



STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 9th Floor
Post Office Box 350
Trenton, New Jersey 08625-0350
www.nj.gov/bpu/

ENERGY

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 – JERSEY)
CENTRAL POWER & LIGHT COMPANY, PUBLIC)
SERVICE ELECTRIC AND GAS COMPANY AND)
ROCKLAND ELECTRIC COMPANY – JUNE 18,)
2014 FILING)

DECISION AND ORDER APPROVING
THE PASS-THROUGH OF FERC
AUTHORIZED CHANGES IN FIRM
TRANSMISSION SERVICE RELATED
CHARGES

BPU DOCKET NO. ER14060608

Parties of Record:

Alexander Stern, Esq., Public Service Electric and Gas Company
Gregory Eisenstark, Esq., **Morgan, Lewis & Bockius LLP**, on behalf of Jersey Central Power & Light Company
John L. Carley, Esq., Rockland Electric Company
Stefanie A. Brand, Esq., **Director**, New Jersey Division of Rate Counsel

BY THE BOARD:

On June 18, 2014, 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 increases to the Basic Generation Service (“BGS”) Fixed Price (“BGS-FP”) and Commercial and Industrial Energy Pricing (“BGS-CIEP”) rates to customers resulting from changes in the PJM Open Access Transmission Tariff (“OATT”) made in response to (i) the annual formula rate update filings made by PPL Electric Utilities Corporation (“PPL”) in FERC Docket No. ER09-1148, by American Electric Power Service Corporation (“AEP”) in FERC Docket Nos. ER08-1329 and ER10-355, and by Tran-Allegheny Interstate Line Company in FERC Docket No. ER07-562, and (ii) the formula rate update filings made by the public utility affiliates of Pepco Holdings Inc. in FERC Docket No. ER08-1423 and the respective utility affiliate compliance filings for formula rate updates made by Atlantic City Electric Company (“ACE”) in FERC Docket No. ER09-1156, Delmarva Power and Light in FERC Docket No. ER09-1158, and Potomac Electric Power Company in FERC Docket No. ER09-1159. The filings referred to in (i) and (ii) above are collectively referred to as the “Filings.”

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 cost responsibility for Required Transmission Enhancement projects.

The BGS-FP and BGS-CIEP rates included in the amended tariff sheets for each EDC reflect costs effective on June 1, 2014 for TECs resulting from all of the FERC-approved filings, except the AEP- East filing which is effective on July 1, 2014. The EDCs also requested that the BGS suppliers be compensated for the changes to the OATT resulting from the implementation of the updates to formula rates effective June 1 and July 1, 2014. The EDCs represent that suppliers will be compensated subject to the terms and conditions of the applicable Supplier Master Agreements ("SMAs").

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

Each EDC is allocated a different amount of TECs from PJM based on the cost for Required Transmission Enhancements in each EDC's transmission zone. Based on the allocation of the TEC Filings transmission costs among the 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): an increase of \$0.10 or 0.10% for JCP&L; an increase of \$0.12 or 0.1% for PSE&G; and an increase of \$0.10 or 0.09% 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 the network integration transmission charge, and other charges associated with the FERC-approved OATT, 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 FERC. The SMAs also authorize the EDCs to adjust the rates paid to suppliers for FERC-approved rates and increases to Firm Transmission Services once approved by the Board. The Board Orders further require that the EDCs review and verify any requested FERC authorized increases.

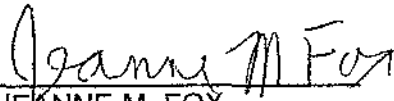
After review of the verifications and supporting documentation, the Board **HEREBY FINDS** that the June 18, 2014 filing satisfies the EDCs' obligations under paragraph 15.9 (a)(i) and (ii) of the relevant SMAs, and **HEREBY APPROVES** the changes to the BGS-FP and BGS-CIEP rates requested by each EDC for its transmission charges resulting from the FERC-approved changes to the TECs effective for service on or after September 1, 2014. The EDCs are **HEREBY ORDERED** to compensate the BGS suppliers for this transmission rate increase or decrease 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 the service of this Order.

