



Agenda Date: 12/20/23
Agenda Item: 2E

STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 1st Floor
Post Office Box 350
Trenton, New Jersey 08625-0350
www.nj.gov/bpu/

ENERGY

IN THE MATTER OF ROCKLAND ELECTRIC)
COMPANY TRANSMISSION RETAIL RATE FILING) DECISION AND ORDER
) APPROVING CHANGES IN
) FIRM TRANSMISSION
) SERVICE RELATED CHARGES
)
) DOCKET NO. ER23110787

Parties of Record:

Margaret Comes, Associate Counsel, Rockland Electric Company
Brian O. Lipman, Esq., Director, New Jersey Division of Rate Counsel

BY THE BOARD:

BACKGROUND AND PROCEDURAL HISTORY

On January 28, 2022, in a filing made by Rockland Electric Company (“RECO” or “Company”) with the Federal Energy Regulatory Commission (“FERC”), the Company requested an increase in its annual transmission revenue requirement provided on schedule H-12 of PJM Interconnection LLC’s (“PJM”) Open Access Transmission Tariff (“PJM OATT”) from \$16,833,707 to \$20,354,318 (“RECO FERC Proceeding”). The Company also requested an increase in its PJM OATT Schedule 1A scheduling, system control, and dispatch (“SSC&D”) rate from \$0.5351/MWh to \$0.5685/MWh.¹

On March 29, 2022, FERC issued an Order accepting RECO’s proposed transmission revenue requirement and proposed SSC&D rate, suspended them for five months, to become effective August 30, 2022, subject to refund, and established hearing and settlement judge procedures.²

On July 19, 2023, RECO, the New Jersey Board of Public Utilities (“Board”) and the New Jersey Division of Rate Counsel filed a settlement agreement in the RECO FERC proceeding resolving

¹ The requested increase in the revenue requirement and SSC&D rate was only applicable to the Company’s Eastern Division (i.e., where the load is directly connected with PJM). In contrast, the load of the Company’s Central and Western Divisions is directly connected with the New York Independent System Operator.

² *Rockland Elec. Co.*, 178 FERC ¶ 61,232 (Mar. 29, 2022).

all contested issues.³ This settlement agreement included a final revenue requirement of \$18,200,000 and an SSC&D rate of \$0.1775/MWh for the period of August 30, 2022 through December 31, 2023, and a final revenue requirement of \$20,700,000 and an SSC&D rate of \$0.1775/MWh for the period commencing January 1, 2024. On October 24, 2023, FERC approved the settlement agreement.⁴

November 2023 Petition

On November 1, 2023, the Company filed a petition with the Board to implement revised retail rates to reflect the FERC approved change in the Company's transmission rates ("Petition"). The Petition included revised tariffs reflecting the updated retail transmission rates with the revised revenue requirements and SSC&D rate.

The Company further requested that the Board waive the 30-day filing requirement, and approve the effective dates of the retail transmission rates as December 1, 2023 and January 1, 2024.

The Company proposed using the Basic Generation Service ("BGS") Reconciliation Charge as the mechanism to collect transmission revenue from customers and noted that the proposed tariffs included added language to state that the costs specific to this FERC Docket would be collected via the BGS Reconciliation mechanism.⁵

DISCUSSIONS AND FINDINGS

After review of the Petition and the documentation pertaining thereto, the Board **HEREBY APPROVES** the changes to the retail transmission rates requested by RECO resulting from the FERC-approved changes to the transmission charges, effective as of January 1, 2024.

The Board **HEREBY WAIVES** the 30-day filing requirement and authorizes the Company to use the BGS reconciliation charge to collect / refund any difference due to the effective date of the FERC change.

As a result of the Board approvals herein, a residential customer using 1,000 kWh per month would see an increase in their monthly bill from \$197.94 to \$199.94, or \$2.00, or approximately 1%.

Accordingly, the Board **HEREBY ORDERS** RECO to file revised tariff sheets conforming to the terms of the Order prior to January 1, 2024.

The Company's costs remain subject to audit by the Board. This Decision and Order shall not preclude nor prohibit the Board from taking any actions determined to be appropriate as a result of any such audit.

³ Settlement Agreement, FERC Docket Nos. ER22-910-000, ER22-910-001 (July 19, 2023).


⁴ *Rockland Elec. Co.*, 185 FERC ¶ 61,053 (Oct. 24, 2023).

⁵ The Company has included that such collection will be for revenues for the period August 30, 2022 through November 30, 2023 assuming the proposed effective date of new retail rates is December 1, 2023. The Company stated that should the Board approve a different effective date for the effectuation of the proposed retail rates filed, the Company would adjust such date accordingly in the final tariff leaves that the Company files with the Board.

This Board Order shall be effective on December 27, 2023.

DATED: December 20, 2023

BOARD OF PUBLIC UTILITIES
BY:

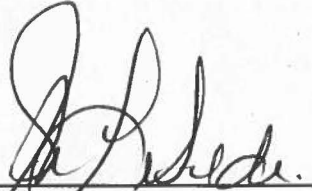

CHRISTINE GUHL-SADOVY
PRESIDENT


MARY-ANNA HOLDEN
COMMISSIONER


DR. ZENON CHRISTODOULOU
COMMISSIONER


MARIAN ABDOU
COMMISSIONER

ATTEST:


SHERRI L. GOLDEN
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 ROCKLAND ELECTRIC COMPANY TRANSMISSION RETAIL RATE
FILING

BPU DOCKET NO. ER23110787

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