

**NOTICE TO
ROCKLAND ELECTRIC COMPANY CUSTOMERS**

**Notice of Filing and Public Hearings for Basic Generation Service Charges
Procured by RECO on behalf of its Basic Generation Service Customers**

and

**Notice of Proposed Recovery through its Basic Generation Service Charges of
Costs Resulting from Statewide Auction for Basic Generation Service
Docket No. ER21030631**

PLEASE TAKE NOTICE that, on July 1, 2021, Rockland Electric Company (“RECO”) filed a proposal [Annual Proposal for Basic Generation Service (“BGS”) Requirements to be Procured Effective June 1, 2022] (“Filing”) with the New Jersey Board of Public Utilities (“Board”), requesting that the Board approve the procurement of BGS supply through a statewide competitive auction process, with new BGS charges to become effective June 1, 2022. BGS is provided to all RECO customers who do not procure their electric supply requirements from a third party supplier.

The Board mandates that all New Jersey Electric Distribution Companies (“EDCs”), including RECO, provide BGS in accordance with the requirements of the Electric Discount and Energy Competition Act (“Act”). BGS is currently procured through a statewide competitive auction process in which all of the EDCs seek offers for BGS supply from electric generation suppliers. In this auction process, electric generation suppliers bid in a descending-clock auction on specified portions of the electric requirements for BGS customers for each of the EDCs. Since 2001, the Board has approved this type of auction and has found that this auction process meets the statutory requirements of the Act. The Company’s Filing is available at: <http://www.bgs-auction.com/bgs.auction.regproc.asp>.

The final price resulting from the auction conducted in 2021 to procure BGS supply for RECO customers eligible to receive BGS at fixed prices (“BGS-RSCP”) was 6.692 cents per kWh for a 36-month supply period. For RECO’s commercial and industrial customers eligible to receive hourly priced BGS (“BGS-CIEP”), the price resulting from the auction conducted in 2021 to procure BGS-CIEP supply was \$368.93 per MW-day.

RECO’s Central and Western Divisions operate in a non-PJM Interconnection area. Therefore, RECO’s BGS rates include an energy and capacity price for the Central and Western Divisions which is blended with the BGS auction price to obtain RECO’s BGS rates. In its July 1 filing, RECO proposes to use an estimate of future capacity prices to develop the Central and Western capacity portion of RECO’s BGS rates. On January 27, 2021, the Board approved a three-year financial contract in docket number ER19040428 that provides a fixed energy price for the Central and Western Divisions in order to develop the Central and Western energy portion of RECO’s BGS rates.

The prices for the BGS supply procured in the 2022 BGS-RSCP and BGS-CIEP auctions may be higher than or lower than the prices obtained in the 2021 auctions. Auction prices are converted to customer charges, which may be higher or lower than current charges, depending on the outcome of the auctions, consistent with market conditions. BGS-RSCP and BGS-CIEP rates may change to reflect any increases or decreases in the Federal Energy Regulatory Commission approved transmission charges.

Customer classes eligible to be served under the BGS-RSCP rate include customers served under RECO’s Service Classification Nos. 1, 3, 4, 5 and 6, and Service Classification No. 2 customers with a peak load share less than 500 kW. RECO customers served under Service Classification No. 7 and Service Classification No. 2 customers with a peak load share of 500 kW or greater are eligible to be served under the BGS-CIEP rate. These criteria for BGS-CIEP service are subject to change at the discretion of the Board.

PLEASE TAKE FURTHER NOTICE that due to the COVID-19 pandemic, a telephonic public hearing will be conducted on the following day and time so that members of the public may present their views.

Date: September 16, 2021
Time: 4:30 PM
Telephone number: 518-708-8084
Passcode: 771 741 107#

Representatives from the Company, Board Staff, and Rate Counsel will participate in the telephonic public hearing. Members of the public are invited to participate by utilizing the telephone number and passcode set forth above, and may express their views on this Petition. All comments will be made a part of the final record of the proceeding and will be considered by the Board. In order to encourage full participation in this opportunity for public comment, please submit any requests for needed accommodations, such as interpreters and/or listening assistance, 48 hours prior to the above hearings to the Board Secretary at board.secretary@bpu.nj.gov.

The Board will also accept written and/or electronic comments. While all comments will be given equal consideration and will be made part of the final record of this proceeding, the preferred method of transmittal is via the Board's External Access Portal after obtaining a MyNewJersey Portal ID. Detailed instructions for e-filing can be found on the Board's home page at <https://www.nj.gov/bpu/agenda/efiling>. Emailed comments may also be filed with the Secretary of the Board, in pdf or Word format, to board.secretary@bpu.nj.gov.

Written comments may be submitted to the Board Secretary, Aida Camacho-Welch, at the Board of Public Utilities, 44 South Clinton Avenue, 9th Floor, P.O. Box 350, Trenton, New Jersey 08625-0350. All comments should include the name of the Petition and the docket number.

All comments are considered "public documents" for purposes of the State's Open Public Records Act. Commenters may identify information that they seek to keep confidential by submitting them in accordance with the confidentiality procedures set forth in N.J.A.C. 14:1-12.3.

PLEASE TAKE FURTHER NOTICE that the Board will conduct an additional legislative-type hearing on September 27, 2021, beginning at 9:00 A.M., regarding the BGS proposals. It is anticipated that the Board will rule on the EDCs' BGS proposals shortly thereafter. The Board's Agenda Meeting schedules can be found at nj.gov/bpu.

ROCKLAND ELECTRIC COMPANY