

DM 11-119

THE STATE OF NEW HAMPSHIRE



PUBLIC UTILITIES COMMISSION

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July 9, 2013

Mr. Kevin Brown
Senior Energy Analyst
South Jersey Energy
1 North White Horse Pike
Hammonton, NH 08037

Re: 2010 and 2011 Compliance Year Renewable Portfolio Standard Requirements

Dear Mr. Brown:

On July 2, 2012, South Jersey Energy (SJE) submitted its Form E-2500 Renewable Portfolio Standard (RPS) compliance report for compliance year 2011 and on July 10, 2012, the associated alternative compliance payment (ACP). After Commission Staff reviewed the 2011 Form E-2500 compliance report, it notified South Jersey that additional ACPs were due. After several e-mails between SJE and Commission Staff, SJE submitted a revised Form E-2500 for both the 2010 and 2011 compliance years on November 30, 2012 and another revision of the 2011 Form E-2500 on April 2, 2013. With these revisions, SJE requested that the Commission waive Puc 2503.04(c) (1) to allow SJE to bank additional Renewable Energy Certificates (RECs) for the 2010 compliance year and use those banked RECs for 2011 compliance year. In addition, SJE requested that the Commission waive Puc 2503.03 (a) to allow SJE to revise the electricity sales data for 2010 compliance year and resubmit the Form E-2500 compliance report.

Pursuant to Puc 2503.04(c) (1), an owner may bank unused certificates by filing with the Commission by July 30 of each year a report issued by GIS indicating the total number of certificates owned and settled for the prior calendar year. In addition, the owner must indicate on its Form E-2500 the amount of RECs to be banked. Accordingly, SJE's notice of the amount of RECs to be banked during the 2010 calendar year was due July 30, 2011. The request to bank additional RECs was 16 months late and the amount of RECs requested to be banked and subsequently used cannot be verified by the New England Power Pool (NEPOOL) Generation Information System (GIS). Therefore, the Commission has denied the request to waive Puc 2503.04(c)(1) in order to bank additional 2010 vintage RECs.

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Pursuant to Puc 2503.03(a), a provider of electricity must file a Form E-2500, its annual renewable portfolio standard compliance filing, on or before July 1 of each year for the preceding calendar year. SJE filed its Form E-2500 for 2010 on July 1, 2011. Over 16 months after it filed its Form E-2500, SJE requested a revision of the electricity sales data in that report. At the time it submitted its Form E-2500 for the 2010 compliance year, SJE provided supporting documentation to verify the original electricity sales. SJE did not provide supporting document or any justification for its request to revise the 2010 data. Therefore, the Commission has denied the request to revise the 2010 electricity sales data.

Accordingly, SJE owes \$93,849 in alternative compliance payments for the 2011 compliance year. SJE does not have any RECs remaining in the bank for vintage years 2010 and 2011. Please remit this payment by July 30, 2013 to the attention of Eunice Landry at the following address:

Public Utilities Commission
21 S. Fruit Street, Suite 10
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The Commission will not in this instance assess any fines against SJE for its inaccurate and late submittal of the 2011 compliance report and ACP payment. The Commission expects that SJE's non-compliance with RSAs 362-F:8 and 362-F:10, II, and Commission rules is a one-time occurrence and that in the future SJE will submit its Form E-2500 and any associated ACPs accurately and in a timely manner.

Sincerely,



Debra A. Howland
Executive Director

cc: Liz Nixon