Law Department PSEG Services Corporation 80 Park Plaza – T5, Newark, New Jersey 07102-4194 973-430-5333 fax: 973-430-5983 email: hesser.mcbride@pseg.com



# VIA BPU E-FILING SYSTEM & OVERNIGHT MAIL

June 25, 2018

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, 2015 -and-In the Matter of the Provision of Basic Generation Service for the Period Beginning June 1, 2016 -and-In the Matter of the Provision of Basic Generation Service for the Period Beginning June 1, 2017 -and-In the Matter of the Provision of Basic Generation Service for the Period Beginning June 1, 2017 -and-In the Matter of the Provision of Basic Generation Service for the Period Beginning June 1, 2018

BPU Docket Nos. EO03050394, ER14040370, ER15040482, ER16040337, and ER17040335

Compliance Tariff Filing Reflecting Changes to Schedule 12 Charges in PJM Open Access Transmission Tariff Docket No.

Aida Camacho-Welch, Secretary New Jersey Board of Public Utilities 44 South Clinton Avenue, 3<sup>rd</sup> Floor, Suite 314 Trenton, NJ 08625-0350

Dear Secretary Camacho-Welch:

Enclosed for filing on behalf of Jersey Central Power & Light Company, Public Service Electric and Gas Company, Rockland Electric Company and Atlantic City Electric Company (collectively, the "EDCs") please find an original and two copies of tariff sheets and supporting exhibits proposed by each of the EDCs and revised to reflect changes to the PJM Open Access Transmission Tariff ("OATT") made in response to a formula rate filing made by American Electric Power Service Corporation ("AEP") in Federal Energy Regulatory Commission ("FERC") Docket No. ER18-1202 and ER17-405. This document has also been uploaded to the Board of Public Utilities E-Filing system.

## **Background**

In its Order dated October 22, 2003 (BPU Docket No. EO03050394), the New Jersey Board of Public Utilities ("Board") authorized the EDCs to recover FERC-approved changes in firm transmission service-related charges. The Board has also authorized recovery of FERC-approved changes in firm transmission service-related charges in subsequent orders approving the Basic Generation Service ("BGS") supply procurement process and the associated Supplier Master Agreements ("SMAs"). Furthermore, by subsequent Orders, the BPU has approved Section 15.9 of the Supplier Master Agreements ("SMAs") filed by the EDCs, which authorize the EDCs to increase or decrease the rates paid to suppliers for FERC-approved rates and changes to Firm Transmission Service once approved by the Board.

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" (again, as defined in the PJM OATT) 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.

In turn, the EDCs file with the Board to recover costs associated with TECs from BGS customer and to pay BGS suppliers for TEC charges assigned to them by PJM for the load they serve in the respective EDC service territories.<sup>1</sup> BGS Suppliers began paying these transmission charges in April 2018 retroactively to January 1, 2018.<sup>2</sup>

## **Request for Board Approval**

The EDCs request Board approval to implement the attached, revised BGS-RSCP and BGS-CIEP tariff rates effective September 1, 2018. In support of this request, the EDCs have included pro-forma tariff sheets shown in Attachment 1. The proposed BGS tariff rates have been modified in accordance with the Board-approved methodology contained in each EDC's Company-Specific Addendum in the above-referenced BGS proceedings and in conformance with each EDC's Board-approved BGS tariff sheets. The attached pro-forma tariff sheets propose an effective date of September 1, 2018 and will remain in effect until changed. The BGS-RSCP and BGS-CIEP rates included in the amended tariff sheets for each EDC are revised to reflect costs effective on April 1, 2018 retroactive to January 1, 2018 for TECs resulting from FERC tariff Filings. These rates are based on the FERC-authorized (and PJM implemented) rates for transmission services, including recent cost reallocations implemented by PJM.<sup>3</sup>

<sup>&</sup>lt;sup>1</sup> The EDCs pay suppliers subject to the conditions of the Board-approved SMAs.

<sup>&</sup>lt;sup>2</sup> AEP East Transmission Companies 163 FERC ¶ 63,002, (Docket No. ER18-1202-001), Order of Chief Judge Granting Motion for Interim Implementation of Settlement Rates, Docket No. ER18-1202, April 4, 2018, authorizing the implementation of interim settlement rates and the Tax Cuts and Jobs Act. <sup>3</sup> *Id.* 

Attachment 2 shows the cost impact for the 2018 period for each of the EDCs. These costs were allocated to the various transmission zones using the cost information from the formula rates for the projects covered by the Filings, as posted on the PJM website. The translation of the transmission zone rate impact to the BGS rates of each of the EDCs assuming implementation on September 1, 2018 is included as Attachment 3. Copies of the Filing and the formula rate update is included as Attachment 4 along with the FERC Order implementing the rates, and can also be found on the PJM website at <a href="http://www.pjm.com/markets-and-operations/billing-settlements-and-credit/formula-rates.aspx">http://www.pjm.com/markets-and-operations/billing-settlements-and-credit/formula-rates.aspx</a>.

The EDCs also request that the BGS Suppliers be compensated for the changes to the OATT resulting from the implementation of the formula rate effective April 1, 2018 retroactive to January 1, 2018. Suppliers will be compensated subject to the terms and conditions of the applicable SMAs. Any differences between payments to BGS-RSCP and BGS-CIEP Suppliers and charges to customers will flow through BGS Reconciliation Charges. This treatment is consistent with the previously-approved mechanisms.

This filing satisfies the requirements of ¶¶ 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 increases for firm transmission service, and that the EDCs file for and obtain Board approval of an increase in retail rates commensurate with the FERC-implemented rate increase.

We thank the Board for all courtesies extended.

Respectfully submitted, Hose & MyDey

Attachments

cc: Stacy Peterson, NJBPU Stefanie Brand, Division of Rate Counsel Service List (Electronic)

## PUBLIC SERVICE ELECTRIC AND GAS COMPANY BGS TRANSMISSION ENHANCEMENT CHARGE

BOARD OF PUBLIC UTILITIES			
Aida Camacho-Welch, Secretary	Richard DeRose	Stacy Peterson	
NJBPU	NJBPU	NJBPU	
44 S Clinton Ave, 3 <sup>rd</sup> Fl, STE 314	44 S Clinton Ave, 3 <sup>rd</sup> Fl, STE 314	44 S Clinton Ave, 3 <sup>rd</sup> Fl, STE 314	
P.O. Box 350	P.O. Box 350	P.O. Box 350	
Trenton, NJ 08625-0350	Trenton, NJ 08625-0350	Trenton, NJ 08625-0350	
irene.asbury@bpu.nj.gov	richard.derose@bpu.nj.gov	stacy.peterson@bpu.nj.gov	
Mark Beyer	Bethany Rocque-Romaine, Esq		
NJBPU	NJ BPU Legal Specialist		
44 S Clinton Ave, 3 <sup>rd</sup> Fl, STE 314	44 S Clinton Ave, 3 <sup>rd</sup> Fl, STE 314		
P.O. Box 350	P.O. Box 350		
Trenton, NJ 08625-0350	Trenton, NJ 08625-0350		
mark.beyer@bpu.nj.gov	bethany.romaine@bpu.nj.gov		
	<b>DIVISION OF RATE COUNSE</b>	L	
Stefanie A. Brand, Esq.	Diane Schulze, Esq.	Ami Morita, Esq.	
Division of Rate Counsel	Division of Rate Counsel	Division of Rate Counsel	
140 East Front St., 4 <sup>th</sup> Fl.	140 East Front St., 4 <sup>th</sup> Fl.	140 East Front St., 4 <sup>th</sup> Fl.	
Trenton, NJ 08608-2014	Trenton, NJ 08608-2014	Trenton, NJ 08608-2014	
sbrand@rpa.state.nj.us	dschulze@rpa.state.nj.us	amorita@rpa.state.nj.us	
DEPA	<b>RTMENT OF LAW &amp; PUBLIC </b>	SAFETY	
Caroline Vachier, DAG	Andrew Kuntz, DAG		
Division of Law	Division of Law		
124 Halsey Street, 5 <sup>th</sup> Fl.	124 Halsey Street, 5 <sup>th</sup> Fl.		
P.O. Box 45029	P.O. Box 45029		
Newark, NJ 07101	Newark, NJ 07101		
caroline.vachier@dol.lps.state.nj.us	andrew.kuntz@dol.lps.state.nj.us		
	EDCs		
Joseph Janocha	Dan Tudor	Philip Passanante, Esq.	
ACE – 63ML38	PEPCO Holdings, Inc.	Pepco Holdings, Inc.	
5100 Harding Highway	7801 Ninth Street NW	500 N. Wakefield Drive	
Atlantic Regional Office	Washington, DC 20068-0001	92DC42	
Mays Landing, NJ 08330	datudor@pepco.com	Newark, DE 19702	
joseph.janocha@pepcoholdings.com		philip.passanante@pepcoholdings.com	
Sally J. Cheong, Manager	Kevin Connelly	Gregory Eisenstark, Esq.	
Tariff Activity, Rates, NJ	First Energy	Windels Marx Lane & Mittendorf, LLP	
JCP&L	300 Madison Avenue	120 Albany Street Plaza	
300 Madison Avenue	Morristown, NJ 07960	New Brunswick, NJ 08901	
Morristown, NJ 07962	kconnelly@firstenergycorp.com	geisenstark@windelsmarx.com	
scheong@firstenergycorp.com			
John L. Carley, Esq.	Margaret Comes, Esq.	Hesser McBride, Esq.	
Consolidated Edison of NY	Senior Staff Attorney	Assoc. Gen. Reg. Counsel	
Law Dept., Room 1815-S	Consolidated Edison of NY	PSEG Services Corporation	
4 Irving Place	Law Dept., Room 1815-S	P.O. Box 570	
New York, NY 10003	4 Irving Place	80 Park Plaza, T-5	
		Newark, NJ 07101	
	-		
New York, NY 10003 carleyj@coned.com	4 Irving Place New York, NY 10003 <u>comesm@coned.com</u>	-	

