



Agenda Date: 12/19/12  
Agenda Item: 2H

**STATE OF NEW JERSEY**  
**Board of Public Utilities**  
44 South Clinton Avenue, 9<sup>th</sup> Floor  
Post Office Box 350  
Trenton, New Jersey 08625-0350  
[www.nj.gov/bpu/](http://www.nj.gov/bpu/)

ENERGY

IN THE MATTER OF THE PETITION OF PUBLIC )  
SERVICE ELECTRIC AND GAS COMPANY FOR )  
APPROVAL OF AN EXTENSION OF THE ELECTRIC )  
CAPITAL ECONOMIC STIMULUS INFRASTRUCTURE )  
INVESTMENT PROGRAM AND ASSOCIATED COST )  
RECOVERY MECHANISM; AND TO ROLL INTO RATE )  
BASE THE NET CAPITAL INVESTMENT FOR ALL THE )  
QUALIFYING PROJECTS FROM THE INITIAL )  
CAPITAL ECONOMIC STIMULUS INFRASTRUCTURE )  
INVESTMENT PROGRAM UPON COMPLETION )  
PURSUANT TO N.J.S.A. 48:2-23, 48:2-21 AND 48:2- )  
21.2 AND FOR CHANGES IN THE TARIFF FOR )  
ELECTRIC SERVICE, B.P.U.N.J NO. 15 ELECTRIC, )  
AND THE TARIFF FOR GAS SERVICE, B.P.U.N.J. NO. )  
15 GAS PURSUANT TO N.J.S.A. 48:2-21 )  
DOCKET NO. EO11020088

IN THE MATTER OF THE PETITION OF PUBLIC )  
SERVICE ELECTRIC AND GAS COMPANY FOR )  
APPROVAL OF AN EXTENSION OF THE GAS )  
CAPITAL ECONOMIC STIMULUS INFRASTRUCTURE )  
INVESTMENT PROGRAM AND ASSOCIATED COST )  
RECOVERY MECHANISM; AND TO ROLL INTO RATE )  
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ELECTRIC SERVICE, B.P.U.N.J NO. 15 ELECTRIC, )  
AND THE TARIFF FOR GAS SERVICE, B.P.U.N.J. NO. )  
15 GAS, PURSUANT TO N.J.S.A. 48:2-21 )  
DOCKET NO. GO10110862

**Parties of Record:**

**Stefanie A. Brand, Esq., Director** – New Jersey Division of Rate Counsel  
**Martin C. Rothfelder, Esq.,** Public Service Electric and Gas Company

BY THE BOARD:

By petitions filed with the New Jersey Board of Public Utilities ("Board") on November 5, 2009 in Docket Nos. EO09010049 and GO09010050, and November 1, 2010, in Docket Nos. EO10110823 and GO10110824, Public Service Electric and Gas Company ("PSE&G" or "Company") requested approval of a Capital Infrastructure Investment Program ("CIP") and associated cost recovery for Qualifying Projects included within its proposed CIP, pursuant to N.J.S.A. 48:2-21.1. These annual proceedings became designated as CIP I. The initial petition was approved by the Board on December 22, 2009.

By petitions filed on November 23, 2010, in Docket No. GO10110862, and on February 18, 2011, in Docket No. EO11020088, pertaining to gas and electric respectively, the Company requested approval of extensions of the CIP for the construction of additional Qualifying Projects and recovery of the costs related to these additional projects. These filings became designated as Gas CIP II and Electric CIP II respectively (collectively, "CIP II").

On July 14, 2011, by approving a stipulation among the Company, the Division of Rate Counsel ("Rate Counsel") and Board staff, the Board mandated that the completion date for the CIP II Qualifying Projects would be December 31, 2012.

Beginning on October 28, 2012, and continuing through October 30, 2012, Hurricane Sandy struck the State of New Jersey with high winds and torrential rains. Sandy left behind extensive damage including fallen trees, downed power lines, damage to roadways, and unprecedented disruptions in electrical service that jeopardized public safety. See, Executive Order No. 108 (11/4/2012). The Company's service territory was among those most affected by the storm.

