



STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 9th Floor
Post Office Box 350
Trenton, NJ 08625-0350
www.nj.gov/bpu

ENERGY

IN THE MATTER OF THE PROVISION OF BASIC)	DECISION AND ORDER
GENERATION SERVICE AND COMPLIANCE TARIFF)	APPROVING THE PASS-
FILING REFLECTING CHANGES TO SCHEDULE 12)	THROUGH OF FERC
CHARGES IN PJM OPEN ACCESS TRANSMISSION)	AUTHORIZED CHANGES IN FIRM
TARIFF- JCP&L, PSE&G, AND ROCKLAND)	TRANSMISSION
JUNE 20, 2011 FILING)	SERVICE RELATED
)	CHARGES
)	
)	BPU DOCKET NO. ER11070431

(SERVICE LIST ATTACHED)

Mally Becker, Esq. on behalf of Public Service Electric and Gas Company
Marc B. Lasky, Esq. (Morgan, Lewis & Bockius LLP) on behalf of Jersey Central Power & Light Company
John L. Carley, Esq. on behalf of Rockland Electric Company
Stefanie A. Brand, Esq. Director of the Division of Rate Counsel

BY THE BOARD:

On June 20, 2011, 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.

The EDCs' proposed tariff changes reflect increases to the Basic Generation Service ("BGS") Fixed Price ("BGS-FP") and Commercial and Industrial Energy Pricing ("BGS-CIEP") rates to customers resulting from changes in the 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 Federal Energy Regulatory Commission ("FERC") Docket No. ER09-1148, by American Electric Power Service Corporation ("AEP") in FERC Docket No. ER08-1329, and by Tran-Allegheny Interstate Line Company ("TrAILCo") in FERC Docket No. ER07-562, and (ii) the formula rate update filings made by the public utility affiliates of Pepco Holdings

Inc. ("PHI") in FERC Docket No. ER08-1423 and the respective utility affiliate compliance filings for formula rate updates made by Atlantic City Electric Company ("ACE") in Docket No. ER09-1156, Delmarva Power and Light ("Delmarva") in Docket No. ER09-1158, and Potomac Electric Power Company ("PEPCO") in Docket No. ER09-1159. The filings referred to in (i) and (ii) above are collectively referred to as the "Filings".

The EDCs also requested that the BGS suppliers be compensated for the changes to the OATT resulting from the implementation of the updates from formula rates effective June 1 and July 1, 2011. The EDCs represent that suppliers will be compensated subject to the terms and conditions of the applicable Supplier Master Agreements ("SMAs").

According to the EDCs, this filing satisfies the requirements of paragraph 15.9(a) (i) and (ii) of the BGS-FP and BGS-CIEP SMAs, which mandate that BGS-FP and BGS-CIEP suppliers be notified of rate increases for firm transmission service, and that the EDCs file for and obtain Board approval for an increase in retail rates commensurate with the FERC-implemented rate increase.

The Transmission Enhancement Charges ("TECs") 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.

Each EDC is allocated a different amount of TECs from PJM based on the cost for Required Transmission Enhancements in each EDC's transmission zone. Based on the allocation of the TEC Filings transmission costs among the service classes, the annual bill for a residential customer using 650 kWh per month will increase by approximately the following amounts (including Sales and Use Tax): \$0.75 or 0.06% for JCP&L; \$0.60 or 0.04% for PSE&G; and \$1.20 or 0.08% for Rockland.

DISCUSSION AND FINDING

In the Board's Order dated December 2, 2003, in Docket No. EO03050394, the Board found that the pass through of any changes in the network integration transmission charge, and other charges associated with the FERC-approved OATT, is appropriate. Furthermore, by subsequent Orders, the Board approved Section 15.9 of the SMAs as filed by the EDCs which requires that the EDCs file for Board approval of any increases or decreases in their transmission charges that have been approved by FERC. The SMAs also authorize the EDCs to increase the rates paid to suppliers for FERC-approved rates and increases to Firm Transmission Services once approved by the Board. The Board Orders further required that the EDCs review and verify the requested FERC authorized increases.

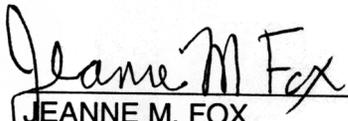
After review of the verifications and supporting documentation, the Board **HEREBY FINDS** that the June 20 filing satisfies the EDCs' obligations under paragraph 15.9 (a)(i) and (ii) of the relevant SMA, and **HEREBY APPROVES** the increase to the BGS-FP and BGS-CIEP rates requested by each EDC for its increased transmission charges resulting from the FERC-approved changes to the TECs effective for service on or after October 1, 2011. The EDCs are **HEREBY ORDERED** to compensate the BGS suppliers for this transmission rate increase subject to the terms and conditions of the SMAs.

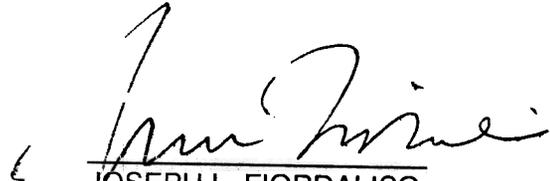
Further, the Board **HEREBY DIRECTS** the EDCs to file tariffs and rates consistent with the Board's findings within five (5) business days of this Order.

DATED: 9/22/11

BOARD OF PUBLIC UTILITIES
BY:


LEE A. SOLOMON
PRESIDENT


JEANNE M. FOX
COMMISSIONER

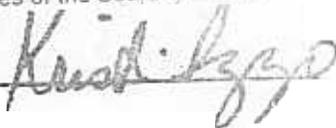

JOSEPH L. FIORDALISO
COMMISSIONER


NICHOLAS ASSELTA
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



IN THE MATTER OF THE PROVISION OF BASIC GENERATION SERVICE AND
COMPLIANCE TARIFF FILING REFLECTING CHANGES TO SCHEDULE 12 CHARGES IN
PJM OPEN ACCESS TRANSMISSION TARIFF- JCP&L, PSE&G, AND ROCKLAND JUNE 20
2011 FILING - BPU Docket No. ER11070431

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