

TITLE 14

PUBLIC UTILITIES

CHAPTER 1

RULES OF PRACTICE

Authority

N.J.S.A. 47:1A-1 et seq., 48:2-12 and 52:27F-18.

Source and Effective Date

R.2008 d.79, effective March 3, 2008.
See: 39 N.J.R. 4551(a), 40 N.J.R. 1917(a).

Chapter Expiration Date

Chapter 1, Rules of Practice, expires on March 3, 2013.

Chapter Historical Note

Chapter 1, Rules of Practice, was adopted and became effective prior to September 1, 1969. Chapter 1, Rules of Practice, expired February 14, 1991.

Chapter 1, Rules of Practice, was adopted as R.1992 d.224, effective June 1, 1992. See: 23 N.J.R. 2487(a), 24 N.J.R. 2063(c).

Pursuant to Executive Order No. 66(1978), Chapter 1, Rules of Practice, was readopted as R.1997 d.264, effective May 28, 1997. See: 29 N.J.R. 1259(b), 29 N.J.R. 2838(a).

Subchapter 11, Public Utility Tariffs, was recodified from N.J.A.C. 14:11-7 by R.1998 d.84, effective February 2, 1998. See: 29 N.J.R. 4250(b), 30 N.J.R. 563(a).

Chapter 1, Rules of Practice, was readopted as R.2002 d.337, effective September 19, 2002. See: 34 N.J.R. 1769(a), 34 N.J.R. 3639(a).

Subchapter 12, Procedures for Determining the Confidentiality of Submitted Information, was adopted as R.2003 d.290, effective July 21, 2003. 34 N.J.R. 2271(b), 35 N.J.R. 3368(b).

Chapter 1, Rules of Practice, was readopted as R.2008 d.79, effective March 3, 2008. As a part of R.2008 d.79, Subchapter 11, Public Utility Tariffs, was repealed, effective April 7, 2008. See: Source and Effective Date. See, also, section annotations.

Law Review and Journal Commentaries

Clearing procedural hurdles at the BPU. R. William Potter, 150 N.J.L.J. 828 (1997).

CHAPTER TABLE OF CONTENTS

SUBCHAPTER 1. GENERAL PROVISIONS

- 14:1-1.1 Scope
- 14:1-1.2 Construction and amendment
- 14:1-1.3 Definitions
- 14:1-1.4 Offices and hours
- 14:1-1.5 Requesting Board action on a complaint
- 14:1-1.6 Communications
- 14:1-1.6A Submittal of comments on rule proposals, pilot study for electronic submittal
- 14:1-1.7 Official records
- 14:1-1.8 Cameras and recording devices

SUBCHAPTER 2. FEES AND CHARGES

- 14:1-2.1 Amount of fees and charges
- 14:1-2.2 Payment of fees and charges

SUBCHAPTER 3. APPEARANCE BEFORE THE BOARD

- 14:1-3.1 Appearances
- 14:1-3.2 Ethical conduct
- 14:1-3.3 Former employees

SUBCHAPTER 4. PLEADINGS

- 14:1-4.1 Pleadings enumerated and defined
- 14:1-4.2 Number of copies
- 14:1-4.3 Attachments to pleadings
- 14:1-4.4 Defective pleadings
- 14:1-4.5 Service and notice of proceedings
- 14:1-4.6 Verification
- 14:1-4.7 Changes in facts or circumstances

SUBCHAPTER 5. PETITIONS

- 14:1-5.1 Form and content
- 14:1-5.2 Applications to other regulatory bodies
- 14:1-5.3 Joinder of requests for relief
- 14:1-5.4 Procedures of Board on filing of petition
- 14:1-5.5 Petitions for approval of franchises or consents
- 14:1-5.6 Petitions for the approval of the sale or lease of property
- 14:1-5.7 Petitions for authority to change depreciation rates
- 14:1-5.8 Petitions for authority to exercise power of eminent domain
- 14:1-5.9 Petitions for authority to issue stocks, bonds, notes, other evidence of indebtedness or to execute mortgages
- 14:1-5.9A Criteria for proposed security issues
- 14:1-5.10 Petitions for authority to transfer capital stock
- 14:1-5.11 Tariff filings which do not propose increases in charges to customers
- 14:1-5.12 Tariff filings or petitions which propose increases in charges to customers
- 14:1-5.12A Changes to levelized energy adjustment clause rates, basic generation service rates, or basic gas supply service pricing rates
- 14:1-5.13 Informal complaint in lieu of petition
- 14:1-5.14 Petitions for approval of a merger or consolidation
- 14:1-5.15 Petitions for permission to keep books and records outside the State of New Jersey

