

Agenda Date: 4/23/14 Agenda Item: IIB

ENERGY

STATE OF NEW JERSEY

Board of Public Utilities 44 South Clinton Avenue, 9th Floor Post Office Box 350 Trenton, New Jersey 08625-0350

www.nj.gov/bpu/

IN THE MATTER OF THE VERIFIED PETITION OF)	ORDER FURTHER SUSPENDING
ROCKLAND ELECTRIC COMPANY FOR APPROVAL)	INCREASES, CHANGES OR
OF CHANGES IN ELECTRIC RATES, ITS TARIFF FOR)	ALTERATIONS IN RATES FOR
ELECTRIC SERVICE, AND ITS DEPRECIATION)	SERVICE
RATES; TERMINATION OF THE SMART GRID)	
SURCHARGE; ESTABLISHMENT OF A STORM)	
HARDENING SURCHARGE; AND FOR OTHER)	
RELIEF)	BPU DOCKET NO. ER13111135

Parties of Record:

James C. Meyer, Esq., on behalf of Rockland Electric Company Stefanie A. Brand, Esq., Director, Division of Rate Counsel

BY THE BOARD:

On November 27, 2013, pursuant to N.J.S.A. 48:2-21 and N.J.S.A. 48:2-21.1, Rockland Electric Company ("Petitioner" or "Rockland Electric"), a public utility of the State of New Jersey subject to the jurisdiction of the New Jersey Board of Public Utilities ("Board"), filed a petition for approval of an increase in its operating revenues of approximately \$19.3 million or 7.6% to be effective for electric service provided on or after January 1, 2014, as well as for certain other tariff changes and changes in its depreciation rates. The petition further requests approval from the Board to terminate the Smart Grid surcharge and to establish a storm hardening surcharge, among other relief. According to the petition, the primary reasons for the requested increase are the ongoing increased carrying costs for investments made since the Petitioner's base rates were last adjusted, coupled with new infrastructure investments, increases in the cost of labor and materials, and increases in the costs to provide health care and retiree pensions and other post-employment benefits. The Petitioner is also seeking recovery for incurred and deferred significant costs relating to Hurricane Irene, the October 2011 snow storm and Superstorm Sandy.

On December 9, 2014, the Board transmitted this matter to the Office of Administrative Law ("OAL") for hearings, and on March 19, 2014, the Board issued an Order suspending the proposed rates until May 1, 2014.

In light of the fact that this matter will not be completed by May 1, 2014, and it appearing that the proposed revisions will increase existing rates and change or alter existing classifications in Company's tariff, it is **HEREBY ORDERED** that:

- (1) Pursuant to N.J.S.A. 48:2-21 (d), the proposed revisions are further suspended until September 1, 2014, unless prior to that date the Board makes a determination disposing of the petition or enters an Order further suspending the proposed revisions;
- (2) Petitioner shall, at least ten (10) days prior to the date set for hearing on the petition by the Office of Administrative Law, file with this Board and with the Office of Administrative Law, proof of compliance with the notice provisions of N.J.S.A. 48:2-32.2 and N.J.A.C. 14:1-5.12 (b) and (c), which notice shall include a statement that any relief found by the Board to be just and reasonable may be allocated by the Board to any class or classes of customers on any rate or schedule as the Board may determine; and
- (3) Petitioner shall, unless it has already done so, at the same time it files with the Board proof of compliance with notice required under (2) above, also file proof of service of copies of this Order upon the Office of Administrative Law, Division of the Rate Counsel, the clerks of each affected municipality, the clerks of the Boards of Chosen Freeholders of each affected County, and where appropriate, the executive officer of each affected County within its service area. Service of the petition, notice of hearings and this Suspension Order may be made simultaneously.

This Order shall be effective on May 2, 2014.

. M. For

DATED: 4/24/14

BOARD OF PUBLIC UTILITIES BY:

PRESIDENT

JEANNE M. FOX COMMISSIONER JOSEPH L. FIORDALISO

COMMISSIONER

COMMISSIONER

ATTEST:

KRISTI IZZO SECRETARY I HEREBY CERTIFY that I

IN THE MATTER OF THE VERIFIED PETITION OF ROCKLAND ELECTRIC COMPANY FOR APPROVAL OF CHANGES IN ELECTRIC RATES, ITS TARIFF FOR ELECTRIC SERVICE, AND ITS DEPRECIATION RATES; TERMINATION OF THE SMART GRID SURCHARGE; ESTABLISHMENT OF A STORM HARDENING SURCHARGE; AND FOR OTHER RELIEF BPU DOCKET NO. ER13111135

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