



STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 3rd Floor Ste. 314
Post Office Box 350
Trenton, New Jersey 08625-0350
www.nj.gov/bpu/

ENERGY

IN THE MATTER OF THE PROVISION OF BASIC)	DECISION AND ORDER
GENERATION SERVICE AND COMPLIANCE TARIFF)	APPROVING THE PASS-
FILING REFLECTING CHANGES TO SCHEDULE 12)	THROUGH OF FERC
CHARGES IN PJM OPEN ACCESS TRANSMISSION)	AUTHORIZED CHANGES IN
TARIFF – DECEMBER 21, 2015 FILING)	FIRM TRANSMISSION
)	SERVICE RELATED
)	CHARGES
)	
)	DOCKET NO. ER15121430

Parties of Record:

Alexander C. Stern, Esq., on behalf of Public Service Electric and Gas Company
Phil Passanante, Esq. on behalf of Atlantic City Electric Company
Gregory Eisenstark, Esq. (Windels Marx Lane & Mittendorf, LLP) on behalf of Jersey Central Power & Light Company
John L. Carley, Esq. on behalf of Rockland Electric Company
Stefanie A. Brand, Esq., Director, New Jersey Division of Rate Counsel

BY THE BOARD:

On December 21, 2015, 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, the “EDCs”) filed a joint petition with the New Jersey Board of Public Utilities (“Board”) requesting recovery of Federal Energy Regulatory Commission (“FERC”) approved changes in firm transmission service related charges.

The EDCs’ proposed tariff changes reflect changes to the Basic Generation Service (“BGS”) Residential/Small Commercial Pricing (“BGS-RSCP”) ¹ and Commercial and Industrial Energy Pricing (“BGS-CIEP) rates to customers resulting from changes to the PJM Open Access Transmission Tariff (“OATT”) made in response to: (i) the annual formula rate update filing made by Potomac-Appalachian Transmission Highline, L.L.C. (“PATH”) in FERC Docket No. ER-08-386-000; (ii) the annual formula rate update filing made by PSE&G in FERC Docket No. ER08-1233; and (iii) the annual formula rate update filing made by Virginia Electric Power Company (“VEPCo”) in FERC Docket No. ER08-92-000. The EDCs requested that the changes become effective on January 1, 2016.

¹ This was formerly known as the BGS – Fixed Price or BGS-FP.

The EDCs also requested authorization to compensate BGS suppliers for the changes to the OATT resulting from the implementation of the PATH, PSE&G, and VEPCo project annual formula updates subject to the terms and conditions of the applicable Supplier Master Agreement(s) ("SMAs"). Any difference between the payments to BGS suppliers and charges to customers would flow through each EDC's BGS Reconciliation Charge.

According to the EDCs, this filing satisfies the requirements of Paragraph 15.9(a)(i) and (ii) of the BGS-RSCP and BGS-CIEP SMAs, which mandate that BGS-RSCP and BGS-CIEP suppliers be notified of rate changes for firm transmission service, and that the EDCs file for and obtain Board approval of an increase or decrease in retail rates commensurate with the FERC-implemented rate increases and decreases.

The Transmission Enhancement Charges ("TECs") detailed in Schedule 12 of the PJM OATT 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. TECs are recovered by PJM through an additional transmission charge in the transmission zones assigned costs responsibility for Required Transmission Enhancement projects.

