



STATE OF NEW JERSEY
Board of Public Utilities
44 S. Clinton Avenue, 9th Floor
Post Office Box 350
Trenton, NJ 08625-0350
www.nj.gov/bpu/

DIVISION OF ENERGY AND
OFFICE OF CLEAN ENERGY

IN THE MATTER OF THE PETITION OF PIVOTAL) ORDER DESIGNATING
UTILITY HOLDINGS, INC. D/B/A ELIZABETHTOWN) COMMISSIONER
GAS COMPANY FOR AUTHORITY TO EXTEND THE)
TERM OF ENERGY EFFICIENCY PROGRAMS WITH)
CERTAIN MODIFICATIONS AND APPROVAL OF)
ASSOCIATED COST RECOVERY) DOCKET NO. GO11070399

(NOTIFICATION LIST ATTACHED)

Kenneth T. Maloney, Esq., Deborah M. Franco, Esq., Cullen and Dykman LLP, Attorney for the Petitioner, Elizabethtown Gas Company
Stefanie A. Brand, Esq., Director, Division of Rate Counsel ()

BY THE BOARD:

BACKGROUND AND PROCEDURAL HISTORY

On January 13, 2008, L. 2007, c. 340 ("Act") was signed into law by former Governor Corzine based on the New Jersey Legislature's findings that energy efficiency and conservation measures must be essential elements of the State's energy future, and that greater reliance on energy efficiency 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 energy efficiency industries are essential to maximize efficiencies. N.J.S.A. 26:2C-45.

Pursuant to Section 13 of the Act, codified as N.J.S.A. 48:3-98.1 (a)(1), an electric or gas public utility may, among other things, provide and invest in energy efficiency and conservation programs in its service territory on a regulated basis. Such investment in energy efficiency and conservation programs may be eligible for rate treatment approved by the New Jersey Board of Public Utilities ("Board"), including a return on equity, or other incentives or rate mechanisms that decouple utility revenue from sales of electricity and gas. N.J.S.A. 48:3-98.1(b). Ratemaking treatment may include placing appropriate technology and program cost investments in the utility's rate base, or recovering the utility's technology and program costs through another ratemaking methodology approved by the Board. An electric or gas public utility

seeking cost recovery for any energy efficiency and conservation programs pursuant to N.J.S.A. 48:3-98.1 must file a petition with the Board.

On August 3, 2009, the Board authorized Elizabethtown Gas Company ("ETG" or "Company") to implement six energy efficiency programs: 1) Whole House Energy Efficiency 2) Residential Expanded Gas Heating Ventilation and Air Conditioning ("HVAC") and Gas Hot Water Heater Incentive; 3) Small Commercial Customer Energy Efficiency; 4) Large Commercial Customer Energy Efficiency; 5) Combined Heat and Power; and 6) Gas Cooling. ("EE Programs").¹ The programs were designed to complement or supplement existing New Jersey Clean Energy Program ("NJCEP") offerings. The EE Programs were to be available to eligible customers for approximately seventeen months.

By Order dated January 19, 2011, the Board authorized ETG to extend the term of its EE Programs for a one year period ending on December 31, 2011.²

July 2011 Filing

On July 1, 2011, ETG filed the instant petition with the Board. On July 25, 2011, Board Staff notified ETG that the filing was administratively complete.³

In the petition, ETG requested authorization to extend the term of the Company's EE Programs for a three-year period commencing on January 1, 2012 and ending on December 31, 2014, under terms and conditions substantially similar to those approved in the August 3, 2009 and January 19, 2011 Orders with certain limited modifications. The proposed annual amount budgeted for the EE Programs for each year is approximately \$5.6 million. The budgeted amounts are based on projected expenditures for program investments and associated operations and maintenance and labor expenses, which ETG proposes to recover through the proposed revisions to the EEP Rider Surcharge rate.

DISCUSSION

The Board has determined that the petition described above should be retained by the Board for hearing and, pursuant to N.J.S.A. 48:2-32, **HEREBY DESIGNATES** Commissioner Nicholas Asselta as the presiding officer who is authorized to rule on all motions that arise during the pendency of these proceedings and modify any schedules that may be set as necessary to secure a just and expeditious determination of the issues.

¹ I/M/O the Petition of Pivotal Holdings, Inc. d/b/a Elizabethtown Gas for Approval of Energy Efficiency Programs and a Regional Greenhouse Gas Initiative Cost Recovery Rider, BPU Docket No. GO09010060 (August 3, 2009).

² I/M/O the Petition of Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas for Authority to Extend the Term of Energy Efficiency Programs with Certain Modifications and Approval of Associated Cost Recovery Mechanisms and Deferral Accounting Treatment, BPU Docket No. GO10100735 (January 19, 2011).

