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The New Jersey Board of Public Utilities

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August, 2008



New Jersey Represented on Influential Federal Advisory Committee



In May, I was pleased to participate in the first meeting of the new U.S. Department of Energy Electricity Advisory Committee (EAC). Secretary of

Dear Stakeholders:

President Fox Energy Samuel Bodman appointed me to this committee, along with 29 fellow EAC members who are public and private sector experts in electricity policy, planning and operations. Our task is to advise him and the DOE on long-range planning relating to the nation's electricity arena and all that that entails.

New Jersey is not an island when it comes to electricity. Providing reliable, affordable electricity produced from clean, non-emitting sources is an issue that states and federal government must confront together. That's why this type of national engagement is so important and is identified as a priority in Governor Corzine's draft Energy Master Plan.

NJ Board of Public Utilities Upcoming Meetings

Friday, Sept. 12, 11 a.m. Friday, Oct. 3, 10 a.m.

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Our wide-ranging discussion at the Committee's first meeting set our agenda for the coming months. That agenda includes adequacy of electricity supply and modernizing the nation's grid with the help of smart grid technology. During discussion of the latter, I was able to express my view that as states and the federal government work together on standards, protocols and best practices for smart meters and other smart grid technology, consideration must be given to how its enormous capital costs will be borne. A cost-benefit analysis that examines impacts for residential customers will be a necessary step in rate design.

Over the next several months, for the next President's team, our EAC Committee will be preparing a comprehensive transition report covering such topics as reliability, cost, and environmental sustainability. It is meant to be a reference document which the new President's Administration can use as it establishes its policy priorities and objectives.

I look forward to continuing to represent our concerns and articulate New Jersey's positions to the EAC Committee as energy increasingly takes center stage in Washington D.C.

Sincerely,

anne M. For

Jeanne M. Fox President, NJBPU

New Commissioners Bring Expertise to NJBPU

Q/ You were sworn in on March 3. How do you like your new post so far?

Commissioner Nicholas Asselta

A/ It's been great. The work is challenging and complex. I have come to appreciate even more than I did before the importance of the work of the BPU.

Q/ Your experience in the Legislature was very different. How have you adjusted to your new role?

A/ When I was in the Legislature, my involvement with telecommunications and energy issues was broader, from 30,000 feet. Now, when I work on issues such as telecomm, electricity regulation, cable or water, I focus in a more vertical way. I must go for energy efficiency measures in the Millville quite deeply into matters. Becoming an effective Commissioner is a learning process. No one can do it for you. You have to work hard and do a great deal of reading. The staff here provides briefings and background materials. They are helpful in answering my questions.

O/What are your observations about the agency?

A/ The people who work here are very committed to what they do. They understand their mission and believe in its importance. They are experts in their fields and their work is often guite technical. The Board relies on the skill and dedication of its staff.



Commissioner Asselta (2nd from right) presented Wakefern Foods and Bottino Family of Supermarkets with a \$100,000 incentive check ShopRite. Also pictured (I to r): ShopRite Manager Pat Bottino, Jr., Cold Technology Designer/Installer Frank Vadino, ShopRite Owner Jim Bottino, and Mayor James Quinn.

Q/ In your bio, you say you hope to represent the interests of South Jersey on the Board. Have you been able to do that?

A/Yes. Having geographic representation enhances the effectiveness of the Board overall. Each Commissioner offers insights and perspectives unique to his or her region.



Commissioner Randall

Elizabeth (Lisa) Randall was nominated to be a Commissioner of the NJBPU by Governor Jon S. Corzine on Feb. 26 and confirmed by the Senate on May 22. Prior to this position, Randall was a partner at Randall & Randall. LLP law firm in Westwood.

Commissioner Elizabeth Randall

where she also resides. She was

a Visiting Associate at the Eagleton Institute of Politics, Rutgers University during the 2007-08 academic year. She served on the Board of Directors of the Westwood Senior Housing Corporation and the NJ Women's Political Caucus.

Long a leader in county and state government, she

was assistant coun-

sel to the Governor and then deputy attorney general from 1982 to 1984, under Gov. Thomas Kean. In 1985, she was elected to the General Assembly, where she served until 1991. In 1994, Randall was appointed Commissioner of Banking and Insurance by Gov. Christine Todd Whitman, a position she held until 1998. As Commissioner of B&I, she chaired the NJ Commission on Ethical Standards, and the Board of Mutual Benefit Life. She was also Director of the NJ Economic Development Authority and of the NJ Housing and Mortgage Financing Authority.From 1998 to 1999, Randall served as vice president of the N J Sports and Exposition Authority. From 1999-2002 and 1991-1994, Randall served as Bergen County counsel where she spearheaded important initiatives, such as downsizing county

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Commissioner Randall Continued from Page 2

government and preservation of open space. In 2001, she was also appointed by Acting Governor Donald DiFrancesco to the Congressional Redistricting Commission. In 2003, Commissioner Randall was elected to the Bergen County Board of Chosen Freeholders, where she served through 2006. As a freeholder, Randall worked to reduce the county debt, enact campaign finance reform, keep the Continental Airlines Arena open. help assure feasible transportation and protect the county from overdevelopment.

