



STATE OF NEW JERSEY
Board of Public Utilities
Two Gateway Center, Suite 801
Newark, NJ 07102
www.nj.gov/bpu/

ENERGY

IN THE MATTER OF THE PROVISION OF)
BASIC GENERATION SERVICE (BGS) FOR)
THE PERIOD BEGINNING JUNE 1, 2012)

DECISION AND ORDER
DOCKET NO. EO11040250

(SERVICE LIST ATTACHED)

BY THE BOARD¹:

By prior Board Orders, Docket No. EO09050351 dated December 10, 2009, and Docket No. ER10040287 dated December 6, 2010, the Board approved, with modifications, the joint Basic Generation Service (BGS) proposals of the State's electric distribution companies (EDCs), Atlantic City Electric Company (ACE), Jersey Central Power & Light Company (JCP&L), Public Service Electric and Gas Company (PSE&G) and Rockland Electric Company (Rockland), that used a descending clock auction format to procure one-third of the State's BGS requirements for Fixed-Price (FP) BGS customers for 36 months for periods extending to May 31, 2014. In those prior Orders, the Board did not address how the remaining BGS requirements for FP customers, as well as the State's annual BGS requirements for Commercial and Industrial Energy Pricing (CIEP) customers, would be procured for the period beginning June 1, 2012.²

The process adopted by the Board to determine how to procure BGS for the past ten years has provided an opportunity for participation by all interested parties through both written comments and at public hearings which resulted in a wide range of BGS suggestions, a timely Board decision and, ultimately, a successful procurement process. Accordingly, the Board intends to initiate a proceeding to determine what type of process should be used to procure BGS FP and CIEP requirements for the period beginning June 1, 2012, similar to the process that has been employed for the past ten years, including an invitation for all parties to propose how to procure BGS supply, the ability for all parties to issue discovery, provide written comments to the Board, and provide oral testimony at both legislative and public hearings where the Board encourages the use of expert testimony. The proposed schedule anticipates a Board decision on the process in November 2011, and a BGS procurement process in February 2012.

¹ Commissioner Nicholas Asselta did not participate in this matter.

² The BGS FP requirements procured for the period beginning June 1, 2012 will supply the final one-third of the BGS FP load for the period June 1, 2012 through May 30, 2013, the second one-third of the BGS FP load for the period June 1, 2013 through May 30, 2014, and the first one-third of the BGS FP load for the period June 1, 2014 through May 30, 2015.

Therefore, the Board DIRECTS the EDCs, ACE, JCP&L, PSE&G, and Rockland, to file proposals no later than July 1, 2011, addressing how to procure the remaining one third of the State's BGS FP requirements and the annual CIEP requirements for the period beginning June 1, 2012. In addition, the Board also invites all other interested stakeholders to file alternative BGS proposals with the Board by July 1, 2011.

Furthermore, the Board ADOPTS the preliminary procedural schedule contained in Attachment A to this Order.

All discovery and comments must be filed with the Board's Secretary and should also be electronically served via email to parties on the attached e-service list. Parties wishing to be added to the e-service list may do so by emailing John Garvey at John.Garvey@bpu.state.nj.us. Parties should adhere to the attached schedule unless otherwise directed. Parties will be advised of the time and place of the legislative-style hearing identified in Attachment A electronically via email and through a posting on the Board's webpage. The Board and/or Staff will also notify parties through the electronic service list and, when possible, through the BPU webpage, of the time and location of any meetings or hearings as well as of any schedule changes.

DATED: 5/16/11

BOARD OF PUBLIC UTILITIES
BY:



LEE A. SOLOMON
PRESIDENT



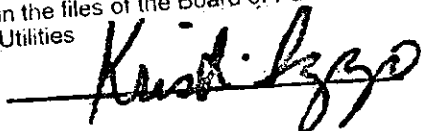
JEANNE M. FOX
COMMISSIONER



JOSEPH L. FIORDALISO
COMMISSIONER

ATTEST: 
KRISTI IZZO
SECRETARY

I HEREBY CERTIFY that the within document is a true copy of the original in the files of the Board of Public Utilities



ATTACHMENT A

Preliminary 2012 BGS Schedule

DATE	Activity or Decision Point
7/01/2011	Filing of Proposals and/or Modifications for BGS for the period beginning June 1, 2012
7/22/2011	Discovery request deadline
8/05/2011	Discovery response deadline
9/02/2011	Deadline for Initial Comments on all proposals
TBA	Legislative-type Hearing*
TBA	Public Hearings*
9/30/2011	Deadline for Final Comments**
Mid November	Expected Board decision on BGS proposals
End of November	EDC Compliance Filing
Mid December	Expected Board decision on Compliance Filing
Feb 2012	Procurement Process for BGS Supply requirements

* This is a placeholder for the Legislative-type Hearing and the Public Hearings (for the public hearings the time and place will be scheduled by the EDCs in conjunction with the BPU), as required.

** Final Comments should only be used to respond to issues raised either in the Initial Comments, or at the Legislative-type Hearing. They should not be used to raise new issues in this proceeding.