



Agenda Date: 10/29/2018
Agenda Item: 1A

STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 3rd Floor, Suite 314
Post Office Box 350
Trenton, New Jersey 08625-0350
www.nj.gov/bpu/

AUDITS

IN THE MATTER OF THE RATE CHARGED)
BY ONE CALL CONCEPTS, INC. FOR OPERATION)
OF THE NEW JERSEY ONE-CALL DAMAGE)
PREVENTION SYSTEM)

ORDER

DOCKET NO. AA15090993

Parties of Record:

Thomas Hoff, President, One Call Concepts, Inc.

BY THE BOARD:

The Board of Public Utilities ("Board") has jurisdiction to oversee and enforce the provisions of the Underground Facility Protection Act ("Act") pursuant to the provisions set forth in N.J.S.A. 48:2-73 to -91. The primary purpose of the Act is to establish the One-Call Damage Prevention System ("System") for the protection of underground facilities that are used for the conveyance of water, forced sewage, telecommunications, cable television, electricity, oil, petroleum products, gas, optical signals, traffic control, or for the transportation of a hazardous liquid.

Through the New Jersey Department of Treasury, Division of Purchase and Property, a Request for Proposal was issued to designate a System operator for the System. On October 15, 2015, after reviewing the report and recommendations of the Evaluation Committee, the Board selected One Call Concepts, Inc. ("OCC" or "Vendor"), of Hanover, Maryland, as the System operator of the System for a period beginning March 1, 2016 and ending February 28, 2021. Accordingly, the New Jersey Department of Treasury, Division of Purchase and Property entered into Contract Number A40171 ("Contract") with OCC, on behalf of the Board, for the five-year period effective March 1, 2016 through February 28, 2021, including by reference the original solicitation issued, Number 23298, and any addenda thereto, and OCC's bidder's proposal as accepted by the State of New Jersey. This is OCC's second five-year contract with the State of New Jersey to run the One-Call Damage Prevention System.

As the system operator, the Vendor's primary responsibility is to process incoming messages from excavators of planned excavation or demolition activity and send notifications ("Tickets") to underground facility operators with facilities in the area of the proposed activity. The Contract provides that OCC will be compensated for each request for mark-out ("Message") that it

receives and that it will collect this compensation through a per-Ticket charge to underground facility operators. The exact amount of this charge is calculated based upon an estimate, made at the beginning of each contract year, of the average number of Tickets that will be sent for each Message received ("Ratio"). The Ratio is established to ensure that the charges for Tickets will provide sufficient revenue to pay OCC at the Contract rate of \$7.41 per Message. Because the estimated Ratio for any given year may result in the over-compensation of the System Operator, the Contract also provides that "OCC shall, at the request of NJBPU staff, set a lower charge per Ticket [for the next contract year] if sufficient funds are available from prior 12-month periods or collections."

On December 17, 2015, OCC filed a petition with the Board, seeking approval of its initial tariff for facilities protection services, in accordance with approved contract rates which establishes the first year's per Ticket rate at \$1.25. The charge is subject to an annual adjustment, up or down, based upon actual revenues received. By Order dated January 27, 2016, the Board approved the \$1.25 per Ticket rate.¹

In addition to the Contract rate, the Tariff sets forth rates for other permissible services provided by OCC under the Contract. Any revenue from these charges shall be included by OCC when calculating the annual reconciliation as well as any subsequent rate changes and true-ups.

On September 21, 2018, OCC filed a letter and proposed tariff sheets with the Board, seeking approval of its facilities protection services tariff sheets, reflecting an eleven cents increase from the current Ticket Rate of \$1.25 to \$1.36 per mark-out notification ticket. OCC also requested the new Ticket Rate become effective November 1, 2018.

FINDING AND DISCUSSION:

The Board **HEREBY FINDS** that the change in the Ticket Rate is necessary to ensure the appropriate amount of revenue is recovered to fund the Contract Rate. Therefore, the Board **HEREBY ORDERS** that the rate per Ticket be increased from \$1.25 to \$1.36, and OCC's revised tariff, as proposed, be effective as of November 1, 2018.²

The Board reserves the right to order an increase and/or decrease at a future point in the contract year if warranted. The information presented by OCC and a review of the proper collection and calculation of rates and ratios is subject to audit by the Board, including a review of collection activities, proper expenditure of money under the Contract and any additional over/under collections. This Order shall not preclude nor prohibit the Board from taking any actions determined to be appropriate as a result of any such audit.