## PUBLIC SERVICE ELECTRIC AND GAS COMPANY BGS TRANSMISSION ENHANCEMENT CHARGE

Eugene Meehan	Chantale LaCasse	Myron Filewicz
NERA	NERA	Manager – BGS
1255 23 <sup>rd</sup> Street, Suite 600	1166 Avenue of the Americas	PSE&G
Washington, DC 20037	29 <sup>th</sup> Floor	80 Park Plaza, T-8
gene.meehan.affiliate@nera.com	New York, NY 10036	P.O. Box 570
gene.meenan.anmate@nera.com	chantale.lacasse@nera.com	Newark, NJ 07101
	chantale.lacasse@heta.com	
	OTHER	myron.filewicz@pseg.com
Rick Sahni	Matthew Clements	Commodity Operations Group
Contract Services – Power	Contract Services – Power	Citigroup Energy Inc.
		2800 Post Oak Boulevard
BP Energy Company	BP Energy Company	
501 W Lark Park Blvd.	501 W Lark Park Blvd.	Suite 500
WL1-100B	WL1-100B	Houston, TX 77056
Houston, TX 77079	Houston, TX 77079	713-752-5407
713-323-4927	713-323-4031	ceiconfirms@citi.com
rick.sahni@bp.com	matthew.clements@bp.com	
Legal Department	Jackie Roy	John Foreman
Citigroup Energy Inc.	ConocoPhillips	ConocoPhillips
2800 Post Oak Blvd.	600 N Dairy Ashford, CH1081	600 N Dairy Ashford, CH1081
Suite 500	Houston, TX 77079	Houston, TX 77079
Houston, TX 77056	281-293-6303	281-293-6303
713-752-5225	jackie.roy@conocophillips.com	john.r.foreman@conocophillips.com
Marcia Hissong	James Buck	Cynthia Klots
DTE Energy Trading	DTE Energy Trading	DTE Energy Trading
414 South Main Street	414 South Main Street	414 South Main Street
Suite 200	Suite 200	Suite 200
Ann Arbor, MI 48104	Ann Arbor, MI 48104	Ann Arbor, MI 48104
734-887-2042	734-887-4039	734-887-2171
hissongm@dteenergy.com	buckj@dteenergy.com	klotsc@dteenergy.com
Danielle Fazio	Mara Kent	Rohit Marwaha
Engelhart CTP (US)	Engelhart CTP (US)	Exelon Generation Co.
400 Atlantic St., 11th Fl.	400 Atlantic St., 11th Fl.	100 Constellation Way, Suite 500C
Stamford, CT 06901	Stamford, CT 06901	Baltimore, MD 21102
203-349-7520	203-349-7517	410-470-3117
danielle.fazio@ectp.com	mara.kent@ectp.com	Rohit.marwaha@constellation.com
Paul Rahm	Jessica Miller	Connie Cheng
Exelon Generation Co.	Exelon Generation Co.	Macquarie Energy LLC
100 Constellation Way, Ste 500C	100 Constellation Way, Suite	500 Dallas Street, Level 31
Baltimore, MD 21102	500C	Houston, TX 77002
410-470-3116	Baltimore, MD 21102	713-275-8875
paul.m.rahm@constellation.com	410-470-1928	<u>connie.cheng@macquarie.com</u>
paurimitanine constentation.com	jessica.miller@constellation.com	conne.eneng@macquarte.com
	jessica.miner@constenation.com	

## PUBLIC SERVICE ELECTRIC AND GAS COMPANY BGS TRANSMISSION ENHANCEMENT CHARGE

OTHER			
Sherri Brudner	Patricia Haule	Justin Brenner	
Macquarie Energy LLC	Macquarie Energy LLC	NextEra Energy Power Mktg.	
500 Dallas Street, Level 31	500 Dallas Street, Level 31	700 Universe Boulevard	
Houston, TX 77002	Houston, TX 77002	CTR/JB	
713-275-6114	713-275-6107	Juno Beach, FL 33408-2683	
sherri.brudner@macquarie.com	patricia.haule@macquarie.com	561-304-6047	
-		DL-PJM-RFP@fpl.com	
Cara Lorenzoni	Marleen Nobile	Shawn P. Leyden, Esq.	
Noble Americas Gas & Power	PSEG Services Corporation	PSEG Services Corporation	
Four Stamford Plaza, 7th Fl.	80 Park Plaza, T-19	80 Park Plaza, T-19	
Stamford, CT 06902	P.O. Box 570	P.O. Box 570	
203-326-6578	Newark, NJ 07101	Newark, NJ 07101	
clorenzoni@thisisnoble.com	973-430-6073	973-430-7698	
	marleen.nobile@pseg.com	shawn.leyden@pseg.com	
Alan Babp	Mariel Ynaya	Matthew Davies	
Talen Energy Marketing LLC	Talen Energy Marketing LLC	TransCanada Power Marketing Ltd.	
GENPL7S	GENPL7S	110 Turnpike Road, Suite 300	
835 Hamilton Street, Suite 150	835 Hamilton Street, Suite 150	Westborough, MA 01581	
Allentown, PA 18101	Allentown, PA 18101	(403) 920-2038	
610-774-6129	610-774-6054	matthew_davies@transcanada.com	
alan.babp@talenenergy.com	mariel.ynaya@talenenergy.com		
Brian McPherson	Steven Gabel		
TransCanada Power Marketing Ltd.	Gabel Associates		
110 Turnpike Road, Suite 300	417 Denison Street		
Westborough, MA 01581	Highland Park, NJ 08904		
587-933-8613	732-296-0770		
brian_mcpherson@transcanada.com	steven@gabelassociates.com		

Attachment 1A Public Service Electric and Gas Company Tariff Sheets

Attachment 1B Jersey Central Power and Light Tariff Sheets

Attachment 1C Rockland Electric Company Tariff Sheets

> Attachment 1D Atlantic City Electric Company

## PUBLIC SERVICE ELECTRIC AND GAS COMPANY

#### B.P.U.N.J. No. 15 ELECTRIC

XXX Revised Sheet No. 75 Superseding XXX Revised Sheet No. 75

## BASIC GENERATION SERVICE – RESIDENTIAL SMALL COMMERCIAL PRICING (BGS-RSCP) ELECTRIC SUPPLY CHARGES

### APPLICABLE TO:

Default electric supply service for Rate Schedules RS, RHS, RLM, WH, WHS, HS, BPL, BPL-POF, PSAL, GLP and LPL-Secondary (less than 500 kilowatts).

#### **BGS ENERGY CHARGES:**

Applicable to Rate Schedules RS, RHS, RLM, WH, WHS, HS, BPL, BPL-POF and PSAL Charges per kilowatthour:

	For usage in each of the months of		For usage in each of the months of	
	October 1	through May	June through September	
Rate		Charges		Charges
Schedule	Charges	Including SUT	Charges	Including SUT
RS – first 600 kWh	\$ <u>0.111</u> 170	\$0.118535	\$0.111145	\$0.118508
RS – in excess of 600 kWh	0.111170	0.118535	0.120241	0.128207
RHS – first 600 kWh	0.088815	0.094699	0.084210	0.089789
RHS – in excess of 600 kWh	0.088815	0.094699	0.096372	0.102757
RLM On-Peak	0.199253	0.212454	0.212080	0.226130
RLM Off-Peak	0.050441	0.053783	0.045352	0.048357
WH	0.049065	0.052316	0.046813	0.049914
WHS	0.049245	0.052507	0.046520	0.049602
HS	0.095529	0.101858	0.097451	0.103907
BPL	0.046908	0.050016	0.041926	0.044704
BPL-POF	0.046908	0.050016	0.041926	0.044704
PSAL	0.046908	0.050016	0.041926	0.044704

The above Basic Generation Service Energy Charges reflect costs for Energy, Generation Capacity, Transmission, and Ancillary Services (including PJM Interconnection, L.L.C. (PJM) Administrative Charges). The portion of these charges related to Network Integration Transmission Service, including the PJM Seams Elimination Cost Assignment Charges, the PJM Reliability Must Run Charge and PJM Transmission Enhancement Charges may be changed from time to time on the effective date of such change to the PJM rate for these charges as approved by the Federal Energy Regulatory Commission (FERC).

Kilowatt threshold noted above is based upon the customer's Peak Load Share of the overall summer peak load assigned to Public Service by the Pennsylvania-New Jersey-Maryland Office of the Interconnection (PJM). See Section 9.1, Measurement of Electric Service, of the Standard Terms and Conditions of this Tariff.

Date of Issue:

Issued by SCOTT S. JENNINGS, Vice President Finance – PSE&G 80 Park Plaza, Newark, New Jersey 07102 Filed pursuant to Order of Board of Public Utilities dated in Docket No. Effective:

## PUBLIC SERVICE ELECTRIC AND GAS COMPANY

#### B.P.U.N.J. No. 15 ELECTRIC

### XXX Revised Sheet No. 79 Superseding XXX Revised Sheet No. 79

## BASIC GENERATION SERVICE – RESIDENTIAL SMALL COMMERCIAL PRICING (BGS-RSCP) ELECTRIC SUPPLY CHARGES

### (Continued)

#### **BGS CAPACITY CHARGES:**

Applicable to Rate Schedules GLP and LPL-Sec.

#### Charges per kilowatt of Generation Obligation:

Charge applicable in the months of June through	n September\$ 5.1628
Charge including New Jersey Sales and Use Ta	x (SUT)\$ 5.5048

Charge applicable in the months of October through May.....\$ 5.1628 Charge including New Jersey Sales and Use Tax (SUT) ......\$ 5.5048

The above charges shall recover each customer's share of the overall summer peak load assigned to the Public Service Transmission Zone by the PJM Interconnection, L.L.C. (PJM) as adjusted by PJM assigned capacity related factors and shall be in accordance with Section 9.1, Measurement of Electric Service, of the Standard Terms and Conditions.

#### **BGS TRANSMISSION CHARGES**

#### Applicable to Rate Schedules GLP and LPL-Sec.

#### Charges per kilowatt of Transmission Obligation:

enargee per knowatt er transmission ebingation.	
Currently effective Annual Transmission Rate for Network Integration Transmission Service for the	
Public Service Transmission Zone as derived from the	
FERC Electric Tariff of the PJM Interconnection, LLC	¢ 101 106 71 per MM/ per veer
PERC Electric Tarin of the PJW Interconnection, LLC	
PJM Reallocation	\$ 0.00 per MVV per year
PJM Seams Elimination Cost Assignment Charges	\$ 0.00 per MW per month
PJM Reliability Must Run Charge	\$ 2.82 per MW per month
PJM Transmission Enhancements	
Trans-Allegheny Interstate Line Company	
Virginia Electric and Power Company	\$ 88.04 per MW per month
Potomac-Appalachian Transmission Highline L.L.C.	
PPL Electric Utilities Corporation	
American Electric Power Service Corporation	
Atlantic City Electric Company.	
Delmarva Power and Light Company	
Potomac Electric Power Company.	\$ 3.24 per MW per month
Baltimore Gas and Electric Company	\$ 6.91 per MW per month
Jersey Central Power and Light	
Mid Atlantic Interstate Transmission	\$ 7.24 per MW per month
PECO Energy Company	\$ 14.19 per MW per month
	······································

Above rates converted to a charge per kW of Transmission

Obligation, applicable in all months\$8	.8051
Charge including New Jersey Sales and Use Tax (SUT) \$ 9	

The above charges shall recover each customer's share of the overall summer peak transmission load assigned to the Public Service Transmission Zone by the PJM Interconnection, L.L.C. (PJM) as adjusted by PJM assigned transmission capacity related factors and shall be in accordance with Section 9.1, Measurement of Electric Service, of the Standard Terms and Conditions. These charges will be changed from time to time on the effective date of such change to the PJM rate for charges for Network Integration Transmission Service, including the PJM Seams Elimination Cost Assignment Charges, the PJM Reliability Must Run Charge and PJM Transmission Enhancement Charges as approved by Federal Energy Regulatory Commission (FERC).

