

Agenda Date: 4/7/21 Agenda Item: 2A

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) DECISION AND ORDER GENERATION SERVICE (BGS) FOR THE PERIOD) BEGINNING JUNE 1, 2022) DOCKET NO. ER21030631

Parties of Record:

Matthew Weissman, Esq., on behalf of Public Service Electric and Gas Company Joshua Eckert, 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 Stefanie A. Brand, Esq., Director, New Jersey Division of Rate Counsel

BY THE BOARD:

The New Jersey Board of Public Utilities ("Board") issued Orders in Docket No. ER19040428 dated November 13, 2019, and Docket No. ER20030190 dated November 18, 2020, which approved, with modifications, the joint Basic Generation Service ("BGS") proposals of the State's Electric Distribution Companies ("EDCs") that used a descending clock auction format to procure two-thirds of the State's BGS requirements for Residential and Small Commercial Pricing ("RSCP") customers for the period beginning June 1, 2022 and ending May 31, 2023. In those prior Orders, the Board did not address how the remaining BGS requirements for RSCP customers, as well as the State's annual BGS requirements for Commercial and Industrial Energy Pricing ("CIEP") customers, would be procured for this period.²

Prior Board Orders also approved a process for Rockland to procure the capacity and energy needs of its Central and Western Divisions, where previous purchases of capacity and energy were from the New York Independent System Operator ("NYISO"). Going forward and to the extent not previously addressed by the Board, Rockland will need to address the procurement of capacity needs for those regions in its company specific proposal.

¹ The State's four (4) investor-owned EDCs are 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").

² If the EDCs continue to propose a three (3) year rolling product as in the past, the BGS RSCP requirements procured for the period beginning June 1, 2022 will supply one-third of the BGS RSCP load for the period June 1, 2022 through May 31, 2025.

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The process adopted by the Board to determine how to procure BGS for the past 20 years has provided an opportunity for participation by all interested parties through both written comments and at 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 the best procurement process for BGS-RSCP and BGS-CIEP requirements, and the needs of Rockland's non-PJM service area within New Jersey, for the period beginning June 1, 2022. This proceeding is similar to the process employed for the past 20 years. The proceeding will include an invitation for all parties to propose how to procure BGS supply, the ability for all parties to issue discovery, provide written comments to the Board, and provide oral testimony at both 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 2021, a BGS procurement process in February 2022, 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, 2021, 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, 2022. The Board <u>FURTHER ORDERS</u> Rockland to file a proposal as part of its July 1, 2021 BGS filing to procure the BGS capacity requirements for its non-PJM service area within New Jersey for the period beginning June 1, 2022, to the extent not previously addressed. In addition, the Board also invites all other interested stakeholders to file alternative BGS proposals with the Board by July 1, 2021.

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 and Ryan Moran at ryan.moran@bpu.nj.gov.

The Board **HEREBY ORDERS** 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-style 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 become effective April 17, 2021.

DATED: April 7, 2021

BOARD OF PUBLIC UTILITIES

BY:

JOSEPH L. FIORDALISO

PRESIDENT

MARY-ANNA HOLDEN COMMISSIONER

UPENDRA J. CHIVUKULA COMMISSIONER

ATTEST:

AIDA CAMACHO-WELCH

SECRETARY

DIANNE SOLOMON COMMISSIONER

ROBERT M. GORDON COMMISSIONER

ATTACHMENT A

Preliminary 2022 BGS Schedule

DATE	Activity or Decision Point
7/01/2021	Filing of Proposals and/or Modifications for BGS for the period beginning June 1,
	2022
7/22/2021	Discovery request deadline
8/5/2021	Discovery response deadline
9/3/2021	Deadline for Initial Comments on all proposals
TBA	Legislative-type Hearing*
TBA	Public Hearings*
10/5/2021	Deadline for Final Comments**
Nov. 2021	Expected Board decision on BGS proposals
Dec 2021	EDC Compliance Filings
Dec. 2021	Expected Board decision on Compliance Filings
Feb. 2022	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 EDCs 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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