



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/

**MINUTES OF THE SPECIAL BGS MEETING OF THE
BOARD OF PUBLIC UTILITIES**

A Special meeting of the Board of Public Utilities was held on February 8, 2018, at the Board's Office on 44 South Clinton Avenue First Floor, Merit System room, Trenton, New Jersey 08625.

Public notice was given pursuant to N.J.S.A. 10:4-18 by posting notice of the meeting at the Board's Trenton Office, on the Board's website, filing notice of the meeting with the New Jersey Department of State and the following newspapers circulated in the State of New Jersey:

Asbury Park Press
Atlantic City Press
Burlington County Times
Courier Post (Camden)
Home News Tribune (New Brunswick)
North Jersey Herald and News (Passaic)
The Record (Hackensack)
The Star Ledger (Newark)
The Trenton Times

The following members of the Board of Public Utilities were present:

Joseph L. Fiordaliso, President
Mary-Anna Holden, Commissioner
Dianne Solomon, Commissioner
Upendra J. Chivukula, Commissioner
Richard S. Mroz, Commissioner

President Fiordaliso presided at the meeting and Carmen D. Diaz, Assistant Secretary, carried out the duties of the Secretary.

It was announced that the next regular Board Meeting would be held on February 28, 2018 at the State House Annex, Committee Room 11, 125 West State Street, Trenton, New Jersey 08608.

2. ENERGY

A. Docket No. ER17040335 - In the Matter of the Provision of Basic Generation Service (BGS) for the Period Beginning June 1, 2018

Discussion: Stacy Peterson, Director of Energy discussed the results of the BGS-Residential and Small Commercial Pricing (BGS-RSCP) and BGS-Commercial and Industrial Energy Pricing (BGS-CIEP) Auctions, indicating when they opened and closed, the number of rounds and the final Auction prices. Representatives from Bates White, LLC (Bates White), the Board's consultant assigned to oversee the Auction process, and National Economic Research Associates (NERA), the auction manager, both indicated to the Board that they were satisfied with the auction process and the results, and recommended the Board certify the results.

BGS-RSCP AUCTION SUMMARY

The BGS-RSCP Auction began on February 5, 2018 and ended on February 6, 2018 after 23 rounds with all of the electric distribution companies' (EDCs) 57 tranches secured, with the following closing prices for each EDC:

EDC	Closing Price (cents/kWh)	Total Tranches Sold
ACE	8.123	7
JCP&L	7.311	20
PSE&G	9.177	29
Rockland	8.594	1

BGS-CIEP AUCTION SUMMARY

The BGS-CIEP Auction began on February 2, 2018, and ended on February 5, 2018. It lasted 32 rounds. All of the EDCs' 42 tranches secured, with the following closing prices for each EDC:

EDC	Closing Price (\$/Mw-day)	Total Tranches Sold
ACE	289.99	4
JCP&L	276.21	12
PSE&G	287.76	25
Rockland	300.82	1

Recommendation:

The Auction Manager responsible for conducting the 2018 auctions was NERA. The Auctions were also continuously monitored by Board Staff from the Division of Energy, as well as by the Board's consultant, Bates White.

NERA and Bates White both provided Board approved auction checklists that were reviewed by Staff, which included an in-depth analysis on how the BGS-RSCP and BGS-CIEP Auctions were conducted.

Both the independent NERA and Bates White post auction reports are consistent with each other, indicating that the Auctions proceeded without interruption, according to the Board-approved Auction rules, in an acceptably fair and transparent manner. They recommended that the Board certify the Auction results. Staff assigned to oversee the Auctions also recommended that the Board certify the final results of the BGS-RSCP and BGS-CIEP Auctions in their entirety and approve the closing prices for each EDC.

The Board confirmed that on January 31, 2018 Rockland was directed to execute the necessary documents with the winning bidder, and Directed Rockland to: (1) implement the BGS rates resulting from the Request for Proposal (RFP) as blended with the prices approved by this Order beginning June 1, 2018; and (2) file tariff sheets reflecting those blended rates by March 1, 2018.