Date of Issue:

Effective:

Issued by SCOTT S. JENNINGS, Vice President Finance – PSE&G 80 Park Plaza, Newark, New Jersey 07102 Filed pursuant to Order of Board of Public Utilities dated in Docket No. PUBLIC SERVICE ELECTRIC AND GAS COMPANY

XXX Revised Sheet No. 83 Superseding XXX Revised Sheet No. 83

## BASIC GENERATION SERVICE – COMMERCIAL AND INDUSTRIAL ENERGY PRICING (CIEP) ELECTRIC SUPPLY CHARGES

(Continued)

### **BGS TRANSMISSION CHARGES**

Charges per kilowatt of Transmission Obligation:

enargee per knowatt er franchiscoren ebilgationi	
Currently effective Annual Transmission Rate for Network Integration Transmission Service for the	
Public Service Transmission Zone as derived from the	
FERC Electric Tariff of the PJM Interconnection, LLC	
PJM Reallocation	
PJM Seams Elimination Cost Assignment Charges	\$ 0.00 per MW per month
PJM Reliability Must Run Charge	\$ 2.82 per MW per month
PJM Transmission Enhancements	
Trans-Allegheny Interstate Line Company	\$102.26 per MW per month
Virginia Electric and Power Company	\$ 88.04 per MW per month
Potomac-Appalachian Transmission Highline L.L.C.	(\$10.28) per MW per month
PPL Electric Utilities Corporation	\$ 52.22 per MW per month
American Electric Power Service Corporation	\$ 27.36 per MW per month
Atlantic City Electric Company.	\$ 11.09 per MW per month
Delmarva Power and Light Company	\$ 0.33 per MW per month
Potomac Electric Power Company.	\$ 3.24 per MW per month
Baltimore Gas and Electric Company	\$ 6.91 per MW per month
Jersey Central Power and Light	
Mid Atlantic Interstate Transmission	\$ 7.24 per MW per month
PECO Energy Company	\$ 14.19 per MW per month

The above charges shall recover each customer's share of the overall summer peak transmission load assigned to the Public Service Transmission Zone by the PJM Interconnection, L.L.C. (PJM) as adjusted by PJM assigned transmission capacity related factors and shall be in accordance with Section 9.1, Measurement of Electric Service, of the Standard Terms and Conditions. These charges will be changed from time to time on the effective date of such charge to the PJM rate for charges for Network Integration Transmission Service, including the PJM Seams Elimination Cost Assignment Charges, the PJM Reliability Must Run Charge and PJM Transmission Enhancement Charges as approved by Federal Energy Regulatory Commission (FERC).

Kilowatt threshold noted above is based upon the customer's Peak Load Share of the overall summer peak load assigned to Public Service by the Pennsylvania-New Jersey-Maryland Office of the Interconnection (PJM). See Section 9.1, Measurement of Electric Service, of the Standard Terms and Conditions of this Tariff.

Date of Issue:

Issued by SCOTT S. JENNINGS, Vice President Finance – PSE&G 80 Park Plaza, Newark, New Jersey 07102 Filed pursuant to Order of Board of Public Utilities dated in Docket No. Effective:

Attachment 1B

Page 1 of 2

**BPU No. 12 ELECTRIC - PART III** 

XX Rev. Sheet No. 36 Superseding XX Rev. Sheet No. 36

## Rider BGS-RSCP

Basic Generation Service – Residential Small Commercial Pricing (Applicable to Service Classifications RS, RT, RGT, GS, GST, OL, SVL, MVL, ISL and LED)

**2)** BGS Transmission Charge per KWH: As provided in the respective tariff for Service Classifications RS, RT, RGT, GS, GST, OL, SVL, MVL, ISL and LED. Effective September 1, 2017, a RMR (BL England) surcharge of **\$0.000131** per KWH (includes Sales and Use Tax as provided in Rider SUT) will be added to the BGS Transmission Charge applicable to all KWH usage. Effective January 1, 2018, a RMR (Yorktown) surcharge of **\$0.000011** per kWh (includes Sales and Use Tax as provided in Rider SUT) will be added to the BGS Transmission Charge applicable to all KWH usage. Effective January 1, 2018, a SUT) will be added to the BGS Transmission Charge applicable to all KWH usage.

Effective September 1, 2017, the following TEC surcharges (include Sales and Use Tax as provided in Rider SUT) will be added to the BGS Transmission Charge applicable to all KWH usage, except lighting under Service Classifications OL, SVL, MVL, ISL and LED:

TRAILCO-TEC surcharge of **\$0.000460** per KWH PEPCO-TEC surcharge of **\$0.000015** per KWH ACE-TEC surcharge of **\$0.000084** per KWH Delmarva-TEC surcharge of **\$0.000001** per KWH PPL-TEC surcharge of **\$0.000210** per KWH BG&E-TEC surcharge of **\$0.000031** per KWH

Effective February 10, 2018, the following TEC surcharges (include Sales and Use Tax as provided in Rider SUT) will be added to the BGS Transmission Charge applicable to all KWH usage, except lighting under Service Classifications OL, SVL, MVL, ISL and LED:

PATH-TEC surcharge of **(\$0.000039)** per KWH VEPCO-TEC surcharge of **\$0.000341** per KWH PSEG-TEC surcharge of **\$0.001513** per KWH MAIT-TEC surcharge of **\$0.000030** per KWH

Effective April 1, 2018, the following TEC surcharge (includes Sales and Use Tax as provided in Rider SUT) will be added to the BGS Transmission Charge applicable to all KWH usage, except lighting under Service Classifications OL, SVL, MVL, ISL and LED:

PECO-TEC surcharge of **\$0.000050** per KWH

Effective September 1, 2018, the following TEC surcharge (includes Sales and Use Tax as provided in Rider SUT) will be added to the BGS Transmission Charge applicable to all KWH usage, except lighting under Service Classifications OL, SVL, MVL, ISL and LED:

AEP-East-TEC surcharge of \$0.000101 per KWH

**3) BGS Reconciliation Charge per KWH: (\$0.004284)** (includes Sales and Use Tax as provided in Rider SUT)

The above BGS Reconciliation Charge recovers the difference between the payments to BGS suppliers and the revenues from BGS customers for Basic Generation Service and is subject to quarterly true-up.

Issued:

Effective: September 1, 2018

Filed pursuant to Order of Board of Public Utilities Docket No. dated

Page 2 of 2

**BPU No. 12 ELECTRIC - PART III** 

XX Rev. Sheet No. 38 Superseding XX Rev. Sheet No. 38

## Rider BGS-CIEP

Basic Generation Service – Commercial Industrial Energy Pricing (Applicable to Service Classifications GP and GT and Certain Customers under Service Classifications GS and GST)

Certain Customers under Service Classifications GS and G

3) BGS Transmission Charge per KWH: (Continued)

Effective September 1, 2017, the following TEC surcharges (include Sales and Use Tax as provided in Rider SUT) will be added to the BGS Transmission Charge applicable to all KWH usage:

GS and GST GP GT GT – High Tension Service	TRAILCO-TEC \$0.000460 \$0.000283 \$0.000251 \$0.000059	PEPCO-TEC \$0.000015 \$0.000009 \$0.000007 \$0.000002	<u>ACE-TEC</u> <b>\$0.000084</b> <b>\$0.000052</b> <b>\$0.000046</b> <b>\$0.000011</b>
GS and GST GP GT GT – High Tension Service	Delmarva-TEC \$0.000001 \$0.000001 \$0.000001 \$0.000000	PPL-TEC \$0.000210 \$0.000129 \$0.000114 \$0.000027	BG&E-TEC \$0.000031 \$0.000019 \$0.000017 \$0.000004

Effective February 10, 2018, the following TEC surcharges (include Sales and Use Tax as provided in Rider SUT) will be added to the BGS Transmission Charge applicable to all KWH usage:

	PATH-TEC	VEPCO-TEC	PSEG-TEC	MAIT-TEC
GS and GST	(\$0.000039)	\$0.000341	\$0.001513	\$0.000030
GP	(\$0.000027)	\$0.000231	\$0.001024	\$0.000020
GT	(\$0.000025)	\$0.000213	\$0.000944	\$0.000019
GT – High Tension Service	(\$0.000006)	\$0.000052	\$0.000230	\$0.000004

Effective April 1, 2018, the following TEC surcharge (includes Sales and Use Tax as provided in Rider SUT) will be added to the BGS Transmission Charge applicable to all KWH usage:

	<u>PECO-TEC</u>
GS and GST	\$0.000050
GP	\$0.000034
GT	\$0.000032
GT – High Tension Service	\$0.000007

Effective September 1, 2018, the following TEC surcharge (includes Sales and Use Tax as provided in Rider SUT) will be added to the BGS Transmission Charge applicable to all KWH usage:

	AEP-East-TEC
GS and GST	<mark>\$0.000101</mark>
GP	<mark>\$0.000067</mark>
GT	<mark>\$0.000062</mark>
<mark>GT – High Tension Service</mark>	<mark>\$0.000015</mark>

4) BGS Reconciliation Charge per KWH: (\$0.002867) (includes Sales and Use Tax as provided in Rider SUT)

The above BGS Reconciliation Charge recovers the difference between the payments to BGS suppliers and the revenues from BGS customers for Basic Generation Service and is subject to quarterly true-up.

Issued:

Effective: September 1, 2018

Filed pursuant to Order of Board of Public Utilities Docket No. dated

Attachment 1C Page 1 of 6

> Revised Leaf No. 83 Superseding Leaf No. 83

## SERVICE CLASSIFICATION NO. 1 RESIDENTIAL SERVICE (Continued)

## **RATE – MONTHLY (Continued)**

- (3) <u>Transmission Charges</u>
  - (a) These charges apply to all customers taking Basic Generation Service from the Company. These charges are also applicable to customers located in the Company's Central and Western Divisions and obtaining Competitive Energy Supply. These charges are not applicable to customers located in the Company's Eastern Division and obtaining Competitive Energy Supply. The Company's Eastern, Central and Western Divisions are defined in General Information Section No. 1.

	Summer Months*	Other Months
All kWh@	1.583 ¢ per kWh	1.583 ¢ per kWh

(b) <u>Transmission Surcharge</u> – This charge is applicable to all customers taking Basic Generation Service from the Company and includes surcharges related to Reliability Must Run and Transmission Enhancement Charges.

All kWh ...... @ 0.886 ¢ per kWh 0.886 ¢ per kWh

(4) <u>Societal Benefits Charge, Regional Greenhouse Gas Initiative Surcharge, and Securitization</u> <u>Charges</u>

The provisions of the Company's Societal Benefits Charge, Regional Greenhouse Gas Initiative Surcharge, and Securitization Charges as described in General Information Section Nos. 33, 34, and 35, respectively, shall be assessed on all kWh delivered hereunder.

\* Definition of Summer Billing Months - June through September

(Continued)

ISSUED:

ISSUED BY: Robert Sanchez, President Mahwah, New Jersey 07430

### ROCKLAND ELECTRIC COMPANY B.P.U. NO. 3 - ELECTRICITY

Attachment 1C

Page 2 of 6

DRAFT

Revised Leaf No. 90 Superseding Leaf No. 90

## SERVICE CLASSIFICATION NO. 2 GENERAL SERVICE (Continued)

## **RATE – MONTHLY (Continued)**

- (3) <u>Transmission Charges</u> (Continued)
  - (b) <u>Transmission Surcharge</u> This charge is applicable to all customers taking Basic Generation Service from the Company and includes surcharges related to Reliability Must Run and Transmission Enhancement Charges.

	Summer Months*	Other Months
Secondary Voltage Service Only All kWh@	<mark>0.550</mark> ¢per kWh	<mark>0.550</mark> ¢per kWh
Primary Voltage Service Only All kWh@	<mark>0.493</mark> ¢per kWh	<mark>0.493</mark> ¢per kWh

(4) <u>Societal Benefits Charge, Regional Greenhouse Gas Initiative Surcharge, and Securitization</u> <u>Surcharges</u>

The provisions of the Company's Societal Benefits Charge, Regional Greenhouse Gas Initiative Surcharge, and Securitization Charges as described in General Information Section Nos. 33, 34, and 35, respectively, shall be assessed on all kWh delivered hereunder.

