



**STATE OF NEW JERSEY**  
**Board of Public Utilities**  
**44 South Clinton Avenue, 1<sup>st</sup> Floor**  
**Post Office Box 350**  
**Trenton, New Jersey 08625-0350**  
[www.nj.gov/bpu/](http://www.nj.gov/bpu/)

**ENERGY**

IN THE MATTER OF THE PETITION OF BUTLER	)	ORDER APPROVING A ZERO
ELECTRIC FOR APPROVAL OF A ZERO	)	EMISSION CERTIFICATE
EMISSION CERTIFICATE RECOVERY CHARGE	)	RECOVERY CHARGE
	)	
	)	DOCKET NO. ER24100837

**Parties of Record:**

**Robert Oostdyk, Jr., Esq.**, on behalf of Butler Electric  
**Brian O. Lipman, Esq.**, Director, New Jersey Division of Rate Counsel

**BY THE BOARD:**

By this Decision and Order, the New Jersey Board of Public Utilities ("Board") considers a petition filed by Butler Electric ("Butler" or "Company") seeking to set its Return of Excess Collections Credit Rate ("RECCR") to \$0.0000 as of January 1, 2025 ("Petition").<sup>1</sup>

**BACKGROUND**

On May 23, 2018, Governor Phil Murphy signed into law N.J.S.A. 48:3-87.3 to -87.7 ("Act"), which required the Board to implement a Zero Emission Certificate ("ZEC") program. The Act mandates that the Board authorize certain eligible nuclear energy generators ("Units") to receive ZECs, and the ZECs are purchased by New Jersey's electric distribution companies ("EDCs").<sup>2</sup> The Act also requires the Board to order the full recovery of EDCs' costs associated with purchased ZECs via a non-bypassable charge imposed on each EDC's retail distribution customers.<sup>3</sup>

The Act directs each EDC to file with the Board a tariff to recover a ZEC charge of \$0.004 per kilowatt-hour ("kWh") from its retail distribution customers ("ZEC Charge"). The ZEC Charge constitutes the emissions avoidance benefits associated with the continued operation of a

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<sup>1</sup> All rates quoted herein exclude Sales and Use Tax ("SUT"), unless otherwise noted.

<sup>2</sup> The EDCs are Atlantic City Electric Company, Jersey Central Power & Light Company, Public Service Electric and Gas Company, Rockland Electric Company and Butler. Butler is regulated to the extent it serves customers outside of its municipal borders.

<sup>3</sup> N.J.S.A. 48:3-87.5(j) (1).

selected nuclear power plant. The ZEC Charge is one (1) component of the Zero Emissions Certificate Recovery Charge ("ZECRC").

The Act also directs the EDCs to return excess monies in each EDC's separate, interest-bearing account, to its retail distribution customers at the end of each energy year. This constitutes the second component of the ZECRC, the RECCR.

By Order dated April 6, 2022, the Board approved Butler's request to revise its RECCR, resulting in a total ZECRC rate of \$0.003917 per kWh.<sup>4</sup> By Order dated March 6, 2023, the Board approved Butler's request to revise its RECCR, resulting in a total ZECRC rate of \$0.004069 per kWh.<sup>5</sup> By Order dated January 10, 2024, the Board authorized Butler to maintain its RECCR at \$0.000069, resulting in the current total ZECRC rate of \$0.004069 per kWh.<sup>6</sup>

### **OCTOBER 31, 2024 PETITION**

On October 31, 2024, Butler filed the Petition wherein it estimated an over-collected balance, including interest, of \$698.40 as of January 1, 2025, which included projected over-collections totaling \$423.67 for all prior years. Given the small over-recovery, the Company proposed to set the RECCR to zero beginning January 1, 2025. Butler indicated that any remaining balance due to customers, including interest, would be carried over to the next year's RECCR filing.

Because the Petition requested a decrease to the RECCR rate, public hearings were neither required nor held. Additionally, no written comments were received by the Board.

### **NEW JERSEY DIVISION OF RATE COUNSEL COMMENTS**

On November 25, 2024, the New Jersey Division of Rate Counsel ("Rate Counsel") filed its comments in this matter. Rate Counsel indicated that it did not object to Butler's request to set its RECCR rate to \$0.0000. Rate Counsel noted that the Company's proposed tariff stated "the ZEC Reconciliation Charge for the period beginning March 15, 2023 will be \$0.000069 per kilowatt-hour (w/o SUT)." Rate Counsel recommended that the Board direct Butler to prepare and file a correct tariff without this language in a compliance filing following the Board's order deciding this matter.

### **DISCUSSION AND FINDINGS**

After careful consideration of the record in this matter, including the Petition and Rate Counsel's comments, the Board **HEREBY FINDS** that Butler's proposed RECCR is consistent with the Act and necessary to fully recover its costs associated with the procurement of ZECs. Accordingly, the Board **HEREBY APPROVES** a total ZECRC rate of \$0.004265 per kWh, including SUT, for

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<sup>4</sup> In re the Implementation of L. 2018, C. 16 Regarding the Establishment of a Zero Emission Certificate Program for Eligible Nuclear Power Plants; In re the Petition of Butler Electric for Approval of a Zero Emission Certificate Recovery Charge, BPU Docket Nos. EO18080899 and EO21111214, Order dated April 6, 2022.

<sup>5</sup> In re the Petition of Butler Electric for Approval of a Zero Emission Certificate Recovery Charge, BPU Docket No. EO22100629, Order dated March 6, 2023.

<sup>6</sup> In re the Petition of Butler Electric for Approval of a Zero Emission Certificate Recovery Charge, BPU Docket No. EO23100745, Order dated January 10, 2024.

service rendered on and after January 1, 2025. As a result, a typical residential electric customer using 650 kWh per month will experience a decrease of \$0.05 in their monthly bill.

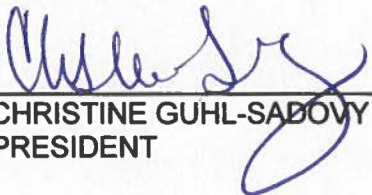
The Board **HEREBY DIRECTS** Butler to file revised tariffs prior to January 1, 2025. As part of its compliance filing, the Board **HEREBY DIRECTS** Butler to remove the language related to the rate effective March 15, 2023.

The Company's costs will remain subject to audit by the Board. This Order shall not preclude or prohibit the Board from taking further action relating to any such audit.

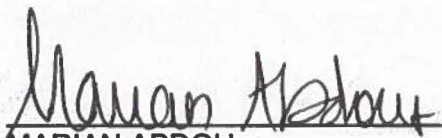
The effective date of this Order is December 26, 2024.


DATED: December 18, 2024

BOARD OF PUBLIC UTILITIES  
BY:

  
CHRISTINE GUHL-SADOVY  
PRESIDENT

  
DR. ZENON CHRISTODOULOU  
COMMISSIONER

  
MARIAN ABDOU  
COMMISSIONER

  
MICHAEL BANGE  
COMMISSIONER

ATTEST:   
SHERRI L. GOLDEN  
SECRETARY

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

IN THE MATTER OF THE PETITION OF BUTLER ELECTRIC FOR APPROVAL OF A ZERO EMISSION  
CERTIFICATE RECOVERY CHARGE

BPU DOCKET NO. ER24100837

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