

Agenda Date: 4/17/24 Agenda Item: 2A

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/

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ENERGY

IN THE MATTER OF THE PROVISION OF BASIC)	DECISION AND ORDER
GENERATION SERVICE (BGS) FOR THE PERIOD)	
BEGINNING JUNE 1, 2025)	DOCKET NO. ER24030191

Parties of Record:

Matthew Weissman, Esq., on behalf of Public Service Electric and Gas Company James Meehan, Esq., on behalf of Jersey Central Power & Light Company Philip J. Passanante, Esq., on behalf of Atlantic City Electric Company Margaret Comes, Esq., on behalf of Rockland Electric Company Brian O. Lipman, Esq., Director, New Jersey Division of Rate Counsel

BY THE BOARD:

On July 1, 2022 and July 3, 2023, New Jersey's electric distribution companies ("EDCs") filed joint Basic Generation Service ("BGS") proposals, including proposals to use a "descending clock" auction format to procure two-thirds of the State's BGS requirements for Residential and Small Commercial Pricing ("BGS-RSCP") customers.¹ By Orders dated November 9, 2022 and November 17, 2023, the New Jersey Board of Public Utilities ("Board" or "BPU") approved the EDCs' proposals, with modifications, for the period beginning June 1, 2025 and ending May 31, 2026.² The Auction Orders did not address procurement of the remaining one-third of BGS requirements for BGS-RSCP customers, or of the State's annual BGS requirements for Commercial and Industrial Energy Pricing ("BGS-CIEP") customers, for this period.³

Additionally, prior Board Orders approved a process by which Rockland would procure its Central and Western Divisions' capacity and energy needs, where it made previous purchases of capacity

¹ The State's four (4) investor-owned EDCs are Atlantic City Electric Company, Jersey Central Power & Light Company, Public Service Electric and Gas Company, and Rockland Electric Company ("Rockland").

² In re the Provision of Basic Generation Service (BGS) for the Period Beginning June 1, 2023, BPU Docket No. ER22030127, Order dated November 9, 2022; and In re the Provision of Basic Generation Service (BGS) for the Period Beginning June 1, 2024, BPU Docket No. ER23030124, Order dated November 17, 2023 (collectively, "Auction Orders").

³ If the EDCs continue to propose a three (3) year rolling product as they have in prior filings, the BGS-RSCP requirements procured for the period beginning June 1, 2025 will supply one-third of the BGS-RSCP load for the period June 1, 2025 through May 31, 2028.

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and energy from the New York Independent System Operator. Going forward, and to the extent not previously addressed by the Board, Rockland will need to address the procurement capacity needs for those regions in its company-specific proposal.

For 23 years, the Board provided, through the BGS procurement process, an opportunity for all interested parties to participate through written comments, a legislative-type hearing, and public hearings. These procedures resulted in a wide range of suggestions, a timely Board decision, and ultimately, a successful procurement process. Accordingly, the Board intends to initiate a proceeding to determine, for the period beginning June 1, 2025, the best procurement process for BGS-RSCP and BGS-CIEP requirements, and Rockland's non-PJM service area capacity needs within New Jersey. This proceeding will include an invitation for all interested parties to propose how to procure BGS supply and an opportunity for all parties to issue discovery, provide written comments to the Board, and provide oral testimony at both a legislative-type and public hearings where the Board encourages the use of expert testimony. The proposed procedural schedule anticipates a Board decision on the process in November 2024, a BGS procurement process in February 2025, and a Rockland process for its non-PJM service area's capacity needs.

Therefore, the Board <u>HEREBY ORDERS</u> the EDCs to file proposals no later than July 1, 2024, addressing how to procure the remaining one-third of the State's BGS-RSCP requirements and the annual BGS-CIEP requirements for the period beginning June 1, 2025. The Board <u>FURTHER ORDERS</u> Rockland to file a proposal as part of its July 1, 2024 BGS filing to procure the BGS capacity requirements for its non-PJM service area within New Jersey for the period beginning June 1, 2025, to the extent not previously addressed. In addition, the Board invites all other interested stakeholders to file alternative BGS proposals with the Board by July 1, 2024.

Furthermore, the Board <u>HEREBY</u> <u>ADOPTS</u> the preliminary procedural schedule contained in Attachment A to this Order.

All discovery and comments must be filed with the Board's Secretary and electronically served via email to parties on the attached electronic service list. Parties may request to be added to the electronic service list by emailing Stacy Peterson at stacy.peterson@bpu.nj.gov.

The Board <u>HEREBY ORDERS</u> that all parties adhere to the attached preliminary procedural schedule unless otherwise directed. Parties will be advised of the time and place of the legislative-type hearing identified in Attachment A electronically via email, and through a posting on the Board's webpage. The Board and/or Board Staff will also notify parties through the electronic service list and, when possible, through the Board's webpage, of the time and location of any meetings or hearings as well as of any schedule changes.

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This Order shall be effective April 24, 2024.

DATED: April 17, 2024

BOARD OF PUBLIC UTILITIES

BY:

CHRISTINE GUHL-SADOVY

PRESIDENT

DB. ZENON CHRISTODOULOU

COMMISSIONER

MARIAN ABDOU COMMISSIONER

MICHAEL BANGE COMMISSIONER

ATTEST:

SHERRIL GOLDEN

SECRETARY

I HEREBY CERTIFY that the within document is a true copy of the original in the files of the Board of Public Utilities.

ATTACHMENT A

Preliminary 2025 BGS Schedule

DATE	Activity or Decision Point
7/1/2024	Filing of Proposals and/or Modifications for BGS for the period beginning June 1,
	2024
7/22/2024	Discovery request deadline
8/5/2024	Discovery response deadline
9/4/2024	Deadline for Initial Comments on all proposals
TBA	Legislative-type Hearing*
TBA	Public Hearings*
10/7/2024	Deadline for Final Comments**
Nov. 2024	Expected Board decision on BGS proposals
Dec. 2024	EDC Compliance Filings
Dec. 2024	Expected decision on Compliance Filings
Feb. 2025	Procurement Process for BGS Supply requirements

^{*} This is a placeholder for the Legislative-type Hearing and the Public Hearings (for the public hearings the time and place will be scheduled by the electric distribution companies in conjunction with the BPU), as required.

^{**} Final Comments should only be used to respond to issues raised either in the Initial Comments, or at the Legislative-type Hearing. They should not be used to raise new issues in this proceeding.

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IN THE MATTER OF THE PROVISION OF BASIC GENERATION SERVICE ("BGS") FOR THE PERIOD BEGINNING JUNE 1, 2025

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