\* Definition of Summer Billing Months - June through September

(Continued)

ISSUED:

### ROCKLAND ELECTRIC COMPANY B.P.U. NO. 3 - ELECTRICITY

Attachment 1C

Page 3 of 6

## DRAFT

Revised Leaf No. 96 Superseding Leaf No. 96

## SERVICE CLASSIFICATION NO. 3 RESIDENTIAL TIME-OF-DAY HEATING SERVICE (Continued)

## **RATE – MONTHLY (Continued)**

- (3) Transmission Charge
  - (a) These charges apply to all customers taking Basic Generation Service from the Company. These charges are also applicable to customers located in the Company's Central and Western Divisions and obtaining Competitive Energy Supply. These charges are not applicable to customers located in the Company's Eastern Division and obtaining Competitive Energy Supply. The Company's Eastern, Central and Western Divisions are defined in General Information Section No. 1.

		Summer Months*	Other Months
	easured between 10:	00	
	0:00 p.m., Monday iday @	1.583 ¢ per kWh	1.583 ¢ per kWh
<u>Off-Peak</u> All other k	Wh@	1.583 ¢ per kWh	1.583 ¢ per kWh
Transmiss	ion Surcharge – This	charge is applicable	to all customers taking Ba

(b) Transmission Surcharge – This charge is applicable to all customers taking Basic Generation Service from the Company and includes surcharges related to Reliability Must Run and Transmission Enhancement Charges.

```
All kWh .....@ <mark>0.536</mark> ¢ per kWh <mark>0.536</mark> ¢ per kWh
```

(4) <u>Societal Benefits Charge, Regional Greenhouse Gas Initiative Surcharge, and Securitization</u> <u>Charges</u>

The provisions of the Company's Societal Benefits Charge, Regional Greenhouse Gas Initiative Surcharge, and Securitization Charges, as described in General Information Section Nos. 33, 34, and 35, respectively, shall be assessed on all kWh delivered hereunder.

\* Definition of Summer Billing Months - June through September

(Continued)

ISSUED:

### ROCKLAND ELECTRIC COMPANY B.P.U. NO. 3 – ELECTRICITY

Attachment 1C

## DRAFT

Page 4 of 6

Revised Leaf No. 109 Superseding Leaf No. 109

## SERVICE CLASSIFICATION NO. 5 RESIDENTIAL SPACE HEATING SERVICE (Continued)

## **RATE - MONTHLY (Continued)**

- (3) Transmission Charge
  - (a) These charges apply to all customers taking Basic Generation Service from the Company. These charges are also applicable to customers located in the Company's Central and Western Divisions and obtaining Competitive Energy Supply. These charges are not applicable to customers located in the Company's Eastern Division and obtaining Competitive Energy Supply. The Company's Eastern, Central and Western Divisions are defined in General Information Section No. 1.

	Summer Months*	Other Months		
All kWh @	1.583 ¢ per kWh	1.583 ¢ per kWh		

(b) Transmission Surcharge – This charge is applicable to all customers taking Basic Generation Service from the Company and includes surcharges related to Reliability Must Run and Transmission Enhancement Charges.

All kWh ..... @

<mark>0.590</mark>¢per kWh

<mark>0.590</mark> ¢ per kWh

(4) <u>Societal Benefits Charge, Regional Greenhouse Gas Initiative Surcharge, and Securitization</u> <u>Charges</u>

The provisions of the Company's Societal Benefits Charge, Regional Greenhouse Gas Initiative Surcharge, and Securitization Charges as described in General Information Section Nos. 33, 34, and 35, respectively, shall be assessed on all kWh delivered hereunder.

\* Definition of Summer Billing Months - June through September

(Continued)

ISSUED:

### ROCKLAND ELECTRIC COMPANY B.P.U. NO. 3 – ELECTRICITY

Attachment 1C

# DRAFT

Page 5 of 6 Revised Leaf No. 124 Superseding Leaf No. 124

## SERVICE CLASSIFICATION NO. 7 LARGE GENERAL TIME-OF-DAY SERVICE (Continued)

## **RATE- MONTHLY (Continued)**

- (3) <u>Transmission Charges</u> (Continued)
  - (a) (Continued)

(		High Voltage Distribution	
Demand Charg	<u>je</u>		
Period I	All kW @	\$2.55 per kW	\$2.55 per kW
Period II	All kW @	0.67 per kW	0.67 per kW
Period III	All kW @	2.55 per kW	2.55 per kW
Period IV	All kW @	0.67 per kW	0.67 per kW
Usage Charge			
Period I	All kWh @	0.421 ¢ per kWh	0.421 ¢ per kWh
Period II	All kWh @	0.421 ¢ per kWh	0.421 ¢ per kWh
Period III	All kWh @	0.421 ¢ per kWh	0.421 ¢ per kWh
Period IV	All kWh @	0.421 ¢ per kWh	0.421 ¢ per kWh

(b) Transmission Surcharge – This charge is applicable to all customers taking Basic Generation Service from the Company and includes surcharges related to Reliability Must Run and Transmission Enhancement Charges.

		<u>Primary</u>	High Voltage <u>Distribution</u>
All Periods	All kWh @	<mark>0.357</mark> ¢ per kWh	<mark>0.357</mark> ¢ per kWh

(4) <u>Societal Benefits Charge, Regional Greenhouse Gas Initiative Surcharge, and Securitization</u> <u>Charges</u>

The provisions of the Company's Societal Benefits Charge, Regional Greenhouse Gas Initiative Surcharge, and Securitization Charges as described in General Information Section Nos. 33, 34, and 35 respectively, shall be assessed on all kWh delivered hereunder.

(Continued)

ISSUED:

## DRAFT

Attachment 1C Page 6 of 6 Revised Leaf No. 127 Superseding Leaf No. 127

## SERVICE CLASSIFICATION NO. 7 LARGE GENERAL TIME-OF-DAY SERVICE (Continued)

## SPECIAL PROVISIONS

(A) Space Heating

Customers who take service under this classification for 10 kW or more of permanently installed space heating equipment may elect to have the electricity for this service billed separately. All monthly use shall be billed at a Distribution Charge of  $3.173 \, \text{¢}$  per kWh during the billing months of October through May and  $5.130 \, \text{¢}$  per kWh during the summer billing months, a Transmission Charge of  $0.421 \, \text{¢}$  per kWh and a Transmission Surcharge of  $0.357 \, \text{¢}$  per kWh during all billing months. The applicability of Transmission Charges and the Transmission Surcharge is described in Part (3) of RATE – MONTHLY.

When this option is requested it shall apply for at least 12 months and shall be subject to a minimum charge of \$26.87 per year per kW of space heating capacity. This provision applies for both heating and cooling where the two services are combined by the manufacturer in a single self-contained unit.

All usage under this Special Provision shall also be subject to Parts (4), (5), and (6) of RATE – MONTHLY. This Special Provision is not available to those customers taking high voltage distribution service.

This special provision is closed to new customers effective August 1, 2014.

### (B) Budget Billing Plan

Any condominium association or cooperative housing corporation who takes service hereunder and any other customer taking service under Special Provision B of this Service Classification may, upon request, be billed monthly in accordance with the budget billing plan provided for in General Information Section 8 of this tariff.

(Continued)

ISSUED:

## RIDER (BGS) continued Basic Generation Service (BGS)

## **CIEP Standby Fee**

## \$0.000160 per kWh

This charge recovers the costs associated with the winning BGS-CIEP bidders maintaining the availability of the hourly priced default electric supply service plus administrative charges pursuant to N.J.S.A. 48:2-60 and New Jersey Sales and Use Tax as set forth in Rider SUT. This charge is assessed on all kWhs delivered to all CIEP- eligible customers on Rate Schedules MGS Secondary, MGS Primary, AGS Secondary, AGS Primary or TGS.

## **Transmission Enhancement Charge**

This charge reflects Transmission Enhancement Charges ("TECs"), implemented to compensate transmission owners for the annual transmission revenue requirements for "Required Transmission Enhancements" (as defined in Schedule 12 of the PJM OATT) that are requested by PJM for reliability or economic purposes and approved by the Federal Energy Regulatory Commission (FERC). The TEC charge (in \$ per kWh by Rate Schedule), including administrative charges pursuant to N.J.S.A. 48:2-60 and New Jersey Sales and Use Tax as set forth in Rider SUT, is delineated in the following table.

	Rate Class								
		MGS	MGS	AGS	AGS		SPL/		
	<u>RS</u>	Secondary	<u>Primary</u>	<u>Secondary</u>	<u>Primary</u>	TGS	<u>CSL</u>	DDC	
VEPCo	0.000437	0.000361	0.000293	0.000242	0.000194	0.000187	-	0.000147	
TrAILCo	0.000587	0.000491	0.000530	0.000324	0.000260	0.000249	-	0.000206	
PSE&G	0.000582	0.000482	0.000391	0.000323	0.000259	0.000251	-	0.000197	
PATH	(0.000050)	(0.000042)	(0.000034)	(0.000028)	(0.000022)	(0.000021)	-	(0.000017)	
PPL	0.000237	0.000199	0.000214	0.000131	0.000105	0.000102	-	0.000083	
Рерсо	0.000021	0.000018	0.000019	0.000012	0.000010	0.000010	-	0.000007	
PECO	0.000194	0.000160	0.000130	0.000108	0.000086	0.000083		0.000066	
MAIT	0.000031	0.000026	0.000028	0.000017	0.000014	0.000013		0.000011	
JCP&L	0.000003	0.000003	0.000002	0.000002	0.000001	0.000001	-	0.000001	
Delmarva	0.000001	0.000001	0.000001	0.000001	0.000001	0.000001	-	0.000001	
BG&E	0.000073	0.000061	0.000066	0.000041	0.000032	0.000031	-	0.000026	
AEP - East	0.000106	0.000087	0.000086	0.000061	0.000049	0.000044	-	0.000043	
Total	0.002222	0.001846	0.001726	0.001234	0.000989	0.000951	-	0.000771	

Attachment 2 Cost Allocation of 2018 AEP Schedule 12 Charges Attachment 2 PJM Schedule 12 - Transmission Enhancement Charges for January 2018 - December 2018 Calculation of costs and monthly PJM charges for AEP -East Projects