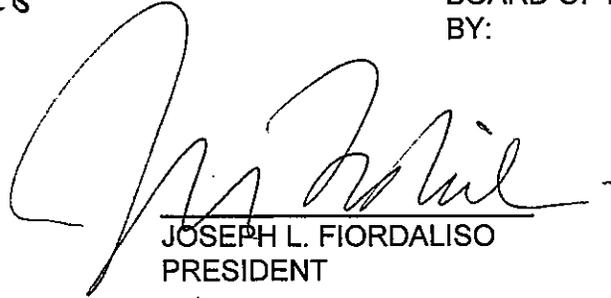
¹ In the Matter of the Rate Charged By One Call Concepts, Inc. For Operation of the New Jersey One-Call Damage Prevention System, BPU Docket No. AA15090993 (January 27, 2016).

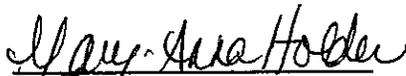
² This Order does not change the Contract message rate. Pursuant to the Board's Decision on January 27, 2016, OCC will continue to receive \$7.41 through the end of the contract on February 28, 2021.

The effective date of this Order is November 1, 2018.

DATED: 10/29/18

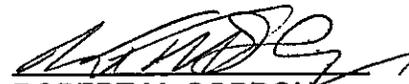
BOARD OF PUBLIC UTILITIES
BY:

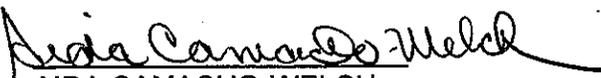

JOSEPH L. FIORDALISO
PRESIDENT


MARY-ANNA HOLDEN
COMMISSIONER


DIANNE SOLOMON
COMMISSIONER


UPENDRA J. CHIVUKULA
COMMISSIONER


ROBERT M. GORDON
COMMISSIONER

ATTEST: 
AIDA CAMACHO-WELCH
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 THE RATE CHARGED BY ONE CALL CONCEPTS, INC. FOR
OPERATION OF THE NEW JERSEY ONE-CALL DAMAGE PREVENTION SYSTEM
DOCKET NO. AA15090993

SERVICE LIST

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Hanover, MD 21076
tom@occinc.com

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Aida Camacho-Welch
Secretary of the Board
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STATE OF NEW JERSEY
 PROCUREMENT BUREAU
 33 WEST STATE ST 8TH FL TRENTON, NJ 08625-0230
 PROFESSIONAL CONTRACT

NEW JERSEY ONE-CALL DAMAGE PREVENTION SYSTEM

NUMBER : A40171
 DATE : 11/20/15
 BUYER : PATRICK SLACK
 PHONE : (609) 984-1359
 EFFECTIVE DATE : 03/01/16
 EXPIRATION DATE : 02/28/21
 T-NUMBER : T2655
 CONTRACTOR : ONE CALL CONCEPTS INC

ONE CALL CONCEPTS INC
 7223 PARKWAY DRIVE
 SUITE 210
 HANOVER MD 21076

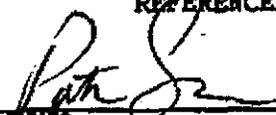
VENDOR NO. : 521273782 00
 VENDOR PHONE : (410)712-0082
 FEIN/SSN : 521273782
 REQ AGENCY : 822050
 PROCUREMENT BUREAU
 AGENCY REQ NO. : 1041711
 PURCH REQ NO. : 16
 FISCAL YEAR : 16
 COMMODITY CODE : 96291
 SOLICITATION # : 23298
 BID OPEN DATE : 08/18/15

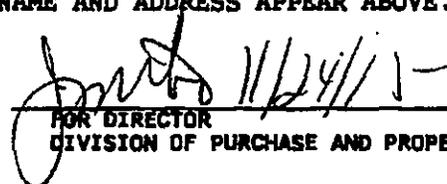
TERM CONTRACT FROM: 03/01/16 TO: 02/28/21 ESTIMATED AMOUNT: \$ 800,000.00