Randall served as law clerk for Bergen County Assignment Judge Theodore Trautwein from 1978-79 and as an assistant prosecutor in Essex County from 1979-81. From 1984-91, she was a member of the Law Offices of Randall, Randall & Stevens and served as attorney to the Borough of Hillsdale and municipal prosecutor to the boroughs of Emerson, Dumont, Park Ridge and Woodcliff Lake. Randall has also been an active leader in community service, She served on the Advisory Boards of the Rutgers **Business School and Women** United in Philanthropy. She has served on the Board of Directors of the Bergen Community College Foundation, the Community Resources Council, the United Way of Bergen County and Women Executives in State Government. She has also served as a Youth Coach for Westwood Recreation Center.

Randall earned her undergraduate degree at Smith College in 1975 and her juris doctor degree from Wake Forest University School of Law in 1978.

Vegetation Management



Q: Why has the NJBPU created new rules on vegetation management?

In 2006, the U.S. Department of Energy, through the National Electric Reliability Council (NERC), adopted transmission line vegetation management standards. These generic standards set requirements for ROW inspections as well as documenting clearances between transmission lines and vegetation.

Q: What is the State's perspective on vegetation management?

New Jersey's increasing need for energy requires infrastructure and maintenance. Vegetation management is critical if an electric utility is to provide safe, reliable and adequate service. The blackout of August 2003 that left millions without electric service was caused when a transmission line sagged into a tree in Ohio. Regulations have been put in place to prevent this from occurring again. Vegetation management ensures the reliability of the electric network; however, the NJ BPU understands the value of NJ's environment and the wooded areas that are such an essential part of a community's character.

Q: What are some parameters found in vegetation management rules?

All vegetation that can mature to more than 3 ft. tall directly under the electrical conductors or more than 15 ft. tall from the edge of the wire zone to the edge of the Right of Way must be removed.

Q: Are customers usually notified before tree trimming and cutting?

All directly affected customers and municipalities will be contacted prior to the work being completed.

Q: Where does the process of review on the Vegetation Management Rules stand?

Public comments were taken at a stakeholder meeting on Aug. 21 chaired by Commissioner Joseph Fiordaliso and held at the NJBPU offices in Newark. To subscribe to the special mailing list set up for this process, please see www.nj.gov/bpu.

Help us update our list. Please send requests to be added to or deleted from the *BPU Bulletin* email list to the attention of Peg Gallos in the Communications Division at *margaret.gallos@bpu.state.nj.us*.

Jon S. Corzine Governor



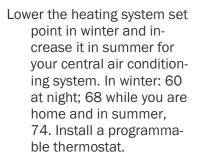
President Jeanne M. Fox

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Cable Complaints (Toll Free): 1-800-624-0331

BPU Clean Energy: 1-877-786-5278

Utility Complaints (Toll-free): 1-800-624-0241 (8:30-5) Out of State 1-973-648-2350 Save



Weatherize to prepare for colder weather. Install new storm windows -they reduce heat loss through windows by 25 to 50 percent. Weatherstrip, seal, and caulk leaky doors and windows, and install foam gaskets

Agreement Protects Most Vulnerable Telephone Ratepayers

On July 11, the Board voted to accept an agreement that retains Board oversight of telephone service for New Jersey's most vulnerable residents.

The agreement was reached following extensive formal review of the level of competition in the retail telephone market. The agreement or "stipulation," reached by the Board, the Rate Counsel and Verizon New Jersey. classifies as "competitive" the majority of Verizon NJ's services, such as call forwarding, call waiting and three-way calling and thus gives the telecommunications utility additional flexibility to compete and invest in NJ. It also allows Verizon NJ to increase basic telephone rates for the first time since 1985.

behind outlet covers.

Save

- Use ceiling fans when rooms are occupied to get air moving and help reduce the temperature in summer. Reverse the blade direction in winter so that warm air is pushed downward.
- Wash your laundry with cold water whenever possible. To save water, try to wash full loads or, if you must wash a partial load, reduce the level of water appropriately.

The three-year pact permits Verizon to increase the rate for basic service customers, who now pay \$8.95 plus taxes and fees, for a total of \$18.45 per month. The agreement allows Verizon NJ to raise the basic service fee to no higher than \$11.95 in the first year, for a total bill of \$21.45 including taxes and fees. By the third year of the agreement that basic fee is permitted to rise to \$16.95 each month.

Rate adjustments are also allowed, under the agreement, in single-line business basic exchange service, non-recurring charges for installation of residential service, and residential Directory Assistance service.