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RECEIVED CASE MANAGEMENT

OCT 23 2018

BOARD OF PUBLIC UTILITIES TRENTON, NJ

October 22, 2018

In The Matter of the Petition of Public Service Electric and Gas Company for Approval of an Electric Meter Selective Sampling Program

> BPU Docket No. ED18101159 RECEIVED MAIL ROOM

VIA E-FILING & OVERNIGHT DELIVERY

OCT 23 2018

Aida Camacho-Welch, Secretary New Jersey Board of Public Utilities 44 South Clinton Avenue, 3rd Flr. P.O. Box 350 Trenton, New Jersey 08625-0350

BOARD OF PUBLIC UTILITIES TRENTON, NJ

Dear Secretary Camacho-Welch:

Enclosed for filing are the original and two copies of a proposed electric meter selective sampling program for Public Service Electric and Gas Company ("PSE&G" or the "Company"). By way of background: N.J.A.C. 14:5-4.2(c)2 requires that self-contained single-phase electric meters and three-wire network meters be tested at least once in eight years or by a variable interval or statistical sampling technique approved by the New Jersey Board of Public Utilities (the "Board" or "BPU"). While PSE&G's electric meter selective sampling program remains consistent with existing law and regulation, it dates back to an Order issued by the Board on July 17, 1963. See In the Matter of the Petition of Public Service Electric and Company for the Revision of the Board's Regulations 14:404-4c, 14:404-5 and 14:434-1a in Order to Permit the Testing of Certain Electric Meters by a Scientific Sampling Technique, BPU Docket No. 625-303 (Order dated July 17, 1963).

The Company and Board Staff recognize that meter technology has developed significantly over the course of the past several decades. To that end, in or around the summer of 2016, Board Staff commenced an informal review of PSE&G's and the other electric distribution companies' ("EDC") meter selective sampling programs, and engaged the EDCs in a series of discussions regarding the merits of updating their respective programs. As a result of those discussions. PSE&G and Board Staff agree that it would be appropriate at this time to: (1) update the Company's electric meter test program to reflect current meter technology; (2) standardize

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the program to the extent possible; and (3) implement the program in a manner that is consistent with national industry standards, specifically American National Standards Institute ("ANSI") C12.1 – American National Standard for Electric Meters and ANSI Z1.9 Sampling Procedures and Tables For Inspection By Variables For Percent Nonconforming.

The enclosed electric meter statistical sampling program is being filed consistent with those objectives, as well as a meeting between BPU Staff and the EDCs on October 3, 2018 whereat Board Staff requested that the EDCs make their respective meter selective sampling program filings in the enclosed format no later than October 24, 2018.

If you have any questions regarding this filing, do not hesitate to contact me.

Respectfully,

Justin B. Incardone

Attachment

C: Attached Service List (E-mail only)

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ELECTRIC METER STATISTICAL SAMPLING PROGRAM

- 1. Acceptable electric meter accuracy shall be in accordance with ANSI C12.1 (2008), 5.1.2.2 Acceptable Performance ("The performance of all watthour meters is considered to be acceptable when the percent registration is not less than 98% or more than 102%") and N.J.A.C. 14:5-4.3(a) (2016), Determination of electric meter accuracy ("No meter that has an error in registration of more than plus or minus two percent shall be placed in service or allowed to remain in service without adjustment").
- 2. All alternating current electric meters shall be eligible for inclusion in a statistical sampling program.
- 3. The statistical sampling program shall be in accordance with ANSI Z1.9-2003 (R2013) Variability Unknown Standard Deviation Method for Double Specification Limit, Form 1, General Inspection Level II.
- 4. The population of electric meters included in the statistical sampling program shall be divided into homogeneous groups (also referred to as lots), such as manufacturer and manufacturer's type/model. The groups may be further divided into subdivisions within the manufacturer's type/model by major design modifications or other attributes such as ANSI Form or year of manufacture/purchase.
- 5. The grouping shall be identified by Public Service Electric and Gas Company ("PSE&G") and submitted to Board Staff as part of PSE&G's quarterly meter test report submitted pursuant to N.J.A.C. 14:3-4.7. Once established, the grouping shall remain consistent, except that: (i) new groups may be added as needed as a result of new meter purchases and manufacturer design changes; and (ii) consolidation of existing groupings shall be reported to the Board Staff in the quarterly report.
- 6. The Acceptable Quality Limit (AQL) for acceptance or rejection of a group shall be 10% nonconforming. The AQL shall be applied to the upper and lower limits using the double specification limit methodology. A group exceeding the specified AQL shall be rejected.
- 7. Upon rejection of a group, PSE&G shall take corrective action. The corrective action may consist of a second sampling to determine the meter accuracy performance acceptability of the individual subgroups, which may result in (i) acceptance, (ii) a selective (i.e., partial group) meter removal program to improve the accuracy (i.e., within acceptable quality limits) of the remaining group, or (iii) the removal of the entire group or subgroup from service. The rate of removal of a rejected meter group or subgroup from service shall be such that the required removal is complete within five years from the date such meter group or subgroup was reported as not meeting the applicable performance standards as a group or subgroup.
- 8. PSE&G shall submit the annual test equipment certification to the Board no later than January 31 of each year for the previous calendar year's calibration certification submitted pursuant to N.J.A.C. 14:3-4.4.
- 9. The quarterly reports during the year shall be submitted to the Board no later than the last day of the second month following the close of the quarter. Notwithstanding the previous sentence, the fourth quarter, year-end closing report, shall be submitted to the Board no later than the last day of March the following calendar year. Reports shall be submitted consistent with the format set forth in Attachment A hereto, which includes the agreed upon reporting template. The reporting process shall be consistent with and follow the provisions of ANSI Z1.9.
 - This electric meter statistical sampling program will take effect on March 1, 2019.