On February 28, 2008, FERC approved the PATH filings and accepted the tariffs for filing. On April 16, 2008, the EDCs filed a joint petition with the Board requesting recovery of the allocated PATH firm transmission service related charges. On April 29, 2008, FERC approved the VEPCo Filings and accepted for filing, effective January 1, 2008, VEPCo's revised tariff sheets to the PJM OATT. On June 16, 2008, the EDCs filed a joint petition requesting recovery of the allocated VEPCo firm transmission service related charges. By Board Orders dated September 15, 2008, the EDCs received approval from the Board to begin allocating TECs related to the VEPCo and PATH projects.²

On September 30, 2008, FERC approved PSE&G's filing to substitute a formula rate for its stated rates for Network Integration Transmission Services ("NITS") and Point-to-Point transmission service ("PSE&G Project"). The PSE&G formula rate also incorporates a number of transmission enhancement projects that are included in the OATT Schedule 12. FERC accepted the formula rate proposed by PSE&G, effective October 1, 2008. On October 15, 2008, PSE&G filed its updated formula rate with FERC. On November 14, 2008, PSE&G filed with the Board to recover the FERC-approved formula rates applicable to PSE&G customers. On December 18, 2008, the Board authorized the EDCs to begin recovering TECs related to the PSE&G Project.³

² In the Matter of the Provision of Basic Generation Service for Year Two of the Post Transition Period and In the Matter of the Provision of Basic Generation Service for the Period Beginning June 1, 2006 and In the Matter of the Provision of Basic Generation Service for the Period Beginning June 1, 2007 and In the Matter of the Provision of Basic Generation Service for the Period Beginning June 1, 2008, BPU Docket Nos. EO03050394, EO05040317, EO06020119, and ER07060379, Orders dated September 15, 2008.

³ In the Matter of the Provision of Basic Generation Service for Year Two of the Post Transition Period and In the Matter of the Provision of Basic Generation Service for the Period Beginning June 1, 2006 and In the Matter of the Provision of Basic Generation Service for the Period Beginning June 1, 2007 and In the Matter of the Provision of Basic Generation Service for the Period Beginning June 1, 2008, BPU Docket Nos. EO03050394, EO05040317, EO06020119, and ER07060379, Orders dated December 18, 2008.

Pursuant to FERC's Orders, VEPCo, PATH, and PSE&G submitted their formula rate update compliance filings with FERC.

Each EDC is allocated a different portion of VEPCO's, PSE&G's, and PATH's transmission costs from PJM based on the cost for Required Transmission Enhancements in each EDC's transmission zone. Based on this allocation of the TEC costs for the EDCs and their respective allocation among each EDC's customer 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): 1) a decrease of \$0.09 or 0.07% for ACE; 2) an increase of \$0.21 or 0.2% for JCP&L; 3) a decrease of \$0.90 or 0.78% for PSE&G; and 4) an increase of \$0.36 or 0.31% for Rockland.

DISCUSSION AND FINDING

In the Board's Order dated December 2, 2003, in Docket No. EO03050394, the Board found that the pass through of any changes in charges associated with NITS and other FERC-approved Open Access Transmission Tariff, is appropriate. Furthermore, by subsequent Orders, the Board approved Section 15.9 of the SMAs as filed by the EDCs which requires that the EDCs file for Board approval of any increases or decreases in their transmission charges that have been approved by the FERC. The SMAs also authorize the EDCs to increase or decrease the rates paid to suppliers for FERC-approved rates and changes to Firm Transmission Services once approved by the Board. The Board Orders further require that the EDCs review and verify the requested FERC authorized changes.

After review of the verifications and supporting documentation, the Board **HEREBY FINDS** that the December 21 filing satisfies the EDCs' obligations under Paragraph 15.9(a)(i) and (ii) of the relevant SMAs, and **HEREBY APPROVES** the changes to the BGS-RSCP and BGS-CIEP rates requested by each EDC for its transmission charges resulting from the FERC-approved changes to the TECs effective as of March 1, 2016. The EDCs are **HEREBY ORDERED** to compensate the BGS suppliers for this transmission rate adjustment(s) subject to the terms and conditions of the SMAs.

Further, the Board **HEREBY DIRECTS** the EDCs to file tariffs and rates consistent with the Board's findings within five (5) business days of service of this Order.