1. ORDERING PERIOD: CONTRACT BEGINNING ORDERING PERIOD IS:03/01/16
 CONTRACT ENDING ORDERING PERIOD DATE IS:02/28/21
2. F.O.B. POINT: DESTINATION
3. DELIVERY DELIVERY WILL BE MADE WITHIN AS SPECIFIED ELSEWHERE UNLESS SPECIFIED DIFFERENTLY ON EACH LINE OR UNLESS AN ALTERNATE DELIVERY SCHEDULE IS INDICATED. AN ALTERNATE DELIVERY SCHEDULE IS ENCLOSED HEREIN: YES
4. CASH DISCOUNT TERMS: CASH DISCOUNT TERMS ARE 00.00% DAYS.
5. PERFORMANCE BOND: PERFORMANCE BOND REQUIRED: YES ; DATE REQUIRED 03/01/16
 AMOUNT \$1,500,000 ; PERCENT OF CONTRACT 10.00%
6. RETAINAGE: RETAINAGE PERCENT IS 0.00%
7. COOPERATIVE PROC: THIS CONTRACT IS AVAILABLE FOR POLITICAL SUBDIVISION USE UNDER THE COOPERATIVE PROCUREMENT PROGRAM NO
8. BID REFERENCE NO: YOUR BID REFERENCE NUMBER IS:
9. AWARDED LINES: YOU WERE AWARDED 6 LINES FROM THE SOLICITATION NUMBER 23298 . THESE LINES ARE INCLUDED AS A PART OF THIS CONTRACT.

ALL TERMS AND CONDITIONS AS A PART OF SOLICITATION NUMBER 23298 INCLUDING ANY ADDENDA THERETO AND ALSO INCLUDING THE BIDDER'S PROPOSAL AS ACCEPTED BY THE STATE ARE INCLUDED HEREIN BY REFERENCE AND MADE PART HEREOF EXCEPT AS SPECIFIED HEREIN

THIS IS NOTICE OF ACCEPTANCE BY THE DIRECTOR OF THE DIVISION OF PURCHASE AND PROPERTY ACTING FOR AND ON BEHALF OF THE STATE OF NEW JERSEY, OF THE OFFER REFERENCED ABOVE BY YOUR FIRM WHOSE NAME AND ADDRESS APPEAR ABOVE.


 BUYER
 DATE: 11/23/15


 FOR DIRECTOR
 DIVISION OF PURCHASE AND PROPERTY
 DATE: 11/24/15

USING AGENCIES CANNOT PROCESS INVOICES FOR PAYMENT OF DELIVERED GOODS AND/OR SERVICES UNTIL THE PROPERLY EXECUTED BOND HAS BEEN RECEIVED AND ACCEPTED BY THE PURCHASE BUREAU.

VENDOR COPY

PRICE SHEET

PROFESSIONAL CONTRACT

PROCUREMENT BUREAU
PURCHASE BUREAU
STATE OF NEW JERSEY
33 WEST STATE ST 9TH FL
PO BOX 230
TRENTON

NJ 08625-0230

NUMBER : A40171
T-NUMBER : T2855

CONTRACTOR: ONE CALL CONCEPTS INC

PAGE

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LINE NO.	COMMODITY/SERVICE DESCRIPTION	ESTIMATED QUANTITY	UNIT	UNIT PRICE OR PERCENT DISCOUNTS	EXTENDED AMT IF APPLICABLE
	UNLESS SPECIFIED OTHERWISE BELOW: SHIP TO: 822019 / S001 MANAGEMENT & ADMINISTRATION, BPU BUDGET AND FINANCE 44 S CLINTON AVE 9TH FL TRENTON NJ 08625				
00001	COMMODITY CODE: 962-91-075983 [MISCELLANEOUS SERVICES, NO. 2 (NOT...)] ITEM DESCRIPTION: ALL INCLUSIVE FIRM FIXED PRICE FOR MARKOUT/SERIAL NUMBER - YEAR 1	1	EACH	\$ 7.41	
00002	COMMODITY CODE: 962-91-075983 [MISCELLANEOUS SERVICES, NO. 2 (NOT...)] ITEM DESCRIPTION: ALL INCLUSIVE FIRM FIXED PRICE FOR MARKOUT/SERIAL NUMBER - YEAR 2	1	EACH	\$ 7.41	
00003	COMMODITY CODE: 962-91-075983 [MISCELLANEOUS SERVICES, NO. 2 (NOT...)] ITEM DESCRIPTION: ALL INCLUSIVE FIRM FIXED PRICE FOR MARKOUT/SERIAL NUMBER - YEAR 3	1	EACH	\$ 7.41	
00004	COMMODITY CODE: 962-91-075983 [MISCELLANEOUS SERVICES, NO. 2 (NOT...)] ITEM DESCRIPTION: ALL INCLUSIVE FIRM FIXED PRICE FOR MARKOUT/SERIAL NUMBER - YEAR 4	1	EACH	\$ 7.41	
00005	COMMODITY CODE: 962-91-075983 [MISCELLANEOUS SERVICES, NO. 2 (NOT...)] ITEM DESCRIPTION: ALL INCLUSIVE FIRM FIXED PRICE FOR MARKOUT/SERIAL NUMBER - YEAR 5	1	EACH	\$ 7.41	
00006	COMMODITY CODE: 962-91-075983 [MISCELLANEOUS SERVICES, NO. 2 (NOT...)] ITEM DESCRIPTION: NEW JERSEY ONE-CALL DAMAGE PREVENTION SYSTEM. LITIGATION SUPPORT (SECTION 3.7)	1	HOUR	\$ 50.00	