SUBCHAPTER 6. ANSWERS AND REPLIES

- 14:1-6.1 Form and content
- 14:1-6.2 Time for filing

SUBCHAPTER 7. CONFERENCES

- 14:1-7.1 Purposes
- 14:1-7.2 Initiation of conferences
- 14:1-7.3 Stipulation of conference results
- 14:1-7.4 Authority of Board-designated officers

SUBCHAPTER 8. CONTESTED CASE HEARINGS

- 14:1-8.1 Contested case procedures
- 14:1-8.2 Argument on exceptions
- 14:1-8.3 Review of initial decision by the Board on its own motion
- 14:1-8.4 Method of reopening
- 14:1-8.5 Motions to reopen
- 14:1-8.6 Rehearing, reargument or reconsideration
- 14:1-8.7 Motions and answers on rehearing

SUBCHAPTER 9. UNCONTESTED CASE PROCEEDINGS

- 14:1-9.1 Uncontested case proceedings
- 14:1-9.2 Designation

- 14:1-9.3 Filing
- 14:1-9.4 Cameras and recording devices
- 14:1-9.5 Appearances
- 14:1-9.6 Service

SUBCHAPTER 10. COMPLIANCE WITH ORDERS, DECISIONS AND RECOMMENDATIONS

- 14:1-10.1 Orders and decisions
- 14:1-10.2 Recommendations
- 14:1-10.3 Extension of time limits
- 14:1-10.4 Answers to communications

SUBCHAPTER 11. (RESERVED)

SUBCHAPTER 12. PROCEDURES FOR DETERMINING THE CONFIDENTIALITY OF SUBMITTED INFORMATION

- 14:1-12.1 Scope
- 14:1-12.2 Definitions
- 14:1-12.3 Procedure for making a confidentiality claim
- 14:1-12.4 Designation by claimant of a designee for notices and inquiries
- 14:1-12.5 Correspondence, inquiries and notices
- 14:1-12.6 Time for making confidentiality determinations
- 14:1-12.7 Notice of pending confidentiality determination
- 14:1-12.8 Substantiation of confidentiality
- 14:1-12.9 Final confidentiality determination
- 14:1-12.10 Treatment of information pending confidentiality determination
- 14:1-12.11 Availability of information to the public after determination that information is not confidential
- 14:1-12.12 Disclosure of confidential information to other public agencies
- 14:1-12.13 Disclosure of confidential information to contractors
- 14:1-12.14 Disclosure to alleviate an imminent and substantial danger
- 14:1-12.15 Disclosure by consent
- 14:1-12.16 Incorporation of confidential information into accumulations of data
- 14:1-12.17 Confidentiality agreements
- 14:1-12.18 Payment for copies

SUBCHAPTER 1. GENERAL PROVISIONS

14:1-1.1 Scope

These rules shall govern practice and procedure before the Board of Public Utilities.

Amended by R.1997 d.264, effective July 7, 1997.
See: 29 N.J.R. 1259(b), 29 N.J.R. 2838(a).
Amended Board name.

14:1-1.2 Construction and amendment

(a) These rules shall be liberally construed to permit the Board to effectively carry out its statutory functions and to secure just and expeditious determination of issues properly presented to the Board.

(b) In special cases and for good cause shown, the Board may, unless otherwise specifically stated, relax or permit deviations from these rules.

1. The Board shall, in accordance with the general purposes and intent of its rules, waive section(s) of its rules if

full compliance with the rule(s) would adversely affect the ratepayers of a utility or other regulated entity, the ability of said utility or other regulated entity to continue to render safe, adequate and proper service, or the interests of the general public;

2. Any person or entity seeking waiver of any of the Board's rules or parts thereof, shall apply in writing to the Secretary of the Board. A written request for waiver shall include the following:

- i. The specific rule(s) or part(s) thereof for which waiver is requested;
- ii. The reasons for the request of waiver, including a full statement setting forth the type and degree of hardship or inconvenience that would result if full compliance with the rule(s) would be required; and
- iii. Documentation to support the request for waiver.

3. The Board reserves the right to request additional information before reaching a determination regarding the application for waiver.

(c) The rules may be amended by the Board from time to time.

Amended by R.1997 d.264, effective July 7, 1997.
See: 29 N.J.R. 1259(b), 29 N.J.R. 2838(a).

Added (b)1 through 3.
Amended by R.2005 d.424, effective December 5, 2005.
See: 37 N.J.R. 2837(a), 37 N.J.R. 4558(b).

In (b)1, added "or other regulated entity" following "utility" throughout.