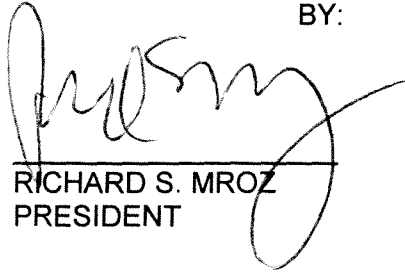
The EDCs rates remain subject to audit by the Board. This Decision and Order does not preclude the Board from taking any actions deemed to be appropriate as a result of any Board audit.

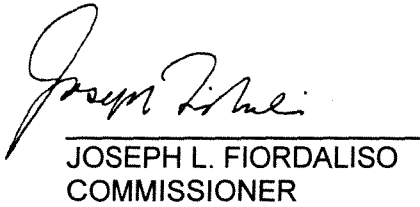
The effective date of this Order is February 6, 2016.

DATED:

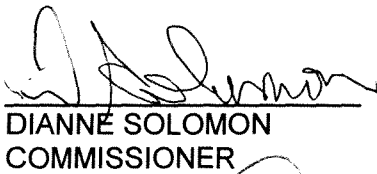
Jan 28, 2016

BOARD OF PUBLIC UTILITIES
BY:


RICHARD S. MROZ
PRESIDENT

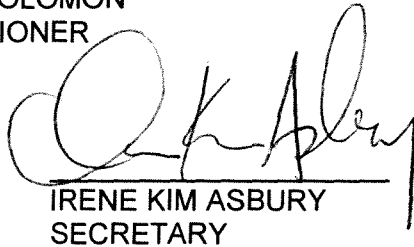

JOSEPH L. FIORDALISO
COMMISSIONER


MARY-ANNA HOLDEN
COMMISSIONER

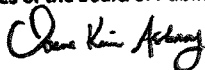

DIANNE SOLOMON
COMMISSIONER


UPENDRA J. CHIVUKULA
COMMISSIONER

ATTEST:


IRENE KIM ASBURY
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 and Compliance Tariff Filing
Reflecting Changes to Schedule 12 Charges in PJM Open Access Transmission Tariff –
December 21, 2015 Filing - BPU Docket No. ER15121430

SERVICE LIST

Stefanie A. Brand, Esq., Director
Division of Rate Counsel
140 East Front Street, 4th Floor
Post Office Box 003
Trenton, NJ 08625-0003
sbrand@rpa.state.nj.us

Brian Lipman, Esq.
Division of Rate Counsel
140 East Front Street, 4th Floor
Post Office Box 003
Trenton, NJ 08625-0003
blipman@rpa.state.nj.us

Ami Morita, Esq.
Division of Rate Counsel
140 East Front Street, 4th Floor
Post Office Box 003
Trenton, NJ 08625-0003
amorita@rpa.state.nj.us

Diane Schulze, Esq.
Division of Rate Counsel
140 East Front Street, 4th Floor
Post Office Box 003
Trenton, NJ 08625-0003
dschulze@rpa.state.nj.us

Robert Fagan
Synapse Energy Economics, Inc.
485 Massachusetts Ave., Suite 2
Cambridge, MA 02139

Caroline Vachier, Esq.
Division of Law
124 Halsey Street
Post Office Box 45029
Newark, NJ 07101-45029
Caroline.vachier@dol.lps.state.nj.us

Irene Kim Asbury, Esq.
Secretary of the Board
Office of the Secretary
Board of Public Utilities
44 South Clinton Avenue, 3rd Floor, Suite 314
Post Office Box 350
Trenton, NJ 08625-0350
irene.asbury@bpu.state.nj.us

Jerome May, Director
Division of Energy
Board of Public Utilities
44 South Clinton Avenue, 3rd Floor, Suite 314
Post Office Box 350
Trenton, NJ 08625-0350
Jerome.may@bpu.state.nj.us

Alice Bator, Chief
Division of Energy
Board of Public Utilities
44 South Clinton Avenue, 3rd Floor, Suite 314
Post Office Box 350
Trenton, NJ 08625-0350
alice.bator@bpu.state.nj.us

