

A. PAST BGS AUCTIONS

This summary is provided for bidder convenience only. Any statements herein describing or referring to past auction results are summaries only and are qualified in their entirety by the past auction results posted to the [Past Results](#) page of the BGS Auction website.

Since 2002, the four (4) New Jersey Electric Distribution Companies (“EDCs”) – Public Service Electric and Gas Company (“PSE&G”), Jersey Central Power & Light Company (“JCP&L”), Atlantic City Electric Company (“ACE”), and Rockland Electric Company (“RECO”) – have procured electric supply to serve their Basic Generation Service (“BGS”) Load in a single, statewide Auction Process. NERA Economic Consulting has managed the BGS Auction Process since its inception. Each year, the Board has approved the results of the BGS Auctions. This chapter provides additional information regarding the results of the past three (3) BGS Auctions.

A.1. Past BGS-CIEP Auctions

In the BGS Commercial and Industrial Energy Pricing Auction (“BGS-CIEP Auction”), bidders compete to serve a portion of the load of large commercial and industrial customers that pay for energy at the real-time hourly spot price. The supply period for the BGS-CIEP Auctions is one year in duration, from June 1 to May 31.

A.1.a. Tranches

Each year, bidders compete to win “tranches.” A tranche is a fixed percentage of an EDC’s BGS-CIEP Load. The number of tranches is set each year so that one tranche is approximately 75 MW on an eligible basis. Table A-1 below presents a summary of these data.

Table A-1. BGS-CIEP Auction: Tranche Size and Peak Load Share

		PSE&G	JCP&L	ACE	RECO
2016	Peak Load Share (MW)	1,978.57	990.31	351.30	55.10
	Tranche Size (%)	3.85	7.69	20.00	100.00
	MW-Measure	76.10	76.18	70.26	55.10
2017	Peak Load Share (MW)	1,880.97	911.58	346.50	56.10
	Tranche Size (%)	4.00	8.33	20.00	100.00
	MW-Measure	75.24	75.97	69.30	56.10
2018	Peak Load Share (MW)	1,903.79	915.08	318.70	56.30
	Tranche Size (%)	4.00	8.33	25.00	100.00
	MW-Measure	76.15	76.26	79.68	56.30

The number of tranches available for each EDC at the Auction is its “tranche target.” The statewide load cap represents the maximum number of tranches that a bidder may bid and win statewide. The statewide load cap is set at 45% of the BGS-CIEP Auction volume (i.e. the sum of the tranche targets). Table A-2 below presents a summary of these data.

Table A-2. BGS-CIEP Auction: Tranche Targets and Load Caps

		PSE&G	JCP&L	ACE	RECO	Volume
2016	Tranche Target	26	13	5	1	45
	Statewide Load Cap	21				
2017	Tranche Target	25	12	5	1	43
	Statewide Load Cap	20				
2018	Tranche Target	25	12	4	1	42
	Statewide Load Cap	19				

A.1.b. Prices

Prior to the submission of qualifications, the Auction Manager announces a statewide minimum starting price and a statewide maximum starting price. These prices reflect the range of potential prices for the first round of the Auction. The final prices are reached at the close of the Auction, once supply falls to the amount to be procured. The table below presents a summary of these data.

Table A-3. BGS-CIEP Auction: Starting and Final Prices (\$/MW-Day)

		PSE&G	JCP&L	ACE	RECO
2016	Range of Starting Prices	400 - 550			
	Final Price (\$/MW-Day)	335.33	259.24	258.61	277.50
2017	Range of Starting Prices	400 - 575			
	Final Price (\$/MW-Day)	276.83	218.00	217.00	223.61
2018	Range of Starting Prices	425 - 550			
	Final Price (\$/MW-Day)	287.76	276.21	289.99	300.82

A.1.c. Winners

The BGS-CIEP Auction typically lasts multiple rounds, which can be conducted over more than one day. Bidders holding the final bids at the close of the Auction are the winners. Table A-4 presents the number of rounds in each of the past three (3) BGS-CIEP Auctions. Table A-5 through Table A-8 present the winning bidders for each EDC and the number of tranches won by each winning bidder.

