



STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 1st Floor
Post Office Box 350
Trenton, New Jersey 08625-0350
www.nj.gov/bpu/

ENERGY

IN THE MATTER OF THE NEW JERSEY BOARD OF)	ORDER APPROVING
PUBLIC UTILITIES' CONSIDERATION OF ELECTRIC)	STIPULATION
RATE IMPACTS BEGINNING JUNE 1, 2025)	
)	DOCKET NO. EX25040210
IN THE MATTER OF THE PROPOSAL OF ROCKLAND)	
ELECTRIC COMPANY TO MITIGATE ELECTRIC RATE)	
IMPACTS)	DOCKET NO. ER25050280

PARTIES OF RECORD:

Brian O. Lipman, Esq., Director, New Jersey Division of Rate Counsel
Margaret Comes, Esq., Rockland Electric Company

BY THE BOARD:

By this Decision and Order, the New Jersey Board of Public Utilities ("Board") considers a stipulation of settlement ("Stipulation") executed by Rockland Electric Company ("RECO" or "Company"), the New Jersey Division of Rate Counsel ("Rate Counsel"), and Board Staff ("Staff") (collectively, "Parties") related to PSE&G's petition filed in response to the Board's April 23, 2025, Order directing New Jersey's four (4) electric distribution companies to submit distribution-side proposals to reduce the impact of rate increases affecting residential ratepayers beginning June 1, 2025 ("Petition").¹

¹ In re the New Jersey Board of Public Utilities' Consideration of Electric Rate Impacts Beginning June 1, 2025, BPU Docket No. EX25040210, Order dated April 23, 2025 ("April 2025 Order").

BACKGROUND AND PROCEDURAL HISTORY

On February 12, 2025, the Board certified the results of the Residential and Small Commercial Pricing, and Commercial and Industrial Energy Pricing, Basic Generation Service (“BGS”) Auctions (collectively, “Auctions”) for the State’s four (4) electric distribution companies: Atlantic City Electric Company (“ACE”); Jersey Central Power & Light Company; Public Service Electric and Gas Company; and RECO (collectively, “EDCs”) to satisfy supply requirements for the EDCs’ BGS customers for the period June 1, 2025, through May 31, 2026.²

The Board’s authority over the Auctions is limited to certifying the results as consistent with market conditions. The Board has no authority to influence pricing. Based upon the Board-certified results, the projected average monthly customer bill increases, beginning June 1, 2025, range from 17.23% to 20.20%, depending on the customer’s EDC service territory. These price increases largely stem from the July 2024 PJM Base Residual Auction (“BRA”). After Board certification, concerns have grown due to ongoing inquiries and challenges to the BRA’s results.

By the April 2025 Order, the Board directed the EDCs to file petitions, on or before May 5, 2025, providing distribution-side proposals to mitigate the bill impacts to residential customers during the high usage summer months. Additionally, the Board designated President Christine Guhl-Sadovy as presiding commissioner with the authority to rule on all motions that may arise during the pendency of the proceedings, and to modify all schedules that may be set as necessary to ensure a just and expeditious determination of the issues.

Via correspondence dated May 1, 2025, ACE, with the consent of the EDCs, requested an extension to file petitions to May 7, 2025, noting that the EDCs’ rate mitigation proposals would benefit from additional time to prepare. On May 2, 2025, Rate Counsel consented to the May 7, 2025, extension. By Order dated May 5, 2025, President Guhl-Sadovy granted the requested extension.³

RECO Filing

On May 7, 2025, RECO filed the Petition in response to the April 2025 Order.

By the Petition, RECO modeled three (3) temporary rate mitigation scenarios: 1) 100% deferral of the BGS increase; 2) 50% deferral of the BGS increase; and 3) 25% deferral of the BGS increase.