ONE CALL CONCEPTS

When safety is on the line.

**RECEIVED
CASE MANAGEMENT**

SEP 21 2018

**BOARD OF PUBLIC UTILITIES
TRENTON, NJ**

September 20, 2018

**Honorable Aida Camacho
Secretary
Board of Public Utilities
44 South Clinton Avenue
PO Box 350
Trenton, NJ 08625-0350**

7223 Parkway Drive
Hanover, MD 21076
www.occinc.com

**RECEIVED
MAIL ROOM**

SEP 21 2018

**BOARD OF PUBLIC UTILITIES
TRENTON, NJ**

**Re: New Jersey One-Call Damage Prevention System Tariff Rate change,
Contract number A40171
BPU Docket number AA15090993**

Dear Secretary Camacho:

Enclosed for filing with the Board of Public Utilities ("Board") are an original and twelve copies of information supporting a Tariff Rate change for the New Jersey One Call Center.

The New Jersey Department of the Treasury ("Treasury") awarded contract number A40171 for the operation of the New Jersey One Call Center to One Call Concepts, Inc. ("OCC") on November 20th, 2015. Consistent with Treasury's Request for Proposal 16-X-23298 for the One Call Damage Prevention System, OCC provided pricing for five years.

OCC is seeking the Board's approval of the attached proposed tariff for the first year of operation under this contract. The tariff establishes, among other things, a rate for service.

The contract indicates a rate of \$ 7.41 per incoming call. OCC proposes that a tariff rate of \$1.36 per outgoing message is required to minimize under-collection.

OCC respectfully requests that the Board approve the enclosed tariff at its October 2018 Agenda meeting. We are seeking the Board's authorization to implement the new rate on November 1, 2018.

Thank you for your consideration. Please feel free to contact us directly in the event further information is required.

Yours truly,



James L. Holzer
Project Manager
One Call Concepts, Inc.

RATE SCHEDULE

Each operator that receives notification, or a copy of a notification, or for whom notification is provided to a third party, regardless of whether the notification included notifications on behalf of other Operators, shall be charged a rate as defined below.

The charge per Ticket effective November 1, 2018 and until the effective date of a revised tariff is established is \$ 1.36. The rate may be recalculated, if necessary, and approved by the Board in accordance with the agreement. No charge shall be made to Operators for notifications of Updates and Broadcasts.

TERMS OF PAYMENT

Payment shall be due not later than 30 days from the date of the bill. All bills shall list a due date.

BILLING FREQUENCY

Bills for service rendered under this Rate Schedule will be rendered in arrears monthly, quarterly or annually as agreed to by and between OCC and the Operator.

LATE PAYMENT FEE

For bills rendered to non-governmental entities only, any bill remaining unpaid more than 30 days after the bill due date shall be subject to a late fee payment of 1% of the amount of the bill for each 30-day period, or increment thereof, the bill remains unpaid.