		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(i)
Required Transmission Enhancement per PJM website	PJM Upgrade ID per PJM spreadsheet	Jan - Dec 2018 Annual Revenu Requirement per PJM website	ACE e Zone Share <sup>1</sup>	JCP&L Zone Share <sup>1</sup>	s - Schedule 1 PSE&G Zone Share <sup>1</sup> ss Transmissio	RE Zone Share <sup>1</sup>	Estir ACE Zone Charges	nated New Jer JCP&L Zone Charges	sey EDC Zone PSE&G Zone Charges	Charges by Pr RE Zone Charges	oject Total NJ Zones Charges
New 765 KV circuit breakers at Hanging Rock Sub	b0504	\$ 796,	637 1.66%	3.74%	6.26%	0.26%	\$13,224	\$29,794	\$49,869	\$2,071	\$94,959
Rockport Reactor Bank	b1465.2	\$ 1,692,			6.26%	0.20%	\$28,094	\$63,295	\$105,943	\$4,400	\$201,732
Transpose Rockport- Sullivan	01400.2	φ 1,002,	1.0070	0.1470	0.2070	0.2070	φ <u>2</u> 0,004	<i>\\</i> 00,200	φ100,040	φ-1,-100	φ201,702
765KV line	b1465.3	\$ 2.506.	178 1.66%	3.74%	6.26%	0.26%	\$41.603	\$93.731	\$156.887	\$6.516	\$298.736
Switching changes Sullivan 765KV		-,,					<b>+</b> , <b>- - -</b>		••••••••	+-,	
station	b1465.4	\$ 2,349,	347 1.66%	3.74%	6.26%	0.26%	\$38,999	\$87,866	\$147,069	\$6,108	\$280,042
765kV circuit breaker at Wyoming											
station	b1661	\$ 484,	238 1.66%	3.74%	6.26%	0.26%	\$8,038	\$18,111	\$30,313	\$1,259	\$57,721
Term Tsfmr #2 @ SW Lima - new											
bay position	b1957	\$ 1,954,	622 0.00%	0.00%	4.54%	0.18%	\$0	\$0	\$88,740	\$3,518	\$92,258
Reconductor/Rebuild Sporn-											
Waterford-Muskingham River 345											
kV Line	b2017	\$ 12,537,	774 0.00%	1.39%	2.00%	0.08%	\$0	\$174,275	\$250,755	\$10,030	\$435,061
Add four 765 kV Breakers at											
Kammar	b1962	\$ 2,491,			6.26%	0.26%	\$41,353	\$93,169	\$155,945	\$6,477	\$296,944
Ft. Wayne Relocate	b1659.14	\$ 10,940,			6.26%	0.26%	\$181,605	\$409,159	\$684,849	\$28,444	\$1,304,057
Sorenson 765/500kV Transformer	b1659	\$ 7,019,			0.92%	0.04%	\$0	\$0	\$64,578	\$2,808	\$67,385
Sorenson Work 765kV	b1659.13	\$ 8,998,	1.66%	3.74%	6.26%	0.26%	\$149,371	\$336,534	\$563,289	\$23,395	\$1,072,589
Baker Station 765/500kV	1 4 405	<b>•</b> - • • • •						<b>*</b> ***	<b>•</b> • • • • • • • •		<b>A A A A A A A</b>
Transformer	b1495	\$ 7,030,	717 0.41%	0.90%	1.48%	0.06%	\$28,826	\$63,276	\$104,055	\$4,218	\$200,375
Cloverdale 765/500kV Transformer	b1660	¢ (2.054)	222) 1.000/	2 7 40/	6.06%	0.06%	(\$49.007)	(\$110.201)	(\$404 770)	(07 674)	(\$254,025)
Cloverdale 500kV Station	b1660.1	\$ (2,951, \$ (1,228,			6.26% 6.26%	0.26% 0.26%	(\$48,997) (\$20,398)	(\$110,391) (\$45,957)	(\$184,772) (\$76,923)	(\$7,674) (\$3,195)	(\$351,835)
Jacksons-Ferry 765kV Breakers	b1663.2		,		6.26%	0.26%	· · · ·	(\$45,957) \$42.002		(\$3,195) \$2,920	(\$146,473)
Reconductor Cloverdale-Lexington		\$ 1,123,	1.00%	3.74%	0.20%	0.20%	\$18,643	\$42,00Z	\$70,303	\$Z,9ZU	\$133,867
500kV	b1797.1	\$ 5,058,	998 1.66%	3.74%	6.26%	0.26%	\$83,979	\$189,207	\$316,693	\$13,153	\$603.033
Reconductor West Bellaire	b1970	\$ 2,582,			2.88%	0.20%	\$03,979 \$0	\$43,389	\$74,382	\$2,841	\$120,612
Add a 3rd 2250 MVA 765/345 kV	01970	φ 2,502,	0.0076	1.00%	2.0076	0.1176	φŪ	φ43,303	φ <i>1</i> 4,302	φ2,041	φ120,012
transformer at Sullivan station	b1465.1	\$ 3,670,	194 0.71%	1.58%	2.63%	0.10%	\$26,058	\$57,989	\$96,526	\$3,670	\$184,244
Replace existing 150 MVAR	51400.1	φ 0,010,	0.7170	1.0070	2.0070	0.1070	φ20,000	ψ01,000	<i>\\</i> 00,020	φ0,070	φ104,244
reactor at Amos 765 kV sub	1 0000	<b>•</b> • • • • • • • • • • • • • • • • • •		0 7 40/	0.000/	0.000/	<b>*</b> ~~ ~~~		<b>*</b> ~~ ~ ~ ~	<b>*</b> 0.00 <b>-</b> 7	<b>0</b> 405 070
	b2230	\$ 1,387,	358 1.66%	3.74%	6.26%	0.26%	\$23,030	\$51,887	\$86,849	\$3,607	\$165,373
Install a 300 MVAR shunt reactor at	t										
AEP's Wyoming 765 kV station	b2423	\$ 1,079,	534 1.66%	3.74%	6.26%	0.26%	\$17,920	\$40,375	\$67,579	\$2,807	\$128,680
Install a 450 MVAR SVC Jackson's											
Ferry 765kV Substation	b2687.1	\$ 4,022,	724 1.66%	3.74%	6.26%	0.26%	\$66,777	\$150,450	\$251,823	\$10,459	\$479,509
Install 300 MVAR shunt line reactor	b2687.2	\$ 587.	436 1.66%	3.74%	6.26%	0.26%	\$9.751	\$21.970	\$36.773	\$1.527	\$70.022
Totals				2 170	2.2370	2.2570	\$707,877	\$1,810,130	\$3,141,525	\$129,362	\$5,788,893

Notes on calculations >>>

= (a)  $^{*}$  (b) = (a)  $^{*}$  (c) = (a)  $^{*}$  (d) = (a)  $^{*}$  (e) = (f) + (g) +

(h) + (i)

		(k)	(I)		(m)	(n)
Zonal Cost Allocation for New Jersey Zones	I	Average Monthly Impact on Zone ustomers in 2018	2018TX Peak Load per PJM website	-	Rate in MW-mo.	2018 Impact (12 months)
PSE&G	\$	261,793,76	9.566.9	\$	27.36	\$ 3.141.525
JCP&L	\$	150,844.15	5,721.0	\$	26.37	\$1,810,130
ACE	\$	58,989.73	2,540.8	\$	23.22	\$ 707,877
RE	\$	10,780.15	401.7	\$	26.84	\$ 129,362
Total Impact on NJ Zones	\$	482,407.78				\$ 5,788,893
				-	(k) * (l)	= (k) *12

## Notes on calculations >>>

Notes:

1) 2018 allocation share percentages are from PJM OATT

Attachment 3A Translation of 2018 Schedule 12 Charges into Rates – JCP&L

Attachment 3B Translation of 2018 Schedule 12 Charges into Rates – PSE&G

Attachment 3C Translation of 2018 Schedule 12 Charges into Rates – RECO

Attachment 3D Translation of 2018 Schedule 12 Charges into Rates - ACE

#### Attachment 3A

#### Jersey Central Power & Light Company

Proposed AEP-East Project Transmission Enhancement Charge (AEP-East-TEC Surcharge) effective September 1, 2018 To reflect FERC-approved AEP-East Project Transmission Enhancement Charge (Schedule 12 PJM OATT) for January 2018 - December 2018

2018 Average Monthly AEP-East-TEC Costs Allocated to JCP&L Zone	\$ 150,844.15 (1)
2018 JCP&L Zone Transmission Peak Load (MW)	5721.0
AEP-East-Transmission Enhancement Rate (\$/MW-month)	\$ 26.37

Effective September 1, 2018

BGS by Voltage Level	Transmission Obligation (MW)	Allocated Cost Recovery (\$) (2)	BGS Eligible Sales (kWh) (3)	AEP-East-TEC Surcharge (\$/kWh)	AEP-East-TEC Surcharge w/ SUT(\$/kWh)
Secondary (excluding lighting)	4947.8	1,565,489	16,477,551,837	\$ 0.000095	\$ 0.000101
Primary	343.5	108,684	1,715,254,363	\$ 0.000063	\$ 0.000067
Transmission @ 34.5 kV	285.6	90,364	1,565,311,865	\$ 0.000058	\$ 0.000062
Transmission @ 230 kV Total	15.3 5592.2	4,841 1,769,377	339,519,446 20,097,637,511	\$ 0.000014	\$ 0.000015

(1) Cost Allocation of AEP-East Project Schedule 12 Charges to JCP&L Zone for 2018

(2) Based on 12 months AEP-East Project costs from January 2018 through December 2018

(3) September 2018 through August 2019

#### BGS-RSCP Supplier Payment Adjustment

#### Line No.

1	BGS-RSCP Eligible Sales June through May @ Customer	15,493,967	MWH
2	BGS-RSCP Eligible Sales June through May @ Transmission Node	17,191,398	MWH
3	BGS-RSCP Eligible Transmission Obligation	4,694	MW
4	AEP-East-Transmission Enhancement Costs to RSCP Suppliers	\$ 1,485,028	= Line 3 x \$26.37 x 12
5	Change to Supplier Payment Rates \$/MWH (rounded to 2 decimals)	\$ 0.09	= Line 4 / Line 2

#### Transmission Charge Adjustment - BGS-RSCP Schedule 12 - Transmission Enhancement Charges for January 2018- December 2018 Calculation of costs and monthly PJM charges for AEP -East Projects

TEC Charges for January 2018 - December 2018 PSE&G Zonal Transmission Load for Effective Yr. (MW)	\$ 3,141,525 9,566.9							
Term (Months)	12							
OATT rate	\$ 27.36	/MW/month		a	Il values sho	w w/o NJ SUT		
converted to \$/MW/yr =	\$ 328.32	/MW/yr						
	RS	RHS	RLM	wн	WHS	HS	PSAL	BPL
Trans Obl - MW	3,750.5	21.7	71.8	0.0	0.0	2.8	0.0	0.0
Total Annual Energy - MWh	12,175,045	114,168	209,062	1,060	19	12,369	155,848	295,094
Energy Charge in \$/MWh in \$/kWh - rounded to 6 places	\$ 0.101138 <b>0.000101</b>	\$0.062404 <b>0.000062</b>	\$ 0.112758 \$ <b>0.000113</b>	6 - 5 0	\$- 0	\$0.074323 \$ 0.000074	5 - \$ 0	- 0

#### Line #

1 2 3	Total BGS-RSCP eligbile Trans Obl Total BGS-RSCP eligbile energy @ cust Total BGS-RSCP eligbile energy @ trans nodes	6,539.3 MW 24,078,111 MWh 25,878,575 MWh	unrounded	<ul> <li>sum of BGS-RSCP eligible Trans Obl</li> <li>sum of BGS-RSCP eligible kWh @ cust</li> <li>(2) * loss expansion factor to trans node</li> </ul>
4	Change in OATT rate * total Trans Obl	\$ 2,146,983	unrounded	<ul> <li>= Change in OATT rate * Total BGS-RSCP eligible Trans Obl</li> <li>= (4) / (3)</li> <li>= (5) rounded to 2 decimal places</li> </ul>
5	Change in Average Supplier Payment Rate	\$ 0.0830 /MWh	unrounded	
6	Change in Average Supplier Payment Rate	\$ 0.08 /MWh	rounded to 2 decimal places	
7	Proposed Total Supplier Payment	\$ 2,070,286	unrounded	= (6) * (3)
8	Difference due to rounding	\$ (76,697)	unrounded	= (7) - (4)