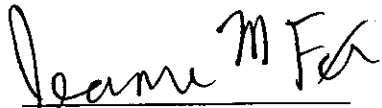
³ N.J.S.A. 48: 3-98.1 requires the Board to decide cost recovery issues within 180 days. Pursuant to the Board Order issued in response to a further statutory directive within that section, Board Staff must review a petition for completeness within 30 days and, when a petition is determined to be complete, set the beginning of the 180-day period. I/M/O Electric Public Utilities and Gas Public Utilities Offering Energy Efficiency and Conservation Programs, Investing in Class I Renewable Energy Resources, and Offering Class I Renewable Energy Programs in their Respective Service Territories on a Regulated Basis Pursuant to N.J.S.A. 48:3-98.1, Dkt. No. EO08030164 (May 8, 2008). Accordingly, the 180-day for a Board determination commenced on July 1, 2011.

The Board **HEREBY DIRECTS** Staff to post this Order on the Board's website.

DATED: 9/22/11


BOARD OF PUBLIC UTILITIES
BY:


LEE A. SOLOMON
PRESIDENT


JEANNE M. FOX
COMMISSIONER


JOSEPH L. FIORDALISO
COMMISSIONER


NICHOLAS ASSELTA
COMMISSIONER

ATTEST: 
KRISTI IZZO
SECRETARY

I HEREBY CERTIFY that the within document is a true copy of the original in the files of the Board of Public Utilities



In the Matter of the Petition of Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas for Authority
to Extend the Term of Energy Efficiency programs with Certain Modifications and Approval of
Associated Cost Recovery
DOCKET NO. GO11070399

NOTIFICATION LIST

BOARD OF PUBLIC UTILITIES		
Jerome May Board of Public Utilities 44 S. Clinton Avenue, 9 th Floor P.O. Box 350 Trenton, NJ 08625-0350	Alice Bator Board of Public Utilities 44 S. Clinton Avenue, 9 th Floor P.O. Box 350 Trenton, NJ 08625-0350	Michael Winka Board of Public Utilities 44 S. Clinton Avenue, 9 th Floor P.O. Box 350 Trenton, NJ 08625-0350
Stacy Peterson Board of Public Utilities 44 S. Clinton Avenue, 9 th Floor P.O. Box 350 Trenton, NJ 08625-0350	Mona Mosser Board of Public Utilities 44 S. Clinton Street P.O. Box 350 Trenton, NJ 08625	Eloisa Flores Board of Public Utilities 44 S. Clinton Avenue, 9 th Floor P.O. Box 350 Trenton, NJ 08625-0350
Elizabeth Teng Board of Public Utilities 44 S. Clinton Avenue, 9 th Floor P.O. Box 350 Trenton, NJ 08625-0350	Sharon Wolfe Board of Public Utilities 44 S. Clinton Avenue, 9 th Floor P.O. Box 350 Trenton, NJ 08625-0350	Kristi Izzo, Secretary Board of Public Utilities 44 S. Clinton Avenue, 9 th Floor P.O. Box 350 Trenton, NJ 08625-0350
DIVISION OF RATE COUNSEL		
Stefanie A. Brand, Esq. Division of Rate Counsel 31 Clinton Street, 11 th Floor P.O. Box 46005 Newark, NJ 07101	Paul Flanagan, Esq. Division of Rate Counsel 31 Clinton Street, 11 th Floor P.O. Box 46005 Newark, NJ 07101	Felicia Thomas-Friel, Esq. Division of Rate Counsel 31 Clinton Street, 11 th Floor P.O. Box 46005 Newark, NJ 07101
Kurt Lewandowski, Esq. Division of Rate Counsel 31 Clinton Street, 11 th Floor P.O. Box 46005 Newark, NJ 07101	Christine Juarez, Esq. Division of Rate Counsel 31 Clinton Street, 11 th Floor P.O. Box 46005 Newark, NJ 07101	
DEPARTMENT OF LAW & PUBLIC SAFETY		
Caroline Vachier, DAG Division of Law 124 Halsey Street, 5 th Floor P.O. Box 45029 Newark, NJ 07101	Babette Tenzer, DAG Division of Law 124 Halsey Street, 5 th Floor P.O. Box 45029 Newark, NJ 07101	Alex Moreau, DAG Division of Law 124 Halsey Street, 5 th Floor P.O.Box 45029 Newark, NJ 07101

ETG		
<p>Kenneth T. Maloney Cullen and Dykman LLP 1101 Fourteenth St., N.W. Suite 550 Washington, DC 20005</p>	<p>Deborah M. Franco Cullen and Dykman LLP 100 Quentin Roosevelt Blvd. Garden City, New York 11530-4850</p>	<p>Mary Patricia Keefe Director, Regulatory Affairs Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas 300 Connell Drive, Suite 3000 Berkeley Heights, NJ 07922</p>
<p>Elizabeth Wade AGL Resources Ten Peachtree Place Atlanta, GA 30309</p>		