



Agenda Date: 8/13/25

Agenda Item: 9A

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

IN THE MATTER OF THE DETERMINATION OF) ORDER DETERMINING ZEC
THE ZERO EMISSION CERTIFICATE PRICE FOR) PRICE FOR EY 2025
ENERGY YEAR 2025)
) DOCKET NO. EO25070377

Parties of Record:

Brian O. Lipman, Esq., Director, New Jersey Division of Rate Counsel
Neil Hlawatsch, Esq., Atlantic City Electric Company
John L. Carley, Esq., Rockland Electric Company
Tori Giesler, Esq., Jersey Central Power & Light Company
Matthew Weissman, Esq., Associate General Regulatory Counsel, Public Service Electric and Gas Company
Robert H. Oostdyk, Jr., Esq., Law Offices of Murphy McKeon, P.C., on behalf of Butler Power and Light Company
Carrie H. Allen, Esq., Constellation Energy Generation, LLC
Aaron I. Karp, Esq., PSEG Nuclear LLC

BY THE BOARD:

By this Order, the New Jersey Board of Public Utilities ("Board") considers the Zero Emission Certificate ("ZEC") price for energy year ("EY") 2025, June 1, 2024 through May 31, 2025.

I. BACKGROUND AND PROCEDURAL HISTORY

A ZEC represents the fuel diversity, air quality, and other environmental attributes of one (1) megawatt-hour ("MWh") of electricity generated by a nuclear power plant ("Unit") selected by the Board to participate in the ZEC Program. As mandated by the ZEC Act, N.J.S.A. 48:3-87.3 *et seq.* ("Act"), every three (3) years the Board conducts a proceeding to certify which, if any, Units are eligible to participate in the ZEC Program and receive ZECs in accordance with the Act.¹ Once the Board certifies one (1) or more Units are eligible to receive ZECs, New Jersey's four (4) investor-owned electric distribution companies ("EDCs") and the municipal electric distribution company Butler Electric Utility ("Butler"), subsequently purchase ZECs from the Units, and the

¹ See N.J.S.A. 48:3-87.5(e) (criteria to determine eligibility), and N.J.S.A. 48:3-87.5(d) (no obligation to certify any Unit as eligible).

proceeds help the Units prevent premature retirement.² The EDCs and Butler collect monies to purchase ZECs via a non-bypassable ZEC charge imposed on their customers.

On August 29, 2018, the Board initiated the ZEC Program.³ On July 10, 2019, in compliance with the Act, the Board established next, or “forward,” requirements to implement the ZEC program July 2019 Order.⁴ The Forward Requirements direct Board Staff (“Staff”) to present an updated ZEC price in August of each year for the Units eligible to receive ZECs. Additionally, each EDC and Butler must provide the Board with data showing 1) the amount of monies held in the ZEC account, including interest collected, established by N.J.S.A. 48:3-87.5(j)(1), and 2) the total number of MWh of electricity distributed (i.e., sold) by the EDCs and Butler in the prior EY. Finally, the Forward Requirements mandate that the Unit owners must annually, by July 30, provide the Board a certificated accounting of the total MWh of electricity generated in the prior EY (“Filing Requirements”).

On April 27, 2021, the Board found that the Salem 1, Salem 2, and Hope Creek Units were eligible to receive ZECs for the second eligibility period, June 1, 2022 through May 31, 2025 (“ZEC 2”).⁵ In addition, the Board found that no reduction in the ZEC charge was warranted for the ZEC 2 period.

II. FORWARD REQUIREMENT: DETERMINING THE ZEC PRICE

Pursuant to the Act, the Board must “determine the price of a ZEC each [EY] by dividing the total number of dollars held by electric public utilities” in separate interest-bearing accounts by the greater of “40 percent of the total number of megawatt-hours of electricity distributed by the electric public utilities in the State in the prior [EY], or the number of megawatt- hours of electricity generated in the prior [EY] by the selected nuclear power plants.”

On August 14, 2024, the Board determined that the EY 2024 ZEC price was \$9.95 per MWh.⁶

² The EDCs are Atlantic City Electric Company, Jersey Central Power & Light Company, Public Service Electric and Gas Company, and Rockland Electric Company.

³ In re the Implementation of L. 2018, c. 16 Regarding the Establishment of a Zero Emission Certificate Program for Eligible Nuclear Power Plants, BPU Docket No. EO18080899, Order dated August 29, 2018.