## **Rockland Electric Company**

Calculation of Transmission Surcharges reflecting changes in Transmission Enhancement Charges (AEP East) effective June 1, 2018 To reflect FERC-approved AEP-East Project Schedule 12 Charges (Schedule 12 PJM OATT) for the period June 2018 to May 2019

2018/2019 Average Monthly 2018 RECO Zone Transmiss		\$ 10,780 445.8	· · /						
Transmission Enhancement Rate (\$/MW-month)					\$ 24.18	( )			
SUT					6.625%	•			
	Col. 1	Col. 2	Co	l.3=Col.2 x \$10,780 x 12	Col. 4	Ļ	Col. 5 = Col. 3/Col. 4		Col. 6 = Col. 5 x 1.07
	BGS-Eligible								
	Transmission	Transmission			BGS Eligible Sales	;	Transmission		Transmission
	Obligation	Obligation		Allocated Cost	June 2018 - May 2019	)	Enhancement	Enh	ancement Charge
Rate Class	(MW)	(Pct)		Recovery (1)	(kWh)		Charge (\$/kWh)		w/ SUT (\$/kWh)
SC1	268.6	60.25%	\$	77,935	683,341,000	\$	0.00011	\$	0.00012
SC2 Secondary	124.9	28.02%	\$	36,253	525,188,000	\$	0.00007	\$	0.00007
SC2 Primary	15.7	3.52%	\$	4,551	63,705,000	\$	0.00007	\$	0.00007
SC3	0.1	0.02%	\$	20	271,000	\$	0.00007	\$	0.00007
SC4	0.0	0.00%	\$	-	6,468,000	\$	-	\$	-
SC5	3.6	0.81%	\$	1,050	14,506,000	\$	0.00007	\$	0.00007
SC6	0.0	0.00%	\$	-	5,572,000	\$	-	\$	-
SC7	<u>32.9</u>	7.38%	\$	9,553	223,970,000	\$	0.00004	\$	0.00004
Total	445.8 (2)	100.00%	\$	129,362	1,523,021,000				

(1) Attachment 2 - Cost Allocation of AEP East Schedule 12 Charges to RECO Zone for June 2018 through Jan 2019.

(2) Includes RECO's Central and Western Divisions

### **BGS-FP Supplier Payment Adjustment**

### Line No.

1	BGS-RSCP Eligible Sales Jun - May @ cust (RECO Eastern Division)	1,249,761	MWH
2	BGS-RSCP Eligible Sales Jun - may @ trans node (RECO Eastern Division)	1,163,411	MWH
3	BGS-RSCP Eligible Transmission Obligation	413	MW
4	Transmission Enhancement Costs to RSCP Suppliers	\$ 119,899.97	= Line 3 x \$24.18 * 12
5	Change in Supplier Payment Rate \$/MWH (rounded to 2 decimals)	\$ 0.10	= Line 4/Line 2

#### **Rockland Electric Company**

Calculation of Transmission Surcharges reflecting proposed changes effective June 1, 2018 To reflect: RMR Costs

FERC-approved ACE Project Schedule 12 Charges (Schedule 12 PJM OATT) currently in RECO's rates FERC-approved AEP-East Project Schedule 12 Charges (Schedule 12 PJM OATT) FERC-approved BG&E Project Schedule 12 Charges (Schedule 12 PJM OATT) currently in RECO's rates FERC-approved Delmarva Project Schedule 12 Charges (Schedule 12 PJM OATT) currently in RECO's rates FERC-approved PATH Project Schedule 12 Charges (Schedule 12 PJM OATT) currently in RECO's rates FERC-approved PEPCO Project Schedule 12 Charges (Schedule 12 PJM OATT) currently in RECO's rates FERC-approved PEPCO Project Schedule 12 Charges (Schedule 12 PJM OATT) currently in RECO's rates FERC-approved PPL Project Schedule 12 Charges (Schedule 12 PJM OATT) currently in RECO's rates FERC-approved PSE&G Project Schedule 12 Charges (Schedule 12 PJM OATT) currently in RECO's rates FERC-approved PSE&G Project Schedule 12 Charges (Schedule 12 PJM OATT) currently in RECO's rates FERC-approved VEPCo Project Schedule 12 Charges (Schedule 12 PJM OATT) currently in RECO's rates FERC-approved VEPCo Project Schedule 12 Charges (Schedule 12 PJM OATT) currently in RECO's rates FERC-approved MAIT Project Schedule 12 Charges (Schedule 12 PJM OATT) currently in RECO's rates FERC-approved MAIT Project Schedule 12 Charges (Schedule 12 PJM OATT) currently in RECO's rates FERC-approved MAIT Project Schedule 12 Charges (Schedule 12 PJM OATT) currently in RECO's rates FERC-approved MAIT Project Schedule 12 Charges (Schedule 12 PJM OATT) currently in RECO's rates FERC-approved PCO Project Schedule 12 Charges (Schedule 12 PJM OATT) currently in RECO's rates FERC-approved PCO Project Schedule 12 Charges (Schedule 12 PJM OATT) currently in RECO's rates FERC-approved PCO Project Schedule 12 Charges (Schedule 12 PJM OATT) currently in RECO's rates

#### (A) Transmission Surcharge rates by Transmission Project and Service Class (excluding SUT)

Transmission									
Project	Note	SC1	SC2 Sec	SC2 Pri	SC3	SC4	SC5	SC6	SC7
Reliability Must Run	(1)	\$0.00001	\$0.00001	\$0.00001	\$0.00001	\$0.00001	\$0.00001	\$0.00001	\$0.00001
ACE - TEC	(2)	0.00004	0.00002	0.00002	0.00002	0.00000	0.00002	0.00000	0.00001
AEP-East - TEC	(3)	0.00011	0.00007	0.00007	0.00007	0.00000	0.00007	0.00000	0.00004
BG&E- TEC	(4)	0.00003	0.00002	0.00001	0.00002	0.00000	0.00002	0.00000	0.00001
Delmarva - TEC	(5)	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
PATH - TEC	(6)	(0.00004)	(0.00003)	(0.00002)	(0.00003)	0.00000	(0.00003)	0.00000	(0.00002)
PEPCO - TEC	(7)	0.00001	0.00001	0.00000	0.00000	0.00000	0.00001	0.00000	0.00000
PPL - TEC	(8)	0.00021	0.00013	0.00010	0.00013	0.00000	0.00014	0.00000	0.00008
PSE&G - TEC	(9)	0.00685	0.00426	0.00385	0.00415	0.00000	0.00457	0.00000	0.00278
TrAILCo - TEC	(10)	0.00041	0.00025	0.00020	0.00026	0.00000	0.00027	0.00000	0.00016
VEPCo - TEC	(11)	0.00035	0.00022	0.00020	0.00021	0.00000	0.00023	0.00000	0.00014
MAIT -TEC	(12)	0.00002	0.00001	0.00001	0.00001	0.00000	0.00001	0.00000	0.00001
JCP&L -TEC	(13)	0.00027	0.00017	0.00015	0.00016	0.00000	0.00018	0.00000	0.00011
PECO -TEC	(14)	0.00005	0.00003	0.00003	0.00003	0.00000	0.00004	0.00000	0.00002
Total (\$/kWh and excl SUT)		\$0.00832	\$0.00517	\$0.00463	\$0.00504	\$0.00001	\$0.00554	\$0.00001	\$0.00335
Total (¢/kWh and excl SUT)		0.832¢	0.517 ¢	0.463¢	0.504 ¢	0.001 ¢	0.554 ¢	0.001 ¢	0.335 ¢

#### (B) Transmission Surcharge rates by Transmission Project and Service Class (including SUT)

6.625%

Transmission	Niete	801			600	004	0.05	000	007
Project	Note	SC1	SC2 Sec	SC2 Pri	SC3	SC4	SC5	SC6	SC7
Reliability Must Run	(1)	\$0.00001	\$0.00001	\$0.00001	\$0.00001	\$0.00001	\$0.00001	\$0.00001	\$0.00001
ACE - TEC	(2)	0.00004	0.00002	0.00002	0.00002	0.00000	0.00002	0.00000	0.00001
AEP-East - TEC	(3)	0.00012	0.00007	0.00007	0.00007	0.00000	0.00007	0.00000	0.00004
BG&E- TEC	(4)	0.00003	0.00002	0.00001	0.00002	0.00000	0.00002	0.00000	0.00001
Delmarva - TEC	(5)	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
PATH - TEC	(6)	(0.00004)	(0.00003)	(0.00002)	(0.00003)	0.00000	(0.00003)	0.00000	(0.00002)
PEPCO - TEC	(7)	0.00001	0.00001	0.00000	0.00000	0.00000	0.00001	0.00000	0.00000
PPL - TEC	(8)	0.00022	0.00014	0.00011	0.00014	0.00000	0.00015	0.00000	0.00009
PSE&G - TEC	(9)	0.00730	0.00454	0.00411	0.00442	0.00000	0.00487	0.00000	0.00296
TrAILCo - TEC	(10)	0.00044	0.00027	0.00021	0.00028	0.00000	0.00029	0.00000	0.00017
VEPCo - TEC	(11)	0.00037	0.00023	0.00021	0.00022	0.00000	0.00025	0.00000	0.00015
MAIT -TEC	(12)	0.00002	0.00001	0.00001	0.00001	0.00000	0.00001	0.00000	0.00001
JCP&L -TEC	(13)	0.00029	0.00018	0.00016	0.00017	0.00000	0.00019	0.00000	0.00012
PECO -TEC	(14)	0.00005	0.00003	0.00003	0.00003	0.00000	0.00004	0.00000	0.00002
Total (\$/kWh and incl SUT)		\$0.00886	\$0.00550	\$0.00493	\$0.00536	\$0.00001	\$0.00590	\$0.00001	\$0.00357
Total (¢/kWh and incl SUT)		0.886¢	0.550 ¢	0.493¢	0.536 ¢	0.001 ¢	0.590 ¢	0.001¢	0.357 ¢

#### Notes:

(1) RMR rates based on allocations by transmission zone.

(2) ACE-TEC rates pursuant to the Board's Order dated August 23, 2017 in Docket No. ER17060671.

(3) AEP-East-TEC rates calculated in Attachment 3 filed separately.

(4) BG&E-TEC rates pursuant to the Board's Order dated August 23, 2017 in Docket No. ER17060671.

(5) Delmarva-TEC rates pursuant to the Board's Order dated August 23, 2017 in Docket No. ER17060671.

(6) PATH-TEC rates pursuant to the Board's Order dated January 31, 2018 in Docket No. ER17121278.

(7) PEPCO-TEC rates pursuant to the Board's Order dated August 23, 2017 in Docket No. ER17060671.

(8) PPL-TEC rates pursuant to the Board's Order dated August 23, 2017 in Docket No. ER17060671.

(9) PSE&G-TEC rates pursuant to the Board's Order dated January 31, 2018 in Docket No. ER17121278.

(10) TrAILCo-TEC rates pursuant to the Board's Order dated August 23, 2017 in Docket No. ER17060671.

(11) VEPCo-TEC rates pursuant to the Board's Order dated January 31, 2018 in Docket No. ER17121278.

