



Agenda Date: 1/14/26
Agenda Item: 2B

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 PETITION OF BUTLER)	ORDER
ELECTRIC FOR APPROVAL OF A ZERO)	
EMISSION CERTIFICATE RECOVERY CHARGE)	DOCKET NO. ER25100551

Parties of Record:

Robert H. Oostdyk, Jr., Esq., on behalf of Butler Electric
Brian O. Lipman, Esq., Director, New Jersey Division of Rate Counsel

BY THE BOARD:

By this Decision and Order, the New Jersey Board of Public Utilities ("Board") considers a petition filed by Butler Electric Company ("Butler" or "Company") constituting the annual reconciliation of its Zero Emission Certificate ("ZEC") Recovery Charge ("ZECRC") ("Petition").

BACKGROUND

On May 23, 2018, Governor Phil Murphy signed into law N.J.S.A. 48:3-87.3 to -87.7 ("Act"), which required the Board to implement a ZEC program. The Act mandates that the Board authorize certain eligible nuclear energy generators ("Units") to receive ZECs which would be purchased by New Jersey's electric distribution companies ("EDCs").¹ The Act also requires the Board to order the full recovery of EDCs' costs associated with purchased ZECs via a non-bypassable charge imposed on each EDC's retail distribution customers.²

The Act directs each EDC to file with the Board a tariff to recover a ZEC charge of \$0.004 per kilowatt-hour ("kWh") from its retail distribution customers ("ZEC Charge").³ The ZEC Charge constitutes the emissions avoidance benefits associated with the continued operation of a selected nuclear power plant. The ZEC Charge is one (1) component of the ZECRC.

¹ The EDCs are Atlantic City Electric Company, Jersey Central Power & Light Company, Public Service Electric and Gas Company, Rockland Electric Company and Butler. Butler is regulated to the extent it serves customers outside of its municipal borders.

² N.J.S.A. 48:3-87.5(j)(1).

³ All rates quoted herein exclude Sales and Use Tax.

The Act also directs the EDCs to return excess monies in each EDC's separate, interest-bearing account to its retail distribution customers at the end of each Energy Year ("EY"). This constitutes the second component of Butler's ZECRC: the Return of Excess Collections Credit Rate ("RECCR").

October 2025 Petition

On October 1, 2025, Butler filed the Petition, thereby seeking authorization to maintain the RECCR component of its ZECRC at \$0.0000 per kWh and to use the cumulative remaining balance to assist senior customers that require assistance.

According to the Petition, the cumulative over-collected balance through December 31, 2024 is \$269.89. Additionally, Butler indicated that the balance for Energy Year 2024, including interest through December 2024, is \$422.78. Accordingly, Butler estimated that the total refund due to customers is \$692.66.

Because the Petition requested no change to the RECCR, public hearings were neither required nor held. Additionally, the Board received no written comments.

New Jersey Division of Rate Counsel Comments

On December 4, 2025, Rate Counsel filed its comments in this matter, indicating no objection to Butler's proposal to use the RECCR balance to assist its senior customers. Rate Counsel noted that the State's 2024 Energy Master Plan identified affordability and equity as key components in energy policy.⁴ Rate Counsel further recommended that, because the Board did not grant any ZECs for the third eligibility period thereby ceasing the collection of the ZEC Charge and rendering the clause inoperative, the Board order Butler to remove the ZECRC from the Company's tariff.

DISCUSSION AND FINDINGS

The Board reviewed the record in this matter, including the Petition and Rate Counsel's comments. No additional activity is expected in the ZECRC over the next three (3) years. Accordingly, the Board **HEREBY DIRECTS** Butler to eliminate its ZECRC tariff, including the RECCR for service rendered on and after February 1, 2026. The Board **HEREBY APPROVES** Butler's request to use the cumulative remaining balance to assist senior customers that require assistance.

As a result, customers would see no change to their monthly bills.

The Board **HEREBY DIRECTS** Butler to file revised tariffs prior to February 1, 2026.

The Company's costs will remain subject to audit by the Board. This Order shall not preclude or prohibit the Board from taking further action relating to any such audit.

⁴ 2024 Energy Master Plan, pp. 45 & 46; released November 25, 2025.

This Order shall be effective on January 21, 2026.

DATED: January 14, 2026

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 PETITION OF BUTLER ELECTRIC FOR APPROVAL OF A ZERO EMISSION
CERTIFICATE RECOVERY CHARGE

DOCKET NO. ER25100551

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