⁴ In re the Implementation of L. 2018, c. 16 Regarding the Establishment of a Zero Emission Certificate Program for Eligible Nuclear Power Plants; Application for Zero Emission Certificates of Salem 1 Nuclear Power Plant; Application for Zero Emission Certificates of Salem 2 Nuclear Power Plant; Application for Zero Emission Certificates of Hope Creek Nuclear Power Plant, Order Determining The Forward Steps in the ZEC Program and Currently Approved Applications, BPU Docket Nos. EO18080899, EO18121338, EO18121339, and EO18121337, Order dated July 10, 2019 (“July 2019 Order”).

⁵ In re the Application of PSEG Nuclear, LLC and Exelon Generation Company, LLC for the Zero Emission Certificate Program – Salem Unit 1, BPU Docket No. ER20080557, Order dated April 27, 2021; In re the Application of PSEG Nuclear, LLC and Exelon Generation Company, LLC for the Zero Emission Certificate Program – Salem Unit 2, BPU Docket No. ER20080558, Order dated April 27, 2021; and In re the Application of PSEG Nuclear, LLC for the Zero Emission Certificate Program – Hope Creek, BPU Docket No. ER20080559, Order dated April 27, 2021.

⁶ In re the Determination of the Zero Emission Certificate Price for Energy Year 2024, BPU Docket No. EO24070540, Order dated August 14, 2024.

Pursuant to the July 2019 Order, upon receipt of the Filing Requirements, the Board determines the ZEC price using the following calculation, where all values are for the prior EY:

$$\text{Price of ZEC} = \frac{A (\$)}{\text{The greater of: } B \text{ (MWh) or } C \text{ (MWh)}}$$

Where, A = Total amount in utility ZEC accounts, in dollars
B = 40% of all electricity distributed (i.e., sold) by utilities, in MWh
C = Total electricity generated by selected nuclear Units, in MWh

III. ZEC PRICE FOR ENERGY YEAR 2025

Upon receipt of the EY 2025 Filing Requirements, and using the formula provided above, the number of megawatt-hours generated by the Units was less than forty percent (40%) of electricity distributed by the EDCs and Butler. Staff calculated the EY 2025 ZEC price to be \$10.00 per megawatt-hour based upon the following:

ZEC PRICE FOR ENERGY YEAR 2025

	EY 2025
ZEC Rate, \$/kWh	0.004
Retail Sales Volumes (MWh)	
PSE&G	40,679,289
JCP&L	20,008,467
ACE	8,715,535
RECO	1,553,148
Butler	105,584
Total Retail Sales Volume	71,062,022
Utility Revenues in ZEC Accounts (\$)	
PSE&G	162,717,157
JCP&L	80,033,869
ACE	34,862,138
RECO	6,212,590
Butler	422,335
Total Utility Revenues (\$) (A)	284,248,089
Nuclear Generation (MWh)	
Hope Creek	10,462,826
Salem 1	8,634,515
Salem 2	8,507,175
Total Actual EY2024 Generation (MWh) (C)	27,604,516
40% of New Jersey Retail Sales (MWh) (B)	28,424,809
ZEC Price (\$/MWh) (A / greater of B or C)	\$ 10.00

The ZEC payments to nuclear units for EY 2025 is affected by a metering correction at the Salem 1 and 2 Units that will affect EYs 2021, 2022, and 2023. The total ZEC payments by each EDC will be reduced as described below.

In 2024, PSEG learned that the generation meter of Salem 1 and 2 Units incorrectly over-reported MWhs produced. The overall impact is \$359,831 inclusive of interest overpaid by the EDCs and Butler in ZECs to nuclear unit owners April 18, 2019 through May 30, 2023. Accordingly, the ZEC payments that the EDCs and Butler must pay to the Units for EY 2025 ZECs is reduced by a single over-collection adjustment reflecting overcharges in the three EYs for which the metering correction applies as tabulated below:

REFUND TO EDCs

EDC	Total Refund
PSE&G	\$ 203,094
JCP&L	\$ 103,705
ACE	\$ 44,674
RECO	\$ 7,818
Butler	\$ 540
Total	\$ 359,831

IV. DISCUSSION AND FINDINGS

As set forth above, for EY 2025, the number of megawatt-hours generated by the nuclear units was less than forty percent (40%) of electricity distributed by the EDCs and Butler. Accordingly, to determine the ZEC price, the Board must divide the total dollar amount held by all electric public utilities in their separate accounts, established pursuant to the Act, by forty percent (40%) of electricity distributed by the EDCs and Butler.

As such, after consideration of the Act, the July 2019 Order, and the Filing Requirements, the Board **HEREBY FINDS** that the EY 2025 ZEC calculation and ZEC price determination are accurate and in compliance with the law. Accordingly, the Board **HEREBY ORDERS** that the ZEC price for EY 2025 be set at \$10.00 per MWh with a net reimbursement of \$359,831 applied against the upcoming expected ZEC payment by each EDC with the interest expense updated with actuals through the payment date.