Table A-4. BGS-CIEP Auction: Dates and Numbers of Rounds

Year	Start Date	End Date	# Rounds
2016	2/5/2016	2/5/2016	22
2017	2/3/2017	2/6/2017	25
2018	2/2/2018	2/5/2018	32

Table A-5. BGS-CIEP Auction: Winning Bidders for PSE&G

BGS-CIEP Supplier	Tranches Won		
	2016	2017	2018
ConocoPhillips Company	7	8	8
DTE Energy Trading, Inc.	6	7	7
Engelhart CTP (US) LLC (formerly BTG Pactual Commodities (US) LLC)	-	3	-
Exelon Generation Company, LLC	8	4	2
Hartree Partners, LP	-	-	4
NextEra Energy Marketing, LLC (formerly NextEra Energy Power Marketing, LLC)	5	-	4
PSEG Energy Resources & Trade LLC	-	3	-
Total	26	25	25

Table A-6. BGS-CIEP Auction: Winning Bidders for JCP&L

BGS-CIEP Supplier	Tranches Won		
	2016	2017	2018
ConocoPhillips Company	4	5	5
DTE Energy Trading, Inc.	3	2	2
Engelhart CTP (US) LLC (formerly BTG Pactual Commodities (US) LLC)	1	2	-
Exelon Generation Company, LLC	5	-	5
NextEra Energy Marketing, LLC (formerly NextEra Energy Power Marketing, LLC)	-	1	-
PSEG Energy Resources & Trade LLC	-	2	-
Total	13	12	12

Table A-7. BGS-CIEP Auction: Winning Bidders for ACE

BGS-CIEP Supplier	Tranches Won		
	2016	2017	2018
ConocoPhillips Company	2	-	1
DTE Energy Trading, Inc.	-	1	-
Engelhart CTP (US) LLC (formerly BTG Pactual Commodities (US) LLC)	1	-	-
Exelon Generation Company, LLC	1	1	2
Hartree Partners, LP	-	-	1
NextEra Energy Marketing, LLC (formerly NextEra Energy Power Marketing, LLC)	-	1	-
PSEG Energy Resources & Trade LLC	1	2	-
Total	5	5	4

Table A-8. BGS-CIEP Auction: Winning Bidders for RECO

	Tranches Won		
BGS-CIEP Supplier	2016	2017	2018
Exelon Generation Company, LLC	-	-	1
PSEG Energy Resources & Trade LLC	1	1	-
Total	1	1	1

A.2. Past BGS-RSCP Auctions

In the BGS Residential Small Commercial Pricing Auction (“BGS-RSCP Auction”), bidders compete to serve a portion of the load of smaller commercial and residential customers at a fixed “all-in” price. For their BGS-RSCP Load, the EDCs use a rolling procurement structure, where each year one-third of the load is procured for a three-year period. As a result, currently one-third of the BGS-RSCP Load is served by suppliers with a three-year contract ending on May 31, 2019, one-third of the BGS-RSCP Load is served by suppliers with a three-year contract ending May 31, 2020, and the remaining third is served by suppliers with a three-year contract ending May 31, 2021.

A.2.a. Tranches

Each year, bidders compete to win “tranches.” A tranche is a fixed percentage of an EDC’s BGS-RSCP Load. The number of tranches for each EDC was initially set so that one tranche was approximately 100 MW on an eligible basis.

Table A-9. BGS-RSCP Auction: Tranche Size and Peak Load Share

		PSE&G	JCP&L	ACE	RECO
2016	Peak Load Share (MW)	2,691.81	1,545.70	674.32	100.98
	Tranche Size (%)	1.18	1.89	4.55	25.00
	MW-Measure	96.14	85.87	96.33	100.98
2017	Peak Load Share (MW)	2,509.31	1,286.61	717.71	203.95
	Tranche Size (%)	1.18	1.82	4.55	25.00
	MW-Measure	89.62	85.77	89.71	101.98
2018	Peak Load Share (MW)	2,606.51	1,824.78	641.90	96.68
	Tranche Size (%)	1.18	1.93	4.55	25.00
	MW-Measure	89.88	91.24	91.70	96.68

The number of tranches available for each EDC is its “tranche target.” The EDC load cap represents the maximum number of tranches that a bidder can bid and win for a particular EDC. EDC load caps ensure diversity in the pool of suppliers for each EDC. There is also a statewide load cap, which limits the number of tranches that a bidder can bid and win statewide. The table below presents a summary of these data.

