



Agenda Date: 8/17/22  
Agenda Item: 2C

**STATE OF NEW JERSEY**  
**Board of Public Utilities**  
44 South Clinton Avenue, 1<sup>st</sup> Floor  
Post Office Box 350  
Trenton, New Jersey 08625-0350  
[www.nj.gov/bpu/](http://www.nj.gov/bpu/)

ENERGY

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 24, 2022 FILING )  
 )  
 ) BPU DOCKET NO. ER22060404

**Parties of Record:**

**Philip J. Passanante, Esq.**, on behalf of Atlantic City Electric Company  
**Matthew M. Weissman, Esq.**, on behalf of Public Service Electric and Gas Company  
**Joshua R. Eckert, Esq.**, on behalf of Jersey Central Power & Light Company  
**Margaret Comes, Esq.**, on behalf of Rockland Electric Company  
**Brian O. Lipman, Esq.**, Director, New Jersey Division of Rate Counsel

BY THE BOARD:<sup>1</sup>

On June 24, 2022, 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”) (collectively, “EDCs”) filed a joint petition with the New Jersey Board of Public Utilities (“Board” or “BPU”) requesting recovery of Federal Energy Regulatory Commission (“FERC”) approved changes in firm transmission service related charges (“June 2022 Petition”).

**BACKGROUND**

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 the annual formula rate update filings made by: (i) PPL Electric Utilities Corporation (“PPL”) in FERC Docket No. ER09-1148, Baltimore Gas and Electric Company in FERC Docket No. ER09-1100, PECO Energy Company (“PECO”) in FERC Docket No. ER17-1519, Trans-Allegheny Interstate Line Company (“TrAILCo”) in FERC Docket No. ER07-562, Commonwealth Edison Company in FERC Docket No. ER07-583, and by Duquesne Light Company (“DLC”) in FERC Docket No. ER06-1549; and

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<sup>1</sup> Commissioner Zenon Christodoulou abstained from voting on this matter.

(ii) the annual 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”) detailed in Schedule 12 of the PJM OATT and the Network Integration Transmission Service Rate (“NITS”) 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. PJM recovers TECs through an additional transmission charge in the transmission zones assigned cost responsibility for Required Transmission Enhancement projects.

### **June 2022 Petition**

In the June 2022 Petition, the EDCs requested authorization to implement revised BGS-RSCP and BGS-CIEP transmission tariff rates with an effective date of September 1, 2022. The proposed rates included in the amended tariff sheets for each EDC reflect costs effective on June 1, 2022 for TECs and NITS costs resulting from the above-listed FERC-approved TEC Filings.

As the EDCs began to pay the modified transmission charges in June 2022, the EDCs have requested a waiver of the 30-day filing requirement. The EDCs filed the June 2022 Petition with the Board for approval to recover TECs and 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. Any differences between payments to PJM and charges to customers would flow through the BGS Reconciliation Charges.

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 and in conformance with each EDC’s Board-approved BGS tariff sheets.

Based upon the allocation of the TECs and NITS 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 \$4.34 or 3.30% for ACE, an increase of \$0.01 or 0.01% for JCP&L, an increase of \$0.05 or 0.04% for PSE&G, and an increase of \$0.06 or 0.06% for Rockland.

### **DISCUSSION AND FINDING**

After review of the June 2022 Petition and supporting documentation, the Board **HEREBY APPROVES** the changes to the BGS-RSCP and BGS-CIEP transmission 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, 2022.

The Board **HEREBY AUTHORIZES** the EDCs to collect from, or refund to, BGS customers, the costs associated with the June 2022 Petition.

The Board **HEREBY WAIVES** the 30-day filing requirement as requested by the EDCs in the

June 2022 Petition.

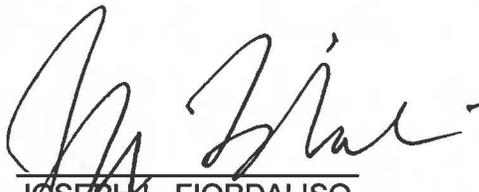
Further, the Board **HEREBY DIRECTS** the EDCs to file tariffs and rates consistent with the Board's findings by September 1, 2022.

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 24, 2022.

DATED: August 17, 2022

BOARD OF PUBLIC UTILITIES  
BY:

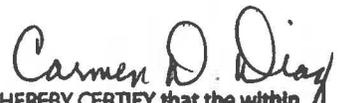
  
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JOSEPH L. FIORDALISO  
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MARY-ANNA HOLDEN  
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COMMISSIONER

  
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ROBERT M. GORDON  
COMMISSIONER

ATTEST:   
\_\_\_\_\_  
CARMEN D. DIAZ  
ACTING 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, THE  
 COMPLIANCE TARIFF FILING REFLECTING CHANGES TO SCHEDULE 12 CHARGES IN  
 PJM OPEN ACCESS TRANSMISSION TARIFF – JUNE 24, 2022 FILING

BPU Docket No. ER22060404

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