This Order shall be effective on August 20, 2025.

DATED: August 13, 2025

BOARD OF PUBLIC UTILITIES
BY:


CHRISTINE GUHL-SADOVY
PRESIDENT


DR. ZENON CHRISTODOULOU
COMMISSIONER


MICHAEL BANGE
COMMISSIONER

ATTEST:


SHERRI L. LEWIS
BOARD 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 DETERMINATION OF THE ZERO EMISSION CERTIFICATE PRICE FOR ENERGY YEAR 2025

BPU DOCKET NO. EO25070377

SERVICE LIST

Division of Rate Counsel

140 East Front St, 4th Floor
Post Office Box 003
Trenton, NJ 08625-0003

Brian O. Lipman, Esq., Director
blipman@rpa.nj.gov

T. David Wand, Esq., Managing Attorney
dwand@rpa.nj.gov

Debora Layugan, Paralegal
dlayugan@rpa.nj.gov

New Jersey Department of Law and Public Safety

Division of Law
Public Utilities Section
R.J. Hughes Justice Complex, 7th Floor West 25
Market Street, P.O. Box 112
Trenton, NJ 08625

Pamela Owen, Deputy Attorney General,
Assistant Section Chief
pamela.owen@law.njoag.gov

Matko Ilic, Deputy Attorney General
matko.ilic@law.njoag.gov

Board of Public Utilities

44 South Clinton Ave, 1st Floor
Post Office Box 350
Trenton, NJ 08625-0350

Sherri L. Lewis, Secretary of the Board
board.secretary@bpu.nj.gov

Robert Brabston, Esq., Executive Director
robert.brabston@bpu.nj.gov

Stacy Peterson, Deputy Executive Director
stacy.peterson@bpu.nj.gov

Benjamin Witherell, Chief Economist
benjamin.witherell@bpu.nj.gov

Heather Weisband, Senior Counsel
heather.weisband@bpu.nj.gov

Dianne Crilly
dianne.crilly@bpu.nj.gov

PSEG Nuclear LLC

Aaron I. Karp, Esq.
PSEG Services Corporation
80 Park Plaza, T5D
Newark, New Jersey 07101-4194
aaron.karp@pseg.com

Constellation Energy Generation, LLC

Carrie Allen, Esq.
101 Constitution Avenue, Suite 400 E. Washington,
DC 20001
carrie.allen@constellation.com

Atlantic City Electric Company

Pepco Holdings LLC – 92DC56
500 N. Wakefield Drive
PO Box 6066
Newark, DE 19714-6066

Neil Hlawatsch, Esq.
Assistant General Counsel
Neil.Hlawatsch@ExelonCorp.com

Susan DeVito
susan.devito@pepcoholdings.com

Butler Electric Utility

Robert H. Oostdyk, Jr., Esq.
Murphy McKeon, P.C.
51 Route 23 South
P.O. Box 70
Riverdale, NJ 07457
roostdyk@murphymckeonlaw.com

Jersey Central Power & Light Company

300 Madison Avenue
PO Box 1911
Morristown, NJ 07962-1911

Mark A. Mader
Director, Rates & Regulatory Affairs – NJ
mamader@firstenergycorp.com

Tom Donadio
tdonadio@firstenergycorp.com

Yongmei Peng
ypeng@firstenergycorp.com

Tori Giesler, Esq.
Managing Counsel
76 South Main Street
Akron, OH 44308
tgiesler@firstenergycorp.com

Gregory Eisenstark
Windels Marx Lane & Mittendorf, LLP
120 Albany Street Plaza New Brunswick, NJ 08901
geisenstark@windelsmarx.com

Public Service Electric and Gas Company

PSEG Services Corporation
80 Park Plaza, T5G
PO Box 570
Newark, NJ 07102-4194

Matthew Weissman, Esq.
matthew.weissman@pseg.com

Joseph Accardo, Jr., Esq.
joseph.accardojr@pseg.com

Stephen Swetz
stephen.swetz@pseg.com

Michele Falcao
michele.falcao@pseg.com

Caitlyn White
caitlyn.white@pseg.com

Michael McFadden
michael.mcfadden@pseg.com

Bernard Smalls
bernard.smalls@pseg.com

Maria Barling
maria.barling@pseg.com

Rockland Electric Company

4 Irving Place
New York, NY 10003

Jane J. Quin, Vice President
quinja@coned.com

John L. Carley
Associate General Counsel
carleyj@coned.com

William Atzl, Director – Rate Engineering
atzlw@coned.com

Cheryl Ruggiero
ruggieroc@coned.com

Kelly Ziegler
zieglerk@coned.com

Kristen M. Barone
baronekr@oru.com

JoAnne Siebel
seibeljo@oru.com