Table A-10. BGS-RSCP Auction: Tranche Targets and Load Caps

		PSE&G	JCP&L	ACE	RECO
2016	Tranche Target	28	18	7	1
	EDC Load Cap	13	8	3	1
	Statewide Load Cap	20			
2017	Tranche Target	28	15	8	2
	EDC Load Cap	13	7	3	2
	Statewide Load Cap	20			
2018	Tranche Target	29	20	7	1
	EDC Load Cap	14	9	3	1
	Statewide Load Cap	21			

A.2.b. Prices

Prior to the submission of qualifications, the Auction Manager announces a statewide minimum starting price and a statewide maximum starting price. These prices reflect the range of potential prices for the first round of the Auction. The final prices are reached at the close of the Auction, once supply falls to the amount to be procured. The table below presents a summary of these data.

Table A-11. BGS-RSCP Auction: Starting and Final Prices (¢/kWh)

Price (¢/kWh)		PSE&G	JCP&L	ACE	RECO
2016	Range of Starting Prices	13.0 - 18.5			
	Final Prices	9.638	7.485	8.214	8.502
2017	Range of Starting Prices	12.5 - 18.0			
	Final Prices	9.078	6.908	7.549	8.050
2018	Range of Starting Prices	11.5 - 17.0			
	Final Prices	9.177	7.311	8.123	8.594

A.2.c. Winners

The BGS-RSCP Auction typically lasts multiple rounds, which can be conducted over more than one day. Bidders holding the final bids at the close of the Auction are the winners. Table A-12 presents the number of rounds in each of the past three (3) BGS-RSCP Auctions. Table A-13 through Table A-16 presents the winning bidders for each EDC and the number of tranches won by each winning bidder.

Table A-12. BGS-RSCP Auction: Dates and Number of Rounds

Year	Start Date	End Date	# Rounds
2016	2/8/2016	2/9/2016	18
2017	2/6/2017	2/7/2017	19
2018	2/5/2018	2/6/2018	23

Table A-13. BGS-RSCP Auction: Winning Bidders for PSE&G

BGS-RSCP Supplier	Tranches Won		
	2016	2017	2018
BP Energy Company	-	1	3
Direct Energy Business Marketing, LLC	-	-	2
DTE Energy Trading, Inc.	1	2	5
Engelhart CTP (US) LLC (formerly BTG Pactual Commodities (US) LLC)	1	1	-
Exelon Generation Company, LLC	-	4	4
Hartree Partners, LP	-	-	4
Macquarie Energy LLC	2	2	2
NextEra Energy Marketing, LLC (formerly NextEra Energy Power Marketing, LLC)	-	-	5
Noble Americas Gas & Power Corp.	-	1	-
PSEG Energy Resources & Trade LLC	12	7	4
Talen Energy Marketing, LLC	4	-	-
TransCanada Power Marketing Ltd.	8	10	-
Total	28	28	29

Table A-14. BGS-RSCP Auction: Winning Bidders for JCP&L

BGS-RSCP Supplier	Tranches Won		
	2016	2017	2018
BP Energy Company	1	-	-
Calpine Energy Services, L.P.	1	2	-
DTE Energy Trading, Inc.	-	-	2
Engelhart CTP (US) LLC (formerly BTG Pactual Commodities (US) LLC)	1	2	-
Exelon Generation Company, LLC	3	2	6
NextEra Energy Marketing, LLC (formerly NextEra Energy Power Marketing, LLC)	7	-	3
Noble Americas Gas & Power Corp.	-	3	-
PSEG Energy Resources & Trade LLC	3	5	9
TransCanada Power Marketing Ltd.	2	1	-
Total	18	15	20

Table A-15. BGS-RSCP Auction: Winning Bidders for ACE

BGS-RSCP Supplier	Tranches Won		
	2016	2017	2018
BP Energy Company	-	3	3
Calpine Energy Services, L.P.	2	2	2
DTE Energy Trading, Inc.	-	-	1
Engelhart CTP (US) LLC (formerly BTG Pactual Commodities (US) LLC)	1	1	-
Exelon Generation Company, LLC	1	-	-
NextEra Energy Marketing, LLC (formerly NextEra Energy Power Marketing, LLC)	3	-	-
Noble Americas Gas & Power Corp.	-	1	-
PSEG Energy Resources & Trade LLC	-	1	1
Total	7	8	7

Table A-16. BGS-RSCP Auction: Winning Bidders for RECO

BGS-RSCP Supplier	Tranches Won		
	2016	2017	2018
ConocoPhillips Company	-	-	1
NextEra Energy Marketing, LLC (formerly NextEra Energy Power Marketing, LLC)	1	2	-
<i>Total</i>	1	2	1