Stacy Peterson
Division of Energy
Board of Public Utilities
44 South Clinton Avenue, 3rd Floor, Suite 314
Post Office Box 350
Trenton, NJ 08625-0350
Stacy.peterson@bpu.state.nj.us

Frank Perrotti
Division of Energy
Board of Public Utilities
44 South Clinton Avenue, 3rd Floor, Suite 314
Post Office Box 350
Trenton, NJ 08625-0350
Frank.perrotti@bpu.state.nj.us

Geoffrey Gersten, Esq.
Division of Law
124 Halsey Street
Post Office Box 45029
Newark, NJ 07101-45029
Geoffrey.gersten@dol.lps.state.nj.us

Alex Moreau, Esq.
Division of Law
124 Halsey Street
Post Office Box 45029
Newark, NJ 07101-45029
Alex.moreau@dol.lps.state.nj.us

Joseph Janocha
Atlantic City Electric Co. – 63ML38
5100 Harding Highway
Atlantic Regional Office
Mays Landing, NJ 08330

Greg Marquis
Pepco Holdings, Inc.
7801 Ninth Street NW
Washington, DC 20068-0001

Phil Passanante, Esq.
Atlantic City Electric Company
Post Office Box 6066
Newark, DE 19714-6066

Sally J. Cheong, Manager
Tariff Activity, Rates, NJ
Jersey Central Power & Light Co.
300 Madison Ave.
Morristown, NJ 07962

Kevin Connelly
First Energy
300 Madison Avenue
Morristown, NJ 07960

Gregory Eisenstark, Esq.
Windels Marx Lane & Mittendorf, LLP
120 Albany Street Plaza
New Brunswick, NJ 08901

Bethany Rocque-Romaine, Esq.
Counsel's Office
44 South Clinton Avenue, 3rd Floor, Suite 314
Post Office Box 350
Trenton, NJ 08625-0350
Bethany.rocque-romaine@bpu.state.nj.us

Steven Gabel
Gabel Associates
417 Denison Street
Highland Park, NJ 08904

Shawn P. Leyden, Esq.
PSEG Services Corporation
80 Park Plaza – T-19
Post Office Box 570
Newark, NJ 07101

Lisa A. Balder
NRG Power Marketing Inc.
211 Carnegie Center
Contract Administration
Princeton, NJ 08540

Frank Cernosek
Reliant Energy
1000 Main Street
REP 11-235
Houston, TX 77002

JPMorgan Chase Bank
Attn: Legal Dept. Derivatives
270 Park Avenue, 41st Floor
New York, NY 10017-2070

Commodity Confirmations
J.P. Morgan Ventures Energy Corp. Chase
Manhattan Plaza, 14th Floor
New York, NY 10005

Manager Contracts Administration
Sempra Energy Trading Corp.
58 Commerce Road
Stamford, CT 06902

Raymond Depillo
PSEG Energy Resources & Trade
80 Park Plaza, T-19
Post Office Box 570
Newark, NJ 07101

John L. Carley, Esq.
Consolidated Edison Co. of NY
Law Dept., Room 1815-S
4 Irving Place
New York, NY 10003

Margaret Comes, Sr. Staff Attorney
Consolidated Edison Co. of NY
Law Dept., Room 1815-S
4 Irving Place
New York, NY 10003

Alexander Stern, Esq.
PSEG Services Corporation
80 Park Plaza, T-5
Newark, NJ 07102

Myron Filewicz
Manager- BGS
PSE&G
80 Park Plaza, T-8
Newark, NJ 07101

Eugene Meehan
NERA
1255 23rd Street
Suite 600
Washington, DC 20037

Chantale LaCasse
NERA
1166 Avenue of the Americas,
29th Floor
New York, NY 10036

Dir- Contracts & Legal Svcs
Talen Energy Marketing, LLC
835 Hamilton Street
Allentown, PA 18101