Case Notes

Board of Public Utilities failed to adequately articulate basis for waiving bidding regulations. Petition of Hackensack Water Co. to Watershed Property Review Bd., 249 N.J.Super. 164, 592 A.2d 250 (A.D.1991), certification denied 127 N.J. 551, 606 A.2d 364, on remand.

14:1-1.3 Definitions

The following words and terms, when used in this chapter, shall have the following meanings, unless the context clearly indicates otherwise.

"Board" means the Board of Public Utilities.

"Commissioner" means a member of the Board of Public Utilities.

"Person" means an individual, firm, joint venture, partnership, copartnership, corporation, association, State, county, municipality, public agency or authority, bi-state or interstate agency or authority, public utility, regulated entity, cable television company, cooperation association, joint stock association, trust, limited liability company, governmental entity, or other legal entity, and includes any trustee, receiver, assignee, or personal representative thereof. A person may or may not be a regulated entity.

"Presiding officer" means any member of the Board or a staff member who is designated as a hearing examiner in an uncontested case.

9. The names and addresses of the new officers, directors and principal stockholders and the number of shares to be held by each in the surviving corporation;

10. The various benefits to the public and the surviving corporation which will be realized as the result of the merger, consolidation, acquisition and/or change in control;

11. Proposed changes, if any, by the surviving corporation, in company policies with respect to finances, operations, accounting, rates, depreciation, operating schedules, maintenance and management affecting the public interest;

12. Proof of service of notice of the proposed merger, consolidation, acquisition and/or change in control to the public, the municipalities being served by the companies to be merged, consolidated, acquired and/or changed, and the public utilities serving in the area, pursuant to N.J.A.C. 14:1-4.5;

13. Proof of compliance with rules, regulations and statutes requiring approval from other State and Federal regulatory agencies having jurisdiction in the matter; and

14. A statement of the fees and expenses to be incurred in connection with the merger, consolidation, acquisition and/or change in control and the accounting disposition to be made thereof on the books of the surviving corporation.

(c) The Board shall not approve a merger, consolidation, acquisition and/or change in control unless it is satisfied that positive benefits will flow to customers and the State of New Jersey and, at a minimum, that there are no adverse impacts on any of the criteria delineated in N.J.S.A. 48:2-51.1.

(d) The petitioners seeking merger, consolidation, acquisition and/or change in control of a public utility shall have the burden of proving to the Board, by a preponderance of the evidence, that the requirements of this section are met.

Amended by R.2002 d.337, effective October 21, 2002.

See: 34 N.J.R. 1769(a), 34 N.J.R. 3639(a).

In (a), deleted “, as well as N.J.A.C. 14:11-1.3” preceding “to the extent applicable”.

Amended by R.2006 d.165, effective May 1, 2006.

See: 37 N.J.R. 4887(a), 37 N.J.R. 1854(b).

Rewrote (a); in (b), rewrote the first sentence, in 1; deleted “or” following “merger” and inserted “; acquisition and/or change in control”, in 5 and 12, inserted “, consolidated, acquired and/or changed” and in 10, 12 and 14; inserted “consolidation, acquisition and/or change in control”; and added (c) and (d).

Case Notes

Communication company authorized to acquire part interest in telephone utility. In Matter of Petition of Teleport Communications, 92 N.J.A.R.2d (BRC) 42.

14:1-5.15 Petitions for permission to keep books and records outside the State of New Jersey

(a) Petitions for authority to keep books, records, accounts, documents and other writings outside the State of New Jersey, filed with the Board, as required under N.J.S.A. 48:3-7.8, shall conform to the provisions of N.J.A.C. 14:1-4 and

N.J.A.C. 14:1-5.1 through 5.4, to the extent applicable, and shall in the body thereof, or in attached exhibits, also provide the following information:

1. A complete description of the specific books, records, accounts, documents and other writings proposed to be kept outside the State of New Jersey;

2. The exact location where the books and records will be kept;

3. If all books and records will not be kept outside the State, what remaining records will be kept at the New Jersey location;

4. The reason for proposing to keep its books and records at a location outside the State;

5. The availability of adequate required space, facilities and experienced personnel at the new location;

6. The cost to the petitioner of maintaining the books and records at the new location as compared with that of maintaining the records at the New Jersey location;

7. The extent of the financial advantage to the customers and other benefits to the public utility which will result from keeping the books and records outside the State;

8. Whether the books and records which will be kept at the location outside the State will be, on notice in writing of the Board, produced at such time and place within this State as the Board may designate;

9. Whether the petitioner will pay to the Board any reasonable expenses or charges incurred by the Board for any investigation or examination, if the Board grants said permission;

10. The location where the petitioner will continue to maintain an office within the State of New Jersey for the convenience of its customers to pay bills, file complaints and conduct other business with the utility; and

11. The name and address of the petitioner’s statutory agent.

SUBCHAPTER 6. ANSWERS AND REPLIES

14:1-6.1 Form and content

(a) Any party against whom a petition is directed and who desires to contest the same or make any representation to the Board in connection therewith shall file an answer in writing thereto with the Board.

