

BGS PUBLIC NOTICE

NOTICE TO ATLANTIC CITY ELECTRIC COMPANY (“ACE”) CUSTOMERS

NOTICE OF FILING AND PUBLIC HEARINGS FOR BASIC GENERATION SERVICE (“BGS”) CHARGES PROCURED BY ACE ON BEHALF OF ITS BGS CUSTOMERS AND NOTICE OF PROPOSED RECOVERY THROUGH ITS BGS CHARGES OF COSTS RESULTING FROM STATEWIDE AUCTION FOR BGS

BPU DOCKET NO. ER20030190

PLEASE TAKE NOTICE that, on July 1, 2020, Atlantic City Electric Company (“ACE” or “Company”) filed a proposal [Annual Proposal for Basic Generation Service (“BGS”) Requirements to Be Procured Effective June 1, 2021] with the New Jersey Board of Public Utilities (“Board” or “BPU”) requesting that the Board approve the procurement of BGS through a statewide competitive auction process with new BGS charges to become effective June 1, 2021. BGS is the electric generation supply provided to all ACE customers who do not purchase their electricity from a third-party supplier.

The Board mandates that all New Jersey electric distribution companies (“EDCs”), including ACE, provide BGS in accordance with the requirements of the Electric Discount and Energy Competition Act (“Act”). BGS is currently procured through a statewide competitive auction process in which all of the EDCs seek offers for BGS supply from electric generation suppliers. In this auction process, electric generation suppliers bid in a descending-clock auction on specified portions of the electric requirements for BGS customers for each of the EDCs. Since 2001, the Board has approved this type of auction and has found that this auction process meets the statutory requirements of the Act. The Company’s Annual Proposal for BGS Requirements to Be Procured Effective June 1, 2021, is available at <http://www.bgs-auction.com/bgs.auction.regproc.asp>.

The final price for Basic Generation Service – Residential Small Commercial Pricing (“BGS-RSCP”) supply resulting from the BGS-RSCP auction conducted in 2020 was \$0.08269 per kilowatt-hour, including Federal Energy Regulatory Commission (“FERC”)-approved transmission charges, for a 36-month supply period. For the Basic Generation Service – Commercial and Industrial Energy Pricing (“BGS-CIEP”) auction conducted in 2020, the Generation Capacity Charge cleared at \$350.55 per MW-day.

The final auction clearing prices for the BGS supply procured in the 2021 BGS-RSCP and BGS-CIEP auctions may be higher than or lower than the prices obtained in the 2020 auctions. Auction prices are converted to customer charges, which may be higher than or lower than current charges, depending on the outcome of the auction, consistent with market conditions. In the Petition pending before the Board, the EDCs propose that the BGS energy rates for the upcoming BGS auction exclude applicable transmission charges set by FERC. ACE has requested that the EDCs be permitted to procure transmission on behalf of the BGS customers going forward instead of the BGS Suppliers, and transmission charges will be broken out as a separate component of total BGS-RSCP supply rates. BGS-RSCP and BGS-CIEP rates may change to reflect any increases or decreases in these FERC-approved transmission charges. If the Board approves ACE’s request to exclude transmission costs from BGS, the 2021 prices will appear lower because transmission will not be included in the 2021 auction prices.

Under the EDCs' July 1, 2020, proposal, the criteria for BGS-CIEP eligibility would be set at a peak load share of 500 kW. These criteria for BGS-CIEP service are subject to change for this year's procurement at the discretion of the Board. Customers eligible to be served under the BGS-RSCP rate include customers served under ACE's rate schedules RS, DDC, SPL, CSL, and MGS and AGS customers with a peak load share of less than 500 kW. BGS-CIEP will be the only default supply option available to customers served on rate schedule TGS and to customers served on rate schedules MGS Secondary, MGS Primary, AGS Secondary, and AGS Primary with a peak load share of 500 kW and higher as of November 1 of the year prior to the BGS auctions.

PLEASE TAKE FURTHER NOTICE that, due to the COVID-19 pandemic, a telephonic public hearing will be conducted on the following date and time so that members of the public may present their views. The hearing will continue until all public witnesses are heard. Information provided at the public hearing will become part of the record of this case and will be considered by the Board in making its decision.

DATE:	Wednesday, August 26, 2020
TIME:	4:30 P.M.
DIAL-IN:	866.326.9183
PASSCODE:	617161#

Representatives from the Company, Board Staff, and the Division of Rate Counsel will participate in the telephonic public hearing. Members of the public are invited to participate by utilizing the dial-in information set forth above and may express their views on this filing. Such comments will be made part of the final record of the proceeding to be considered by the Board. The Board is also accepting written and e-mailed comments. Although both will be given equal consideration, the preferred method of transmittal is via e-mail to ensure timely receipt while the Board continues to work remotely due to the COVID-19 pandemic. Written comments may be submitted to the Board Secretary, Aida Camacho-Welch, at the New Jersey Board of Public Utilities, 44 South Clinton Avenue, 9th Floor, P.O. Box 350, Trenton, New Jersey 08625-0350. E-mail comments should be submitted to: board.secretary@bpu.nj.gov. Please include the name of the Petition and the docket number when submitting comments. Written and e-mailed comments will be provided the same weight as statements made at the hearings. Hearings will continue, if necessary, on such additional dates and at such locations as the Board may designate, to ensure that all interested persons are heard.

PLEASE TAKE FURTHER NOTICE that the Board will conduct an additional legislative-type hearing on September 11, 2020, beginning at 10:00 A.M., regarding the BGS proposals. It is anticipated that the Board will rule on the EDCs' BGS proposals shortly thereafter. The Board's Agenda Meeting schedules can be found at nj.gov/bpu.

Dated: August 6, 2020

Atlantic City Electric Company