

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

)	DECISION AND ORDER
)	APPROVING THE PASS-
)	THROUGH OF FERC
)	AUTHORIZED CHANGES IN FIRM
)	TRANSMISSION SERVICE
)	RELATED CHARGES
)	
)	BPU DOCKET NO. ER21060945
)))))))

Parties of Record:

Philip J. Passanante, Esq., on behalf of Atlantic City Electric Company Matthew M. Weismann, Esq., on behalf of Public Service Electric and Gas Company Joshua R. Eckert, Esq., on behalf of Jersey Central Power & Light Company John L. Carley, Esq., on behalf of Rockland Electric Company Stefanie A. Brand, Esq., Director, New Jersey Division of Rate Counsel

BY THE BOARD:

By petition dated June 25, 2021, Atlantic City Electric Company ("ACE"), Jersey Central Power & Light Company ("JCP&L"), Public Service Electric & Gas Company ("PSE&G"), and Rockland Electric Company ("Rockland") (collectively, the "EDCs") filed a joint petition with the New Jersey Board of Public Utilities ("Board") requesting recovery of Federal Energy Regulatory Commission ("FERC") approved changes in firm transmission service related charges ("June 2021 Petition"). The EDCs requested that the changes in rates, if approved, be effective for service rendered on or after September 1, 2021.

The EDCs' proposed tariff changes reflect changes to the Basic Generation Service ("BGS") Residential and Small Commercial Pricing ("BGS-RSCP") and Commercial and Industrial Energy Pricing ("BGS-CIEP") rates to customers resulting from changes in the PJM Interconnection, LLC ("PJM") Open Access Transmission Tariff ("OATT") made in response to: (i) the annual formula rate update filings made by PPL Electric Utilities Corporation ("PPL") in FERC Docket No. ER09-1148, by Baltimore Gas and Electric Company in FERC Docket No. ER09-1100, by PECO Energy Company ("PECO") in FERC Docket No. ER17-1519, by Trans-Allegheny Interstate Line Company ("TrAILCo") in FERC Docket No. ER07-562, and by Commonwealth Edison Company in FERC Docket No. ER07-583; and (ii) the formula rate update filings made by the public utility affiliates of Pepco Holdings LLC ("PHI") in FERC Docket No. ER08-1423 and the respective utility

affiliate compliance filings for formula rate updates made by ACE in FERC Docket No. ER09-1156, by Delmarva Power and Light ("Delmarva") in FERC Docket No. ER09-1158, and Potomac Electric Power Company ("PEPCO") in FERC Docket No. ER09-1159. The filings referred to in (i) and (ii) above are collectively referred to as the "TEC Filings."

Transmission Enhancement Charges

The Transmission Enhancement Charges ("TECs"), as detailed in Schedule 12 of the PJM OATT, were implemented to compensate transmission owners for the annual transmission revenue requirements for "Required Transmission Enhancements" that are requested by PJM for reliability or economic purposes. TECs are recovered by PJM through an additional transmission charge in the transmission zones assigned cost responsibility for Required Transmission Enhancement projects.

June 2021 Petition

In the June 2021 Petition, the EDCs requested to implement revised tariff rates. The proposed rates included in the amended tariff sheets for each EDC reflect costs with a proposed effective date of September 1, 2021 for TECs resulting from the above listed FERC-approved TEC Filings.

Any differences between payments to PJM and charges to customers would flow through BGS Reconciliation Charges. Because the EDCs began to pay the modified transmission charges in June 2021, the EDCs requested a waiver of the 30-day filing requirement. The EDCs filed the June 2021 Petition with the Board for approval to recover TECs and Network Integration Transmission Service ("NITS") charges from BGS customers, and to pay PJM for costs assigned to them by PJM for the load served in the respective EDC service territories.

According to the EDCs, the proposed BGS tariff rates have been modified in accordance with the Board-approved methodology contained in each EDC's Company-Specific Addendum in the November 2020 Order and in conformance with each EDC's Board-approved BGS tariff sheets.¹

Each EDC is allocated the ACE derived NITS Charge and the TECs from PJM based on the cost in each EDC's transmission zone. Based on the allocation of the TEC Filings' transmission costs among the service classes, the monthly bill for a residential customer using 650 kWh per month will change by approximately the following amounts (including Sales and Use Tax): an increase of \$4.37 or 3.43% for ACE, an increase of \$0.03 or 0.03% for JCP&L, a decrease of \$0.05 or 0.04% for PSE&G; and an increase of \$0.04 or 0.03% for Rockland.

DISCUSSION AND FINDING

After review of the verifications and supporting documentation, the Board <u>HEREBY APPROVES</u> the changes to the BGS-RSCP and BGS-CIEP rates requested by each EDC for its transmission charges resulting from the FERC-approved changes to the TECs and the NITS, effective as of September 1, 2021.

The Board <u>HEREBY AUTHORIZES</u> the EDCs to collect from, or refund to, BGS customers, the costs associated with the June 2021 Petition.

¹ In re the Provision of Basic Generation Service (BGS) for the Period Beginning June 1, 2021, BPU Docket No. ER20030190, Order dated November 18, 2020 ("November 2020 Order").

The Board HEREBY WAIVES the 30-day filing requirement as requested by the EDCs in the June 2021 Petition.

Further, the Board HEREBY DIRECTS the EDCs to file tariffs and rates consistent with the Board's findings by September 1, 2021.

The EDCs' rates remain subject to audit by the Board. This Decision and Order does not preclude the Board from taking any actions deemed to be appropriate as a result of any Board audit.

The effective date of this Order is August 25, 2021.

DATED: 8 18 21

BOARD OF PUBLIC UTILITIES

BY:

RESIDENT

COMMISSIONER

COMMISSIONER

UPENDRA J. CHIVUKULA

COMMISSIONER

ROBERT M. GORDON COMMISSIONER

ATTEST:

SECRETARY

IN THE MATTER OF THE PROVISION OF BASIC GENERATION SERVICE, THE COMPLIANCE TARIFF FILING REFLECTING CHANGES TO SCHEDULE 12 CHARGES IN PJM OPEN ACCESS TRANSMISSION TARIFF - JUNE 25, 2021 FILING BPU Docket No. ER21060945

NOTIFICATION LIST

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