Issued: November 1, 2018
By: Daniel J. Florenzo, President
One Corporate Place South
Piscataway, New Jersey 08854

Effective: November 1, 2018

**One Call Concepts Inc.
Billing & Ticket Ratio Review
For the Period of March 1, 2016 to June 2018**

Prepared by RO
Updated as of 9/7/2018

Source: OCC Summary Billing Report & YTD Ticket Report

Month	Year	Incoming Tickets	Incoming Fax Locates	Incoming Web Locates	Incoming Update Locates	Incoming Broadcast Locates	Billed Outgoing Tickets	Total Emergency Voices	Ticket Ratio
March	2016	59,562	1,075	30,130	7,220	375	340,494	2,172	5.72
April	2016	64,352	1,430	30,593	7,826	316	361,715	2,172	5.62
May	2016	62,308	1,392	30,840	7,267	327	350,296	1,771	5.62
June	2016	64,100	1,286	31,911	7,312	371	382,058	2,208	5.96
July	2016	54,311	1,076	27,420	6,363	309	309,852	2,232	5.70
August	2016	61,950	1,014	31,487	8,289	337	352,952	2,344	5.70
September	2016	57,575	928	29,480	7,784	316	328,167	2,142	5.70
October	2016	59,049	1,173	30,376	8,694	318	338,593	2,166	5.73
November	2016	50,233	812	28,381	7,125	309	291,962	2,224	5.81
December	2016	42,653	670	22,311	8,660	290	253,910	2,759	5.95
January	2017	44,051	831	23,790	7,082	289	260,909	2,835	5.92
February	2017	43,686	688	23,855	8,603	300	255,812	2,202	5.83
Total for FY year 2017		664,030	12,352	338,674	88,344	3,827	3,826,518	27,227	
Total for Calendar CY year 2016		576,093	10,853	291,029	74,779	3,268	3,309,797	22,190	
Total for Calendar CY year 2017		87,937	1,499	47,645	13,565	559	516,721	5,037	
March	2017	56,912	1,039	30,850	8,989	346	328,920	1,931	5.78
April	2017	64,120	1,168	32,413	7,944	392	366,711	1,919	5.72
May	2017	69,253	1,239	34,823	8,880	401	393,103	2,062	5.68
June	2017	67,987	1,196	34,327	8,135	400	386,420	2,136	5.68
July	2017	63,866	982	33,832	8,064	238	364,110	2,055	5.70
August	2017	72,971	1,163	40,042	10,731	339	415,354	2,299	5.69
September	2017	67,168	1,145	36,630	9,484	267	381,204	1,981	5.68
October	2017	72,552	1,983	46,982	10,931	383	406,227	2,281	5.60
November	2017	57,343	894	32,418	8,232	312	323,802	2,523	5.85
December	2017	45,627	626	26,836	7,767	218	260,963	2,679	5.72
January	2018	53,732	569	30,906	9,938	231	315,811	5,066	5.88
February	2018	50,208	680	36,298	7,264	244	286,379	2,364	5.70
Total for FY year 2018		741,759	11,494	404,354	104,279	3,739	4,229,004	29,316	
Total for Calendar CY year 2017		725,756	11,844	390,798	101,602	3,823	4,143,535	26,903	
Total for Calendar CY year 2018		103,940	1,149	61,201	18,242	478	682,180	7,450	
March	2018	81,364	841	38,032	9,324	283	345,123	3,505	5.62
April	2018	74,461	1,133	41,504	10,948	361	407,180	1,980	5.47
May	2018	83,850	1,188	48,185	11,760	289	457,682	2,128	5.46
June	2018	78,159	1,294	45,092	9,109	323	426,614	2,054	5.48
July	2018								#DIV/0!
August	2018								#DIV/0!
September	2018								#DIV/0!
October	2018								#DIV/0!
November	2018								#DIV/0!
December	2018								#DIV/0!
January	2019								#DIV/0!
February	2019								#DIV/0!
Total for FY year 2018		297,834	4,456	170,814	41,141	1,256	1,638,599	9,667	
Total for Calendar CY year 2018		401,774	5,605	232,015	57,383	1,731	2,240,789	17,117	
Total for Calendar CY year 2019		0	0	0	0	0	0	0	
Cumulative Totals		1,703,623	28,302	913,842	233,764	8,822	9,694,121	66,210	5.89
Ratio for the last 12 monthly Average for July 2017 - June 30, 2018									159.78 67.55

Ratio Calculation for the number of out going calls

1) Total Ratio as of June 30, 2018	67.6500
2) Ratio for the last 12 monthly Average for July 2017 - June 30, 20	5.64
3) Average Ratio minus 2 tenths	6.44
4) Reciprocal of 6.44	0.1539
5) Reciprocal * 7.41	1.3528

as of 6/30/2018 recommended new tariff rate should be 1.35 per outgoing ticket
OCC proposed rate is 1.36 per outgoing ticket