RECO proposed to credit residential customers for the months of July, August, and September, 2025, and for the remainder of the energy year, and recover the credited amount and carrying charges through a new mechanism called the Temporary Supply Offset Clause (“TSOC”). Under each of the three (3) scenarios, RECO proposed to recover the credit plus a carrying charge on the outstanding balance. According to RECO, the carrying charge rate is equivalent to the interest on the under-over recovered balance of the Company’s Regional Greenhouse Gas Initiative Charge, which is a rate equal to the Federal Reserve Board US Treasury Securities at two-year

² In re the Provision of Basic Generation Service (BGS) For the Period Beginning June 1, 2025, BPU Docket No. ER24030191, Order dated February 12, 2025.

³ In re the New Jersey Board of Public Utilities’ Consideration of Electric Rate Impacts Beginning June 1, 2025, BPU Docket No. EX25040210, Order dated May 5, 2025.

constant maturity plus sixty (60) basis points. The estimated interest expense would be included in the cost recovery.

As usage may be greater or lower than anticipated during the July 2025 through September 2025 credit period, and the October 2025 through May 2026 charge period, RECO anticipated that a true-up of the TSOC may be necessary prior to, and at the conclusion of, the October 2025 through May 2026 recovery period.

RECO requested that the Board authorize the Company to establish a customer credit effective July 1, 2025, through the TSOC, and to recover costs, including a carrying charge, through the TSOC effective October 1, 2025. RECO further requested that the Board determine that the proposed TSOC rates and credits, and cost recovery and accounting, are reasonable and prudent, and comply with the requirements of the Board, and authorize other such or further relief as may be necessary and proper.

STIPULATION

Following a review of the Petition, conducting discovery, and discussions, the Parties executed the Stipulation, which provides for the following:⁴

1. For the two (2)-month period, July through August 2025, RECO will apply a credit of \$30.00, including Sales and Use Tax ("SUT") to each electric residential customer's monthly bill. For the six (6)-month period beginning September 2025 through February 2026, RECO will apply a charge to each electric customer's monthly bill of \$10, including SUT.
2. RECO will forego recovery of any, and all, carrying costs on the outstanding balance of the credited amount.
3. The credit and charge described in Paragraph 1 of the Stipulation will be identified on each electric customer's bill as the "Electric Generation/Capacity Cost Deferral" for the period July through August 2025, and as the "Electric Generation/Capacity Cost Deferral Recovery" for the period September 2025 through February 2026, respectively.
4. As a result of the normal occurrences of customers entering and exiting the RECO service territory over course of a typical year, the Parties anticipate that as of February 28, 2026, the amount credited by RECO will not match exactly the amount charged pursuant to Paragraph 1 of the Stipulation. RECO therefore will defer any under- or over-recovery and collect from, or return to, customers the amount of the balance, without interest, via the Company's Regional Greenhouse Gas Initiative Surcharge in its February 1, 2026 filing.
5. The Company agrees to extend WTP protections from July 1, 2025 through September 30, 2025 to eligible residential customers who either receive assistance from any of the eight payment assistance programs, as set forth in N.J.A.C. 14:3-

⁴ Although summarized in this Order, should there be any conflict between this summary and the Stipulation, the terms of the Stipulation control, subject to the findings and conclusions in this Order. Paragraphs are lettered and/or numbered to coincide with the Stipulation.

3A.5(a)(1) through (8), or are unable to pay their utility bills due to circumstances beyond their control, as set forth in N.J.A.C. 14:3-3A.5(a)(9). The Company also agrees to extend WTP protections to customers currently covered by Linda's Law who utilize life sustaining equipment powered by electricity and any list of customers used by the Company to comply with the requirements under N.J.A.C. 14:3-3A.2 and -3A.4.

6. Beginning October 1, 2025, RECO will cease applying the provisions of the WTP Regulation during any period not prescribed by the WTP Regulation.
7. For any residential customer who requests a Deferred Payment Agreement ("DPA") to pay overdue billed amounts, RECO will offer a DPA with monthly installment amounts based on the customer's financial circumstances and with a term of up to twenty-four (24) months, at the discretion of the customer.
8. RECO will waive all reconnection fees for residential customers during the period July 1, 2025 through September 30, 2025.

