemental filing, the petition was deemed administratively complete and that the 180-day administrative review period commenced on November 2, 2020. The 180-day review period therefore ends on May 1, 2021.

President Fiordaliso issued a Prehearing Order on December 9, 2020 that established the issues to be determined by the Board, set forth a procedural schedule, granted intervener status to EEANJ, and granted participant status to the remaining movants.⁵

STIPULATED MATTERS

Based upon the current status of settlement negotiations, the Parties hereby agree that the 180-day review period is extended from May 1, 2021 to June 30, 2021.

CONCLUSION

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 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 President Joseph L. Fiordaliso, then any Party hereto is free to pursue

⁵ Participant status was granted to Atlantic City Electric Company, Jersey Central Power & Light Company, Public Service Electric and Gas Company, New Jersey Natural Gas Company, Elizabethtown Gas Company, and South Jersey Gas Company.

its then available legal remedies with respect to all issues addressed in this Stipulation as though this Stipulation had not been signed.

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

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

Except as expressly provided herein, the Parties 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 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 Parties hereto do respectfully submit this Stipulation and request that President Joseph L. Fiordaliso issue an appropriate Order approving it in its entirety, in accordance with the terms hereof.


ROCKLAND ELECTRIC COMPANY

Dated: April 26, 2021

By: Margaret Comes
Margaret Comes
Associate Counsel

GURBIR S. GREWAL
ATTORNEY GENERAL OF NEW JERSEY
Attorney for the Staff of the
New Jersey Board of Public Utilities

Dated: April 26, 2021

By: 
Brandon Simmons
Deputy Attorney General

DIVISION OF RATE COUNSEL
STEFANIE A. BRAND, DIRECTOR

Dated: April 26, 2021

By: Maura Caroselli
~~Brian O. Lipman, Esq.~~ Maura Caroselli, Esq.
~~Litigation Manager~~ Assistant Deputy Rate Counsel

Dated: April __, 2021

By: _____
Nathan Howe, Esq.,
K&L Gates LLP on behalf of Intervenor, the
Energy Efficiency Alliance of NJ

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ROCKLAND ELECTRIC COMPANY

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Margaret Comes
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GURBIR S. GREWAL
ATTORNEY GENERAL OF NEW JERSEY
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Brandon Simmons
Deputy Attorney General

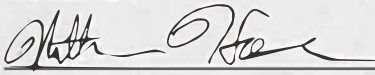
DIVISION OF RATE COUNSEL
STEFANIE A. BRAND, DIRECTOR

Dated: April __, 2021

By: _____
Brian O. Lipman, Esq.
Litigation Manager

**ENERGY EFFICIENCY ALLIANCE OF
NEW JERSEY**

Dated: April 26, 2021

By:  _____
Nathan Howe, Esq.,
K&L Gates LLP on behalf of Intervenor, the
Energy Efficiency Alliance of NJ