(12) MAIT-TEC rates pursuant to the Board's Order dated January 31, 2018 in Docket No. ER17121279.

(13) JCP&L-TEC rates pursuant to the Board's Order dated January 31, 2018 in Docket No. ER17121284.

(14) PECO-TEC rates pursuant to the Board's Order dated January 31, 2018 in Docket No. ER17121310.

### Atlantic City Electric Company

Proposed AEP Projects Transmission Enhancement Charge (AEP Project-TEC Surcharge) effective June 1, 2018 To reflect FERC-approved ACE Project Transmission Enhancement Charge (Schedule 12 PJM OATT) effective June 1, 2018

Transmission Enhancement Costs Allocated to ACE Zone (2018)	\$ 58,990
	\$ 58,990
2018 ACE Zone Transmission Peak Load (MW)	2,541
Transmission Enhancement Rate (\$/MW-Month)	\$ 23.22

	Col. 1 Transmission	Col. 2		Col. 3	Col.	4 = Col. 2/Col. 3 Transmission	Col. 5	= Col. 4 x 1/(1-Effective Rate)	Col. 6	= Col. 5 x 1.06625 Transmission
Data Class	Obligation	Allocated Cost		S Eligible Sales Jun		Enhancement	Trans	mission Enhancement Charge	Enh	nancement Charge
Rate Class	(MW)	 Recovery	20	18 - May 2019 (kWh)		Charge (\$/kWh)		w/ BPU Assessment (\$/kWh)		w/ SUT (\$/kWh)
RS	1,439	\$ 401,029.97	\$	4,059,095,046.49	\$	0.000099	\$	0.000099	\$	0.000106
MGS Secondary	357	\$ 99,345	\$	1,208,290,228	\$	0.000082	\$	0.000082	\$	0.000087
MGS Primary	9	\$ 2,449	\$	30,079,842	\$	0.000081	\$	0.000081	\$	0.000086
AGS Secondary	382	\$ 106,316	\$	1,873,810,489	\$	0.000057	\$	0.000057	\$	0.000061
AGS Primary	96	\$ 26,695	\$	576,381,592	\$	0.000046	\$	0.000046	\$	0.000049
TGS	132	\$ 36,751	\$	888,340,177	\$	0.000041	\$	0.000041	\$	0.000044
SPL/CSL	0	\$ -	\$	69,443,692	\$	-	\$	-	\$	-
DDC	2	\$ 518	\$	13,058,581	\$	0.000040	\$	0.000040	\$	0.000043
	2,416	\$ 673,102		8,718,499,648						

Attachment 4A AEP Formula Rate Update Compliance Filing

> Attachment 4B FERC Order Implementing Rates



UNDLESS ENERGY

Legal Department

American Electric Power 801 Pennsylvania Ave NW, Suite 735 Washington, DC 20004-2615 AEP.com

May 4, 2018

Honorable Kimberly D Bose Secretary Federal Energy Regulatory Commission 888 First St., N.E. Washington D.C. 20426

Amanda Riggs Conner Senior Counsel -Regulatory Services (202) 383-3436 (P) (202) 383-3459 (F) arconner@aep.com

## Re: American Electric Power Service Corporation Docket No. EL17-13

Dear Secretary Bose:

Pursuant to the Chief Judge's April 4, 2018 Order<sup>1</sup>, American Electric Power Service Corporation, on behalf of its affiliates, Appalachian Power Company, Indiana Michigan Power Company, Kentucky Power Company, Kingsport Power Company, Ohio Power Company, Wheeling Power Company, AEP Appalachian Transmission Company, Inc. AEP Indiana Michigan Transmission Company, Inc. AEP Kentucky Transmission Company, Inc. AEP Ohio Transmission Company, Inc., and AEP West Virginia Transmission Company, Inc. (collectively "AEP"), hereby submits for filing for informational purposes a revised refund for prior periods associated with Settlement filed with the Commission in Docket No. EL17-13 ("Settlement"). The Settlement required AEP to provide a one-time settlement payment to be credited to customers which was to accrue interested after April 1. Because PJM was unable to provide the credit until the final April bill, AEP has recalculated the credit to include interest for the month of April.

The revised refund attached hereto has been submitted to PJM for posting on the PJM website at:

http://pjm.com/markets-and-operations/billing-settlements-and-credit/formula-rates.aspx

A copy of the notice of such posting was provided to PJM, the parties in the abovecaptioned dockets, and to all affected state commissions on April 27, 2018.

Thank you for your attention to this informational filing. Please contact the undersigned if you have any questions concerning this filing.

<sup>&</sup>lt;sup>1</sup> American Municipal Power, Inc., et a.l vs. Appalachian Power Company, et a.l, 163 FERC ¶ 63,002 (2018) ("April 4 Order")

Kimberly D. Bose, Secretary May 4, 2018 Page 2

Respectfully submitted,

<u>/s/ Amanda Riggs Conner</u> Amanda Riggs Conner American Electric Power Service Corporation 801 Pennsylvania Avenue, N.W. Suite 735 Washington, D.C. 20004-2684 202-383-3436 arconner@aep.com

Counsel for American Electric Power Service Corporation

# Projected Formula Rate for AEP East subsidiaries in PJM

# To be Effective January 1, 2018 through December 31, 2018 Docket No ER17-405

Pursuant to PJM OATT Attachment H-14A (Formula Rate Implementation Protocols), AEP has calculated its Projected Transmission Revenue Requirements (PTRR) for the Rate Year beginning January 1, 2018 through December 31, 2018. All the files pertaining to the PTRR are to be posted on the PJM website in PDF format. The first file provides the PTRR and rates for Network transmission service and Scheduling System Control and Dispatch Service (Schedule 1A), and the annual transmission revenue requirement for RTEP projects (Schedule 12). An informational filing will also be submitted to the FERC.

AEP network service rate will decrease effective January 1, 2018 from \$41,276.13 per MW per year to \$34,995.82 per MW per year with the AEP annual revenue requirement decreasing from \$894,041,051 to \$758,009,365.

The AEP Schedule 1A rate is \$.0906 per MWh.

An annual revenue requirement of \$39,472,866 for RTEP projects (including true-up and interest) is to be collected under PJM Tariff Schedule 12. The RTEP Projected revenue requirement includes:

- 1. b0839 (Twin Branch) \$892,121
- 2. b0318 (Amos 765/138 kV Transformer) \$1,567,549
- 3. b0504 (Hanging Rock) \$796,637
- 4. b0570 (East Side Lima) \$183,370
- 5. b1034.1 (Torrey-West Canton) \$1,140,293
- 6. b1034.6 (138kV circuit South Canton Station) \$390,343
- 7. b1231 (West Moulton Station) \$1,053,189
- 8. b1465.2 (Rockport Jefferson 300 MVAR bank) \$76,145
- 9. b1465.3 (Rockport Jefferson 765 kV line) \$2,506,178
- 10. b1712.2 (Altavista-Leesville 138kV line) \$611,789
- 11. b1864.1 (OPCo Kammer 345/138 kV transformers) \$(71,528)
- 12. b1864.2 (West Bellaire-Brues 138 kV circuit) of \$199,111
- 13. b2020 (Rebuild Amos-Kanawha River) \$2,648,156
- 14. b2021 (APCo Kanawha River Gen Retirement Upgrades) \$337,156
- 15. b2017 (APCo Rebuild Sporn-Waterford Muskingum River 345kV line) \$1,683,585
- 16. b1659.14 (Ft. Wayne Relocate) \$(103,472)
- 17. b2048 (Tanners Creek-Transformer Replacement) \$95,735
- 18. b1818 (Expand the Allen Station) \$1,306,819
- 19. b1819 (Rebuild Robinson Park 138kV line corridor) \$500,967
- 20. b1465.4 (Switching imp at Sullivan Jefferson 765kV station) \$13,386
- 21. b2021 (OPCo 345/138kV Transformer) \$835,435
- 22. b2032 (Rebuild 138kV Elliott Tap-Poston) \$21,880
- 23. b1034.2 (Loop South Canton-Wayview) \$630,153

# Projected Formula Rate for AEP East subsidiaries in PJM

# To be Effective January 1, 2018 through December 31, 2018 Docket No ER17-405

- 24. b1034.7 (Replace circuit breakers Torrey/Wagenhals) \$755,369
- 25. b1970 (Reconductor Kammer-West Bellaire) \$137,950
- 26. b2018 (Loop Conesville-Bixby 345kV) \$2,595,864
- 27. b1032.4 (Loop the existing South Canton-Wayview 138kV circuit) \$222,892
- 28. b1666 (Build an 8 breaker 138kV station Fosteria-East Lima) \$568,864
- 29. b1957 (Terminate transformer #2 SW Lima) \$416,319
- 30. b1962 (Add four 765kV breakers Kammer) \$(34,095)
- 31. b2019 (Burger 345/138kV Station) \$1,390,173
- 32. b2017 (OPCo Reconductor Sporn-Waterford-Muskingum River) \$1,261,564
- 33. b1032.3 (Convert Ross-Circleville 138kV) \$(503,136)
- 34. b1660 (Install 765/500 kV transformer Cloverdale) \$(2,951,633)
- 35. b1660.1 (Cloverdale Establish 500 kV station) \$(2,457,609)
- 36. b1663.2 (Jacksons-Ferry 765kV breakers) \$1,123,049
- 37. b1875 (138 kV Bradley to McClung upgrades) \$115,370
- 38. b1797.1 (Reconductor Cloverdale-Lexington 500 kV line) \$10,117,997
- 39. b1712.1 (Altavista-Leesville 138kV line) \$71,750
- 40. b1032.2 (Two 138kV outlets to Delano&Camp) \$8,836
- 41. b1818 (Expand Allen w/345/138kV xfmr) \$94,723
- 42. b2687.1 (Install a 450 MVAR SVC Jacksons Ferry 765kV Substation) \$8,045,448
- 43. b2687.2 (Install 300MVAR shunt line reactor) \$1,174,872
- 44. b1870 (Replace Ohio Central Tfmr) \$3,299

# **Projected Formula Rate for**

AEP Appalachian Transmission Company, Inc. AEP Indiana Michigan Transmission Company, Inc. AEP Kentucky Transmission Company, Inc. AEP Ohio Transmission Company, Inc. AEP West Virginia Transmission Company, Inc.

# To be Effective January 1, 2018 Docket No ER17-405

Pursuant to Attachment H-20A (Formula Rate Implementation Protocols) in PJM Tariff, AEP has calculated its Projected Transmission Revenue Requirements (PTRR) to produce the Rates beginning January 1, 2018 through December 31, 2018. All the files pertaining to the PTRR are also posted on the PJM website in PDF format along with supporting workpapers. The first file provides the PTRR and rates for Network transmission service and Scheduling System Control and Dispatch Service, Schedule 1A.

AEP network service rate will decrease effective January 1, 2018 from \$28,877.87 per MW per year to \$24,822.32 per MW per year with the AEP annual revenue requirement decreasing from \$625,494,728 to \$537,651,367.

The AEP Transmission Companies' Schedule 1A rates are not applicable because they are handled via AEP Operating Companies.