DATED: 8/20/14

BOARD OF PUBLIC UTILITIES
BY:


DIANNE SOLOMON
PRESIDENT


JEANNE M. FOX
COMMISSIONER


JOSEPH L. FIORDALISO
COMMISSIONER


MARY-ANNA HOLDEN
COMMISSIONER

ATTEST:


KRISTI IZZO
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 – JERSEY CENTRAL POWER & LIGHT
COMPANY, PUBLIC SERVICE ELECTRIC AND GAS COMPANY AND ROCKLAND
ELECTRIC COMPANY – JUNE 18, 2014 FILING
BPU DOCKET NO. ER14060608

NOTIFICATION LIST

BOARD OF PUBLIC UTILITIES

Jerome May, Director
44 South Clinton Avenue, 9th Floor
Post Office Box 350
Trenton, NJ 08625-0350

Alice Bator, Chief
Division of Energy
44 South Clinton Avenue, 9th Floor
Post Office Box 350
Trenton, NJ 08625-0350

Stacy Peterson
Division of Energy
44 South Clinton Avenue, 9th Floor
Post Office Box 350
Trenton, NJ 08625-0350

Kristi Izzo, Secretary
44 South Clinton Avenue, 9th Floor
Post Office Box 350
Trenton, NJ 08625-0350

Frank Perrotti
Division of Energy
44 South Clinton Avenue, 9th Floor
Post Office Box 350
Trenton, NJ 08625-0350

Rosalie Serapiglia, Manager
Division of Energy
44 South Clinton Avenue, 9th Floor
Post Office Box 350
Trenton, NJ 08625-0350

DIVISION OF RATE COUNSEL

Stefanie A. Brand, Esq., Director
Division of Rate Counsel
140 East Front St., 4th Floor
Post Office Box 003
Trenton, NJ 08625-0003

Diane Schulze, Esq.
Division of Rate Counsel
140 East Front St., 4th Floor
Post Office Box 003
Trenton, NJ 08625-0003

Ami Morita, Esq.
Division of Rate Counsel
140 East Front St., 4th Floor
Post Office Box 003
Trenton, NJ 08625-0003

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

DEPARTMENT OF LAW & PUBLIC SAFETY

Caroline Vachier, DAG
Division of Law
124 Halsey Street
P.O. Box 45029
Newark, NJ 07101-45029

Babette Tenzer, DAG
Division of Law
124 Halsey Street
P.O. Box 45029
Newark, NJ 07101-45029

Alex Moreau, DAG
Division of Law
124 Halsey Street
P.O. Box 45029
Newark, NJ 07101-45029

EDCs

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.
Morgan, Lewis & Bockius LLP
89 Headquarters Plaza North
Suite 1435
Morristown, NJ 07960

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, T05
Newark, NJ 07102

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

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

Myron Filewicz
Manager, BGS
PSE&G
80 Park Plaza, T-8
P.O. Box 570
Newark, NJ 07101

OTHER

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

Shawn P. Leyden, Esq.
PSEG Services Corporation
80 Park Plaza -- T-19
P.O. Box 570
Newark, NJ 07101-0570

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

Elizabeth A. Sager, VP – Asst.
General Counsel
J.P. Morgan Chase Bank, N.A.
270 Park Avenue
Floor 41
New York, NY 10017-2014

Commodity Confirmations
J.P. Morgan Ventures Energy
Corp.
1 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
P.O. Box 570
Newark, NJ 071010570

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

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

Gary Ferez
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

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

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

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

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

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

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

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

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

Eric W. Hurlocker
PPL EnergyPlus LLC
Two N. Ninth Street
Allentown, PA 18101

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

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

Shiran Kochavi
NRG Energy
211 Carnegie Center
Princeton, NJ 08540

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

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

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

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

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

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

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

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

Graham Fisher
ConocoPhillips
600 N Dairy Ashford, CH1081
Houston, TX 77056

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