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STATE OF NEW JERSEY

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Irene Kim Asbury Secretary of the Board (609) 292-1599

October 27, 2017

To: Basic Generation Service (BGS) Providers and Third Party Suppliers (TPS)

On May 23, 2012, the Board approved the readoption with amendments of N.J.A.C. 14:8, Renewable Energy and Energy Efficiency. These rules were published in the June 4, 2012 New Jersey Register. The readopted portions of the rules were effective as of May 23, 2012, and the amendments became effective as of June 4, 2012, upon their publication in the New Jersey Register.

<u>N.J.A.C.</u> 14:8-3, which requires the disclosure of certain environmental information regarding the means by which electricity is generated, was among the subchapters amended in the readoption. The Board found that the former environmental information disclosure rules did not reflect current conditions in the electricity market, and had proven to be overly detailed and complex.

The Board repealed the subchapter and replaced it with a significantly simpler version which requires only the basic environmental information disclosure requirements as they appear in N.J.S.A. 48:3-87 a, b. N.J.A.C. 14:8-3.1(a) states that the supplier/provider shall disclose this information periodically, as directed by the Board through the posting of a secretary's letter on the Board's website. This letter satisfies that obligation and provides the required directions.

The rule now reads as follows.

SUBCHAPTER 3. ENVIRONMENTAL INFORMATION DISCLOSURE

14:8-3.1 Environmental information disclosure

- (a) Each supplier/provider shall disclose on customer bills, on customer contracts or on its marketing materials, a uniform, common set of information about the environmental characteristics of the electricity purchased by the customer. The supplier/provider shall disclose this information periodically, as directed by the Board through the posting of a secretary's letter on the Board's website.
- (b) The disclosure required under this section shall include:

- The fuel mix used in generating the electricity supplied, including categories for oil, gas, nuclear, coal, solar, hydroelectric, wind and biomass. If the fuel mix for particular electricity cannot practicably be determined, the supplier/provider shall include a regional average determined by the Board;
- 2. The air pollutants that were emitted as a result of the generation of the energy, expressed in pounds per megawatt hour, and including categories for sulfur dioxide, carbon dioxide and oxides of nitrogen. If the emissions for particular electricity cannot practicably be determined, the supplier/provider shall include an emissions default determined by the Board: and
- 3. Any discrete emission reduction retired pursuant to rules adopted pursuant to P.L. 1995, c. 188.
- (c) The disclosure required under this section shall be provided in a graphic format provided by the Board through a posting on its website.

COMPLIANCE INSTRUCTIONS

Each electricity supplier/provider (except for suppliers/providers of new products, i.e., those not previously disclosed pursuant to N.J.A.C. 14:8-3.1 (b), shall update and distribute the environmental information on a label(s) annually (See Sample NJ Label at http://nj.gov/bpu/agenda/formsandapplications.html). That information shall be based on data reflecting the generation of power from the most recent energy year, which begins on June 1st and ends on the following May 31st. Recognizing that a period of time is needed for information gathering and processing, a span of seven months will be allowed between the last day of the energy year on which the label information is based and the date that disclosure of an updated label is required. Suppliers/providers relying on historical information for disclosure shall have until December 1st to provide updated labels. For example, an updated label issued on December 1, 2015 will cover the energy year that began on June 1, 2014 and ended on May 31, 2015. Third party suppliers and basic generation service providers shall provide environmental information to their generation customers according to the schedule set forth above.

The source of publicly available information for the label shall be PJM-EIS GATS (GATS), which can be accessed at www.pjm-eis.com or the USEPA's Emissions and Generation Resource Integrated Database (EGRID), which can be accessed at www.epa.gov/cleanenergy/egrid/index.htm. GATS may also rely upon information supplied by the generator that is made available to and made verifiable by the Board.

The major data that are included in the GATS database are:

- (1) Meter information from the PJM Market Settlement System;
- (2) Emissions data (primarily sourced from the Environmental Protection Agency (EPA) and supplemented by data from other sources, as available, to improve accuracy and/or timeliness); and

(3) Static data input by the GATS Administrator and/or the generator (such as fuel source, location, state program qualification, etc.).

The PJM System Mix report is publicly available on a monthly, quarterly, annual, or an Energy year basis at www.pjm-eis.com.

"Default information" is the emission rates and fuel mix defined in the "PJM System Mix." The PJM System Mix provides average emission rates and percentages by fuel type for all electricity delivered in PJM. These averages are determined by GATS via generator specific electronic certificates that identify the relevant generation attributes necessary for electricity suppliers/providers to satisfy state policies and to support voluntary green markets.

When an electricity supplier offers a new product, it shall distribute the label incorporating information applicable to the new product to its customers annually as outlined above, whether making an environmental claim for the product or using the default label (See Sample NJ Label at http://nj.gov/bpu/agenda/formsandapplications.html).

Any questions regarding these procedures may be directed to Ronald Jackson at Ronald.jackson@bpu.nj.gov.

Sincerely,

Irene Kim Asbury Secretary of the Board

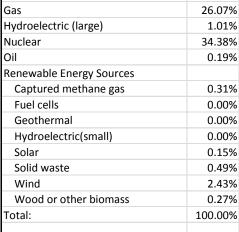
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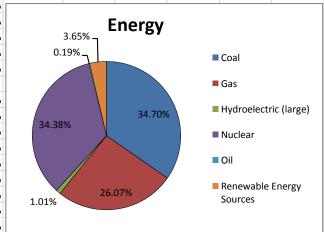
Environmental Disclosure for the Electricity Products of ("Company

Electricity Supplied from June 1, 2016 to May 31, 2017

Electricity can be generated in a number of ways with different impacts on the environment. standardized environmental information shown below allows you to compare this electricity with electricity products offered by other electric suppliers. The data shown below are default and do not necessarily reflect the energy that ("Company Name") will supply.

Energy Source ("Company Name") relied on these energy resources to provide the electricity product. Coal 34.70% Gas 26.07%





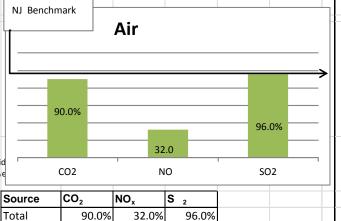
Renewable Energy Sources Subtotal

3.65%

Air Emissions

The emission data given are default values and represent the average amount of air pollution associated with the generation of electricity in the region. This amount is compared to the New Jersey benchmark. The benchmark approximates the average emission rate for all electricity generation in New Jersey.

CO2 is a "greenhouse gas" which may contribute to global climate change. NOx and SO2 react to form acid found in acid rain. NOx also reacts to form ground leve ozone, an unhealthful component of "smog."



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Energy Conservation		Avoided Generation		Avoided Air		1
("Company Name") is not investing in energy						
conservation measures for this electricity product.		0 kWh		0 tons	2	
Energy conservation measures means less electricity				0 tons	х	
needs to be generated and pollution is avoided.				0 tons	2	