(b) The answer shall be so drawn as to apprise the parties and the Board fully and completely of the nature of the defense and shall admit or deny specifically and in detail all material allegations of the petition.

(c) Matters alleged by way of affirmative defense shall be separately stated and numbered.

(d) Answers shall not be required in any rate proceeding instituted by a public utility.

14:1-6.2 Time for filing

(a) Unless otherwise provided in these rules or ordered by the Board, an answer, if made, must be filed within 20 days after the service of the pleading against which it is directed. A party desiring to reply to an answer shall file the same with the Board within 10 days after service of the answer.

(b) Whenever the Board believes the public interest requires expedited procedure, it may shorten the time for any answer or reply.

(c) Upon motion on notice to all parties to the proceeding, the Board or its Secretary may, in their discretion, extend or shorten the time to file an answer or reply.

Amended by R.2008 d.79, effective April 7, 2008.
See: 39 N.J.R. 4551(a), 40 N.J.R. 1917(a).

In (c), inserted "or its Secretary" and substituted "their" for "its".

SUBCHAPTER 7. CONFERENCES

14:1-7.1 Purposes

(a) The purpose of this subchapter is to foster early settlement of cases pending before the Board prior to the case being transmitted to the Office of Administrative Law and to provide a vehicle for the parties to file pre-transmittal motions with the Board for retention and disposition of certain issues. Pre-transmittal settlement conferences of parties or their attorneys may be held to provide opportunity for a settlement, subject to approval of the Board, of a proceeding or any of the issues therein, and for the submission and consideration of facts, argument, offers of settlement or proposals of adjustments, as time, the nature of the proceeding and the public interest may permit.

(b) Pre-transmittal conferences of parties or their attorneys may be held to expedite the disposition of any hearing. At such conferences there may be considered, in addition to the matters set forth in (a) above, the following:

1. Identification and simplification of the issues;
2. Admissions or stipulations of facts;
3. Identification of those matters or issues which should either be retained for disposition by the Board or be **transmitted to the Office of Administrative Law**; and
4. Such other matters as may be properly dealt with to aid in expediting the proceeding.

Case Notes

Prehearing conferences: discussion of rate proposal process. In re: Revision of Rates by Toms River Water Co., 82 N.J. 201, 412 A.2d 430 (1980).

14:1-7.2 Initiation of conferences

(a) The Board or a Board-designated officer, with or without motion, may direct that a conference be held at any stage prior to transmittal to the Office of Administrative Law or at any time when the Board certifies a case unto itself pursuant to N.J.S.A. 52:14F-8(b).

(b) On motion of a party, the Board-designated officer may direct the parties or their attorneys to appear for a conference to consider the matters set forth in N.J.A.C. 14:1-7.1(b).

14:1-7.3 Stipulation of conference results

(a) Upon conclusion of the pre-transmittal conference, the parties or their attorneys shall reduce the results thereof to the form of a written stipulation reciting the matters agreed upon, and three copies thereof shall be filed with the Board within 10 days of the date of the conference. If no stipulations are reached, the matter shall be immediately transmitted to the Office of Administrative Law.

(b) Such stipulations shall be signed by the parties or their attorneys, may be received in evidence as part of the record and, when so received, shall be binding on the parties with respect to the matters therein stipulated.

(c) Such stipulations are subject to review by the Board at a regularly scheduled agenda meeting.

14:1-7.4 Authority of Board-designated officers

(a) Any Board-designated officer shall have the authority to conduct and preside over pre-transmittal conferences in the interest of fostering resolution of issues.

(b) When appropriate, a Board-designated officer may submit a pre-transmittal order which shall be reviewed by the Board at an agenda meeting and, if acceptable, shall be adopted as its own order.

Amended by R.1997 d.264, effective July 7, 1997.
See: 29 N.J.R. 1259(b), 29 N.J.R. 2838(a).

SUBCHAPTER 8. CONTESTED CASE HEARINGS

14:1-8.1 Contested case procedures

The hearing in any matter which is determined by the Board to be a contested case shall be conducted pursuant to the procedures in the Administrative Procedure Act, N.J.S.A. 52:14B-1 and 52:14F-1, the Uniform Administrative Procedure Rules, N.J.A.C. 1:1-1, and the Board of Public Utilities Rules of Special Applicability, N.J.A.C. 1:14.