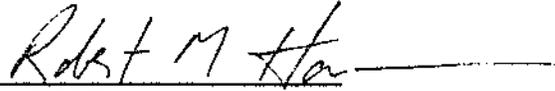
By letter dated November 1, 2012, PSE&G requested an extension of the due date for completion of the CIP II Qualifying Projects so that the Company could address the aftermath of Hurricane Sandy. Rate Counsel stated that it did not object to the five month extension. However, Rate Counsel requests an update from PSE&G as soon as the CIP II projects are completed. By letter dated December 4, 2012, PSE&G clarified that its request for the extension of time to complete the remaining CIP II Qualifying Projects also includes a request for an extension of time for related rate recovery as referenced in the CIP II stipulation approved by Board Order dated July 14, 2011. Rate Counsel has confirmed that it has no objection to the motion as clarified.

In light of the above, the Board **HEREBY FINDS** good cause to extend the time for completion of the Company's CIP II Qualifying Projects and for the related rate recovery, and **HEREBY GRANTS** the Company's request for an extension of time. Therefore, the Board **HEREBY ORDERS** that the Company complete its remaining CIP II Qualifying Projects by May 31, 2013, and provide an update to the Board and Rate Counsel by no later than April 1, 2013 on the status of those projects.

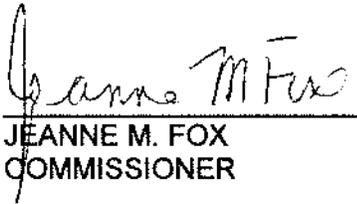
The Company's rates remain subject to audit by the Board. This Decision and Order shall not preclude the Board from taking any actions deemed to be appropriate as a result of any Board audit.

DATED: 12/19/12

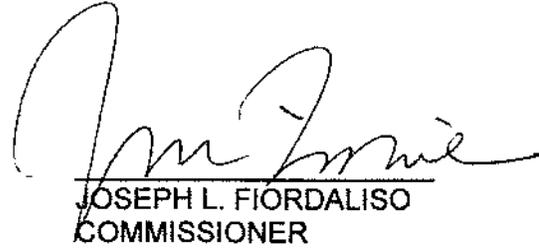
BOARD OF PUBLIC UTILITIES  
BY:



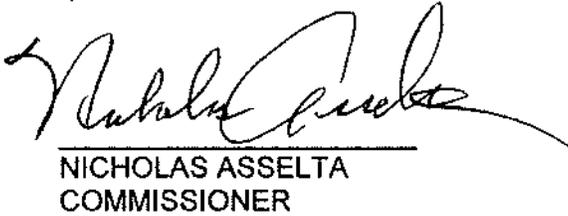
ROBERT M. HANNA  
PRESIDENT



JEANNE M. FOX  
COMMISSIONER



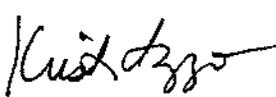
JOSEPH L. FIORDALISO  
COMMISSIONER



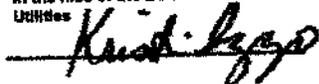
NICHOLAS ASSELTA  
COMMISSIONER



MARY-ANNA HOLDEN  
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 PSE&G for Approval of an Extension of the Gas Capital Economic Stimulus Infrastructure Investment Program and Associated Cost Recovery Mechanism; and to Roll Into Rate Base the Net Capital Investment for all the Qualifying Projects from the Initial Capital Economic Stimulus Infrastructure Investment Program upon Completion Pursuant to N.J.S.A. 48:2-23, 48:2-21 And 48:2-21.2 and for Changes in the Tariff for Electric Service, B.P.U.N.J. NO. 15 Electric, and the Tariff for Gas Service, B.P.U.N.J. NO. 15 Gas, Pursuant to N.J.S.A. 48:2-21, In the Matter of PSE&G for Approval of an Extension of the Electric Capital Economic Stimulus Infrastructure Investment Program and Associated Cost Recovery Mechanism; and to Roll Into Rate Base the Net Capital Investment for all the Qualifying Projects from the Initial Capital Economic Stimulus Infrastructure Investment Program upon Completion Pursuant to N.J.S.A. 48:2-23, 48:2-21 and 48:2-21.2 and for Changes in the Tariff for Electric Service, B.P.U.N.J. NO. 15 Electric, and the Tariff for Gas Service, B.P.U.N.J. NO. 15 Gas, Pursuant to N.J.S.A. 48:2-21, BPU Docket Nos. GO10110862 and EO11020088

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