Staff assigned to oversee the Auctions also recommended that the Board certify the Rockland RFP results in its entirety and approve the winning bid price for Rockland's non-PJM BGS load which will be rolled into the final BGS-RSCP Auction prices approved by the Board.

Staff also recommended the Board direct the EDCs 1) to execute the necessary documents with the winning bidders, including the BGS Supplier Master Agreements; 2) to implement the BGS rates resulting from the Auctions beginning June 1, 2018; and 3) to file tariff sheets reflecting those rates by March 1, 2018.

DECISION: The Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Fiordaliso	Aye
	Commissioner Holden	Aye
	Commissioner Solomon	Aye
	Commissioner Chivukula	Aye
	Commissioner Mroz	Aye

EXECUTIVE SESSION

After appropriate motion, the following matter, involving the attorney-client privilege exception to the Open Public Meetings Act, was discussed in Executive Session.

2. ENERGY

A. Docket No. ER16040337 - In the Matter of the Provision of Basic Generation Service (BGS) for the Period Beginning June 1, 2018

Discussion: Stacy Peterson, Director of Energy discussed the results of the BGS-Residential and Small Commercial Pricing (BGS-RSCP) and BGS-Commercial and Industrial Energy Pricing (BGS-CIEP) Auctions, indicating when they opened and closed, the number of rounds and the final Auction prices. Representatives from Bates White, LLC (Bates White), the Board's consultant assigned to oversee the Auction process, and National Economic Research Associates (NERA), the auction manager, both indicated to the Board that they were satisfied with the auction process and the results, and recommended the Board certify the results.

BGS-RSCP AUCTION SUMMARY

The BGS-RSCP Auction began on February 5, 2018 and ended on February 6, 2018 after 23 rounds with all of the electric distribution companies' (EDCs) 57 tranches secured, with the following closing prices for each EDC:

EDC	Closing Price (cents/kWh)	Total Tranches Sold
ACE	8.123	7
JCP&L	7.311	20
PSE&G	9.177	29
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Recommendation:

The Auction Manager responsible for conducting the 2018 auctions was NERA. The Auctions were also continuously monitored by Board Staff from the Division of Energy, as well as by the Board's consultant, Bates White.

NERA and Bates White both provided Board approved auction checklists that were reviewed by Staff, which included an in-depth analysis on how the BGS-RSCP and BGS-CIEP Auctions were conducted.

Both the independent NERA and Bates White post auction reports are consistent with each other, indicating that the Auctions proceeded without interruption, according to the Board-approved Auction rules, in an acceptably fair and transparent manner. They recommended that the Board certify the Auction results. Staff assigned to oversee the Auctions also recommended that the Board certify the final results of the BGS-RSCP and BGS-CIEP Auctions in their entirety and approve the closing prices for each EDC.

The Board confirmed that on January 31, 2018, Rockland was directed to execute the necessary documents with the winning bidder, and Directed Rockland to: (1) implement the BGS rates resulting from the Request for Proposal (RFP) as blended with the prices approved by this Order beginning June 1, 2018; and (2) file tariff sheets reflecting those blended rates by March 1, 2018.

Staff assigned to oversee the Auctions also recommended that the Board certify the Rockland RFP results in its entirety and approve the winning bid price for Rockland's non-PJM BGS load which will be rolled into the final BGS-RSCP Auction prices approved by the Board.

Staff also recommended the Board direct the EDCs 1) to execute the necessary documents with the winning bidders, including the BGS Supplier Master Agreements; 2) to implement the BGS rates resulting from the Auctions beginning June 1, 2018; and 3) to file tariff sheets reflecting those rates by March 1, 2018.

After appropriate motion, the Board reconvened to Open Session.

There being no further business before the Board, the meeting was adjourned.



AIDA CAMACHO-WELCH
SECRETARY OF THE BOARD

Date: February 27, 2019