Fred Jacobsen
NextEra Energy Power Marketing
700 Universe Boulevard
CTR/JP
Juno Beach, FL 33408-2683

Sylvia Dooley
Consolidated Edison Co. of NY
4 Irving Place
Room 1810-S
New York, NY 10003

Kate Trischitta- Director of Trading & Asset
Optimization
Consolidated Edison Energy
701 Westchester Avenue
Suite 201 West
White Plains, NY 10604

Michael S. Freeman
Exelon Generation Company, LLC
300 Exelon Way
Kennett Square, PA 19348

Deborah Hart, Vice President
Morgan Stanley Capital Group
2000 Westchester Avenue
Trading Floor
Purchase, NY 10577

Gary Ferenz
Conectiv Energy Supply, Inc.
P.O. Box 6066
Newark, DE 19714-6066

Daniel E. Freeman, Contract Services- Power
BP Energy Company
501 West Lake Park Blvd., WL1-1.00B
Houston, TX 77079

Arland H. Gifford
DTE Energy Trading
414 South Main Street
Suite 200
Ann Arbor, MI 48104

Marjorie Garbini
Conectiv Energy
Energy & Technology Center
500 North Wakefield Drive
P.O. Box 6066
Newark, DE 19714-6066

Robert Mennella
Consolidated Edison Energy Inc.
701 Westchester Avenue
Suite 201 West
White Plains, NY 10604

Gary A. Jefferies, Senior Counsel
Dominion Retail, Inc.
1201 Pitt Street
Pittsburgh, PA 15221

Ken Salamone
Sempra Energy Trading Corp.
58 Commerce Road
Stamford, CT 06902

Elizabeth A. Sager, Vice President and
Assistant General Counsel
J.P. Morgan Chase Bank, N.A.
270 Park Avenue, Floor 41
New York, NY 10017-2014

Robert Fagan
Synapse Energy Economics
485 Massachusetts Avenue
Suite 2
Cambridge, MA 02139

Steve Sheppard
DTE Energy Trading
414 S. Main Street
Suite 200
Ann Arbor, MI 48104

Matt Webb
BP Energy Company
501 West Lake Park Blvd.
Houston, TX 77079

Jessica Wang
FPL Energy Power Marketing, Inc.
700 Universe Boulevard
Bldg. E
4th Floor
Juno Beach, FL 33408

Marcia Hissong, Director, Contract
Administration/Counsel
DTE Energy Trading, Inc.
414 South Main Street
Suite 200
Ann Arbor, MI 48104

Randall D. Osteen, Esq.
Vice President- Counsel
Constellation Energy Commodities
Group, Inc.
111 Market Place
Suite 500
Baltimore, MD 21202

Ryan Belgram
Macquarie Energy LLC
500 Dallas Street, Level 31
Houston, TX 77002

Edward Zabrocki
Morgan Stanley Capital Grp, Inc.
1585 Broadway, 4th Floor
Attn: Chief Legal Officer
New York, NY 10036

Paul Weiss
Edison Mission Marketing & Trading
160 Federal Street
4th Floor
Boston, MA 02110

Noel H. Trask
Exelon Generation Company, LLC
300 Exelon Way
Kennett Square, PA 19348

Danielle Fazio
Noble Americas Gas & Power
Four Stamford Plaza, 7th Fl.
Stamford, CT 06902

Morgan Tarves
TransCanada Power Marketing
110 Turnpike Road, Suite 300
Westborough, MA 01581

Kim M. Durham
Citigroup Energy Inc.
2800 Post Oak Boulevard
Suite 500
Houston, TX 77056

Graham Fisher
Conoco Phillips
600 N Dairy Ashford, CH1081
Houston, TX 77079

Jan Nulle
Energy America, LLC
12 Greenway Plaza, Suite 250
Houston, TX 77046