An annual revenue requirement of \$169,970,737 for RTEP projects (including true-up and interest) is to be collected under PJM Tariff Schedule 12. The RTEP Project revenue requirement includes:

- 1. b1465.4 (Rockport Jefferson) of \$2,335,961
- 2. b1465.2 (Rockport Jefferson-MVAR Bank) \$1,616,239
- 3. b2048 (Tanners Creek 345/138 kV transformer) \$626,728
- 4. b1818 (Expand the Allen station) \$6,912,167
- 5. b1819 (Rebuild Robinson Park) \$17,518,822
- 6. b1659 (Sorenson Add 765/345 kV transformer) \$7,019,322
- 7. b1659.13 (Sorenson Exp. Work 765kV) \$8,998,234
- 8. b1659.14 (Sorenson 14miles 765 line) \$11,043,548
- 9. b1465.1 (Add a 3<sup>rd</sup> 2250 MVA 765/345kV transformer Sullivan) \$3,670,194
- 10. b0570 (Lima-Sterling) \$1,986,235
- 11. b1231 (Wapakoneta-West Moulton) \$590,889
- 12. b1034.1 (South Canton-Wagenhals-Wayview 138 kV) \$1,489,088
- 13. b1034.8 (South Canton Wagenhals Station) \$767,171
- 14. b1864.2 (West Bellaire-Brues 138 kV Circuit) \$191,400
- 15. b1870 (Ohio Central Transformer) \$1,220,362
- 16. b1032.2 (Two 138kV outlets to Delano/Camp Sherman) \$3,540,017

## **Projected Formula Rate for**

## AEP Appalachian Transmission Company, Inc. AEP Indiana Michigan Transmission Company, Inc. AEP Kentucky Transmission Company, Inc. AEP Ohio Transmission Company, Inc. AEP West Virginia Transmission Company, Inc.

# To be Effective January 1, 2018 Docket No ER17-405

- 17. b1034.2 (Loop existing South Canton-Wayview 138kV) \$1,238,423
- 18. b1034.3 (345/138kV 450 MVA transformer Canton Central) \$2,468,255
- 19. b1970 (Reconductor Kammer-West Bellaire) \$2,444,745
- 20. b2018 (Loop Conesville-Bixby 345 kV) \$2,452,721
- 21. b2021 (OHTCo Add 345/138kV trans. Sporn, Kanawha & Muskingum River stations) \$3,867,113
- 22. b2032 (Rebuild 138kV Elliott Tap Poston line) \$685,334
- 23. b1032.1 (Construct new 345/138kV station Marquis-Bixby) \$5,835,059
- 24. b1032.4 (Install 138/69kV transformer Ross Highland) \$1,254,871
- 25. b1666 (Build 8 breaker 138kV station Fostoria-East Lima) \$717,072
- 26. b1819 (Rebuild Robinson Park 345kV double circuit) \$(2,157,606)
- 27. b1957 (Terminate Transformer #2 SW Lima) \$1,538,303
- 28. b2019 (Establish Burger 345/138kV station) \$9,528,885
- 29. b2017 (OHTCo Rebuild Sporn-Waterford-Muskingum River) \$9,449,180
- 30. b1818 (Allen Station Expansion) \$737,139
- 31. b1661 (765kV circuit breaker Wyoming station) \$484,238
- 32. b1864.1 (Add 2 345/138kV transformers at Kammer) \$9,321,291
- 33. b2021 (WVTCo Add 345/138kV trans. Sporn, Kanawha & Muskingum River stations) \$2,156,688
- 34. b1948 (New 765/345 interconnection Sporn) \$6,164,438
- 35. b1962 (Add four 765kV breakers Kammer) \$2,525,235
- 36. b2017 (WVTCo Rebuild Sporn-Waterford-Muskingum River) \$143,445
- 37. b2020 (Rebuild Amos-Kanawha River 138 kV corridor) \$26,522,180
- 38. b2022 (Tristate-Kyger Creek 345kV line at Sporn) \$578,766
- 39. b1875 (138 kV Bradley to McClung upgrades) \$524,083
- 40. b2230 (Replace 3 765kV reactors Amos-Hanging Rock) \$2,774,716
- 41. b2423 (Install 300 MVAR shunt reactor Wyoming 765kV station) \$2,159,068
- 42. b1495 (Add 765/345 kV transf. Baker Station) \$7,030,717

## **163 FERC ¶ 63,002** UNITED STATES OF AMERICA FEDERAL ENERGY REGULATORY COMMISSION

American Municipal Power, Inc. Blue Ridge Power Agency Craig-Botetourt Electric Cooperative Indiana Michigan Municipal Distributors Association Indiana Municipal Power Agency Old Dominion Electric Cooperative, Inc. Wabash Valley Power Association, Inc. Docket No. ER18-1202-001

v.

Appalachian Power Company Columbus Southern Power Company Indiana Michigan Power Company Kentucky Power Company Kingsport Power Company Ohio Power Company Wheeling Power Company AEP Appalachian Transmission Company, Inc. AEP Indiana Michigan Transmission Company, Inc. AEP Kentucky Transmission Company, Inc. AEP Ohio Transmission Company, Inc. AEP West Virginia Transmission Company, Inc.

## ORDER OF CHIEF JUDGE GRANTING MOTION FOR INTERIM IMPLEMENTATION OF SETTLEMENT RATES

(Issued April 4, 2018)

1. On March 28, 2018, the AEP East Transmission Companies<sup>1</sup> filed a *Motion for Implementation of Interim Settlement Rates and Request for Expedited Consideration and* 

<sup>&</sup>lt;sup>1</sup> The AEP East Transmission Companies include: American Electric Power Service Corporation, on behalf of Appalachian Power Company; Indiana Michigan Power Company; Kentucky Power Company; Kingsport Power Company; Ohio Power Company; Wheeling Power Company; AEP Appalachian Transmission Company, Inc.; (continued ...)

Docket No. ER18-1202-001

*Shortened Comment Period* (Motion). The Motion requests interim implementation of tariff records related to two separate settlement agreements, one of which was concurrently filed with the Motion in Docket No. ER18-1202, and one of which was previously certified and remains pending before the Commission in Docket Nos. ER17-405 and ER17-406.<sup>2</sup>

2. The Motion requests that the answer period be shortened to April 3, 2018, and represents that "no participant to this proceeding has indicated that it opposes the grant of this Motion."<sup>3</sup> On March 29, 2018, the Chief Judge shortened the answer period to April 3, 2018. No answers to the Motion were filed.

3. The Motion requests interim implementation of four tariff records (Settlement Rates), "effective as soon as possible."<sup>4</sup> Under the circumstances and in accordance with Rule 307(a)(1)(iv) of the Commission's Revised General Rules,<sup>5</sup> the Chief Judge finds that granting the Motion is in the public interest. Interim implementation of the requested Settlement Rates will permit the reduced rates to be placed into effect pending the Commission's consideration of the settlements. The AEP East Transmission Companies represent that granting the Motion "would permit earlier enjoyment by the affected transmission customers of the reduced rates resulting from the two settlements."<sup>6</sup> The Motion also states that "the agreed-upon revisions to Attachments H-14 and H-20 to the PJM Tariff provide that the Base ROE will be reduced from 10.99% to 9.85%"<sup>7</sup> and that the "equity component included in each AEP East Transmission Company's capital

AEP Indiana Michigan Transmission Company, Inc.; AEP Kentucky Transmission Company, Inc.; AEP Ohio Transmission Company, Inc.; and AEP West Virginia Transmission Company, Inc.

<sup> $^{2}$ </sup> Motion at 4-6.

 $^{3}$  *Id.* at 7-8.

<sup>4</sup> Motion Transmittal Letter at 1-2.

<sup>5</sup> 18 C.F.R. § 375.307(a)(1)(iv) (2017).

<sup>6</sup> Motion at 6.

<sup>7</sup> *Id.* at 3. Note that 50 basis points for PJM RTO membership is added to the Base ROE figure, such that the redlined tariff sheets reflect a total ROE reduction of 11.49% to 10.35%. *See* Motion Attachment A: Revisions to Section(s) of the PJM Tariff, Attachment H (Marked / Redline Format) at 6.

Docket No. ER18-1202-001

structure will be the lesser of such company's actual equity capital component or 55%."<sup>8</sup> The Motion also represents that the revised tariff records incorporate implementation of the Tax Cuts and Jobs Act of 2017 (TCJA) on the AEP East Transmission Companies' revenue requirements and charges for services on or after January 1, 2018.<sup>9</sup> The interim rates also include a "billing adjustment for service provided from January 1, 2018, through the month in which the settlement tariff records are put into effect"<sup>10</sup> and a "\$50 million (plus interest) lump-sum billing credit."<sup>11</sup> Finally, the Motion represents that "transmission customers will benefit sooner than they otherwise would from the reduced rates provided for in the settlement tariff records currently pending in Docket Nos. ER17-405 and ER17-406."<sup>12</sup>

4. Accordingly, for good cause shown, the requested interim Settlement Rates are hereby accepted.<sup>13</sup> The AEP East Transmission Companies are hereby authorized to implement the requested interim Settlement Rates effective as requested in the Motion. The interim Settlement Rates shall remain in effect pending the Commission's consideration of the settlements and will be subject to refund or surcharge, with interest, computed in accordance with 18 C.F.R. § 35.19a, pending the outcome of the proceeding.

5. The sixty (60) day prior notice and filing requirement of FPA section 205(d) is hereby waived so that the interim Settlement Rates can be implemented effective as requested in the Motion.<sup>14</sup>

6. This order terminates Docket No. ER18-1202-001.

<sup>8</sup> Motion at 3.
<sup>9</sup> Id. at 3-4.
<sup>10</sup> Id. at 6.
<sup>11</sup> Id.
<sup>12</sup> Id.

<sup>13</sup> PJM Interconnection, L.L.C., FERC FPA Electric Tariff, Intra-PJM Tariffs, OATT ATT H-14B Part I, OATT Attachment H-14B Part I - AEP East Companies, 6.2.0, OATT ATT H-14B Part II, OATT Attachment H-14B Part II - AEP East Companies, 10.2.0, OATT ATT H-20B - Part I, OATT Attachment H-20B - AEPTCo - Part I, 3.2.0, OATT ATT H-20B - Part II, OATT Attachment H-20B - AEPTCo - Part I, 3.2.0, OATT ATT H-20B - Part II, OATT Attachment H-20B - AEPTCo - Part I, 3.2.0,

<sup>14</sup> 16 U.S.C. § 824d(d) (2012); 18 C.F.R. § 35.3 (2017).

Docket No. ER18-1202-001

# SO ORDERED.

Carmen A. Cintron Chief Administrative Law Judge

20180404-3058 FERC PDF (Unofficial) 04/04/2018 Document Content(s) ER18-1202-001 CJO Granting Interim Rates.DOCX.....1-4 FERC rendition of the electronically filed tariff records in Docket No. ER18-01202-000 Filing Data: CID: C000030 Filing Title: AEP submits an Informational Filing re: Revised Refund in Docket No. EL13 Company Filing Identifier: 3949 Type of Filing Code: 150 Associated Filing Identifier: 3888 Tariff Title: Intra-PJM Tariffs Tariff ID: 23 Payment Confirmation: Suspension Motion:

Tariff Record Data:

20180504-5178 FERC PDF (Unofficial) 5/4/2018 12:58:44 PM
Document Content(s)
3949-ec62d6d5-f3b3-4f8f-87c8-15ab9d3ef281.PDF
FERC GENERATED TARIFF FILING.RTF