



Robert Hanna
President

Jeanne M. Fox
Commissioner

Joseph L. Fiordaliso
Commissioner

Nicholas V. Asselta
Commissioner

Mary-Anna Holden
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Michael Winka, Director
Office of Clean Energy

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State of New Jersey
Board of Public Utilities
44 South Clinton Avenue
P.O. Box 350
Trenton, NJ 08625-0350

August 31, 2012

Matthew M. Weissman
General Regulatory Counsel- Rates
PSEG Services Corporation
80 Park Plaza- T5
Newark, New Jersey 07102-4194

Re: In the Matter of the Petition of Public Service Electric and Gas Company for Approval of a Solar Loan III Program and an Associated Cost Recovery Mechanism and for Changes in the Tariff for Electric Service, B.P.U.N.J. No. 15 Electric Pursuant to N.J.S.A. 48:2-21, 48:2-21.1 and N.J.S.A. 48:3-98.1
BPU Docket No. EO12080726

Dear Mr. Weissman:

I am writing in response to the above-referenced petition ("Petition"), which Public Service Electric and Gas Company ("PSE&G" or "Company") filed with the New Jersey Board of Public Utilities ("Board") on August 1, 2012.

As established in the Board Order dated May 12, 2008 in Docket No. E008030164 ("May 12 Order")¹, the minimum filing requirements in Appendix A may be modified by Board Staff "as determined on a case-by-case basis if public policy considerations deem specific requirements unnecessary or onerous for a particular program or class of programs. The modification of the minimum filing requirements for a particular petition shall not preclude a subsequent request being made for the information." See May 12 Order at 4.

Under the terms of the Board Order dated May 23, 2012 in Docket No. EO11050311V², the Board authorized an extension of the electric distribution companies' solar renewable energy certificate ("SREC") financing programs based on its determination that these programs deliver benefits to the State and fairly balance the desire to maintain a healthy solar industry in the State with the desire to minimize costs to ratepayers. Order at 28. The Board's direction was the culmination of an extensive stakeholder process, and resulted in the current filing by the Company, after the Company's required 30 day meeting. Accordingly, Board Staff amends the filing requirements of the May 12 Order to waive any filing deficiencies that may be present in the Petition without precluding subsequent request for any information.

¹ In re Electric Public Utilities and Gas Public Utilities Offering Energy Efficiency and Conservation Programs, Investing in Class I Renewable Energy Resources, and Offer in Class I Renewable Energy Programs in Their Respective Service Territories on a Regulated Basis Pursuant to N.J.S.A. 48:3-98.1, BPU Dkt. No. EO08030164.


² In re the Review of Utility Supported Solar Programs, BPU Dkt. No. EO11050311V.

N.J.S.A. 48:3-98.1(b) provides the Board with 180 days to approve, modify, or deny PSE&G's requested recovery of costs for the above-referenced program. As stated in the May 12 Order, in the event Board Staff notifies the utility that the petition is complete as filed, the 180 day period for the Board to approve, modify or deny the petition will commence on the date that the petition was filed.

Pursuant to the May 12 Order, PSE&G should contact the parties, including the Attorney General's Office, to determine a schedule so that the Board will be in a position to issue an order in the matter approving, modifying, or denying the requested program and cost recovery mechanism within 180 days of the petition's completed filing as provided by N.J.S.A. 48:3-98.1(c).

Should you have any questions, please contact my office.

Sincerely,

A handwritten signature in cursive script that reads "Michael Winka" followed by a stylized monogram "sp".

Michael Winka, Director
Office of Clean Energy

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Matthew M. Weissman
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Newark, New Jersey 07102-4194

Re: In the Matter of the Petition of Public Service Electric and Gas Company for Approval of Extension of a Solar Generation Investment Program and Associated Cost Recovery Mechanism and for Changes in the Tariff for Electric Service, B.P.U.N.J. No. 15 Electric Pursuant to N.J.S.A. 48:2-21, 48:2-21.1 and N.J.S.A. 48:3-98.1
BPU Docket No. EO12080721

Dear Mr. Weissman:


I am writing in response to the above-referenced petition, which was filed with the Secretary of the New Jersey Board of Public Utilities ("Board") on August 1, 2012.

Board Staff has reviewed the petition for completeness in accordance with the Board's May 12, 2008 Order in Docket No. EO08030164 ("May 12 Order") and determined that it is not administratively complete. I enclose for your information a list of the deficiencies in the petition, and the items required to remedy the deficiencies.

N.J.S.A. 48:3-98.1(b) provides the Board with 180 days to approve, modify, or deny PSE&G's requested recovery of costs for the above-referenced program. As stated in the Board's May 12, 2008 Order, the 180-day review period will commence on the last filing date of the remediation of all deficiencies.

In the interest of avoiding any unnecessary delay in the Board's review of the petition, please contact me at your earliest convenience if you have any questions as to how the deficiencies can be remedied.

Sincerely,


Michael Winka, Director
Office of Clean Energy

General Filing Requirements:

- (e) *For any small scale or pilot program, the utility shall only be subjected to the requirements of this Section and Sections II, III, and IV. The utility shall, however, provide its estimates of costs and list of data it intends to collect in a subsequent review of the benefits of the program. Information in Section V may be required for pilot and small programs if such programs are particularly large or complex. A "small scale" project is defined as one that would result in either a rate increase of less than a half of one percent of the average residential customer's bill or an additional annual total revenue requirement of less than \$5 million. A pilot program shall be no longer than three years, but can be extended under appropriate circumstances.*

Board Staff believes that this filing is large and complex and therefore the information in Section V is required for this filing.

Program Description Requirements:

- (f) *The utility shall provide the features and benefits for each proposed program including the following: (1) the target market and customer eligibility if incentives are to be offered; (2) the program offering and customer incentives; (3) the quality control method including inspection; (4) program administration; and (5) program delivery mechanisms.*

The filing lacks an adequate description of quality control methods to be used.

- (g) *The utility shall provide the criteria upon which it chose the program.*

There is no description of the criteria used to choose the market segments proposed in the program. The filing lacks an analysis of the need for this program in the solar market.

- (h) *The utility shall provide the estimated program costs by the following categories: administrative (all utility costs), marketing/sales, training, rebates/incentives including inspections and quality control, program implementation (all contract costs) and evaluation and other.*

The filing lacks a detailed breakdown of the requested information. Please provide.

- (j) *In the event the program contemplates an agreement between the utility and its contractors and/or the utility and its ratepayers, copies of the proposed standard contract or agreement between the ratepayer and the utility, the contractor and the utility, and/or the contractor and the ratepayer shall be provided.*

No draft documents were provided. Please submit all contemplated contracts/agreements.