DISCUSSION AND FINDINGS

The Board reviewed the record in this proceeding, including the Petition and the Stipulation, and **HEREBY FINDS** the Stipulation to be reasonable, in the public interest, and in accordance with the law. Accordingly, the Board **HEREBY ADOPTS** the attached Stipulation in its entirety, and **HEREBY INCORPORATES** its terms and conditions as though fully stated herein, subject to any terms and conditions set forth in this Order.

Accordingly, the Board **HEREBY ORDERS** RECO to file revised tariff sheets conforming to the terms of the Stipulation by July 1, 2025.

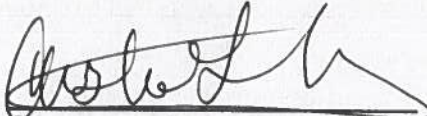
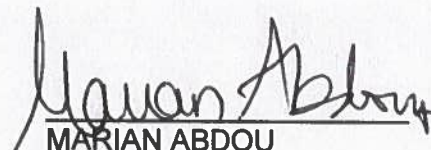
The Company's costs remain subject to audit by the Board. As such, this Decision and Order shall not preclude or prohibit the Board from taking any actions determined to be appropriate as a result of any such audit.

The Board **HEREBY RATIFIES** the decision and Order issued by President Guhl-Sadovy during the pendency of this proceeding for the reasons set forth in that Order.

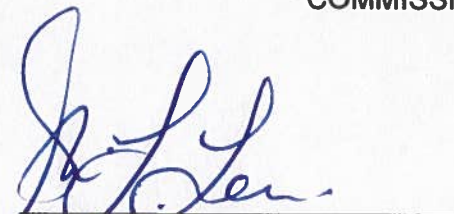
The effective date of this Order is June 18, 2025.

DATED: June 18, 2025

BOARD OF PUBLIC UTILITIES
BY:


CHRISTINE GUHL-SADOVY
PRESIDENT
DR. ZENON CHRISTODOULOU
COMMISSIONER
MARIAN ABDU
COMMISSIONER
MICHAEL BANGE
COMMISSIONER

ATTEST:


SHERRI L. LEWIS
BOARD 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 NEW JERSEY BOARD OF PUBLIC UTILITIES' CONSIDERATION OF ELECTRIC RATE
IMPACTS BEGINNING JUNE 1, 2025
DOCKET NO. EX25040210

IN THE MATTER OF THE PROPOSAL OF ROCKLAND ELECTRIC COMPANY TO MITIGATE ELECTRIC RATE
IMPACTS
DOCKET NO. ER25050280

SERVICE LIST

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Margaret Comes
Associate Counsel
Law Department

June 17, 2025

Sherri L. Lewis, Secretary
New Jersey Board of Public Utilities
44 South Clinton Avenue, 9th Floor
P.O. Box 350
Trenton, NJ 08625-0350

RE: In the Matter of the New Jersey Board of Public Utilities' Consideration of Electric Rate
Impacts Beginning June 1, 2025
BPU Docket Number EX25040210

In the Matter of the Proposal of Rockland Electric Company to Mitigate Electric Rate
Impacts
BPU Docket Number ER25050280

Dear Secretary Lewis:

Enclosed for filing in the above matter is Stipulation of Settlement.

Respectfully submitted,


Margaret Comes

c: email service list

STATE OF NEW JERSEY
BOARD OF PUBLIC UTILITIES

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IN THE MATTER OF THE NEW JERSEY)	
BOARD OF PUBLIC UTILITIES’)	BPU DOCKET NO. EX25040210
CONSIDERATION OF ELECTRIC)	
RATE IMPACTS BEGINNING)	
JUNE 1, 2025)	
-----)	
IN THE MATTER OF THE PROPOSAL OF)	
ROCKLAND ELECTRIC COMPANY TO)	
MITIGATE ELECTRIC RATE IMPACTS)	BPU DOCKET NO. ER25050280
-----)	

STIPULATION OF SETTLEMENT

APPEARANCES:

Margaret Comes, Esq., Associate Counsel, **John L. Carley, Esq.**, Associate General Counsel, on behalf of Rockland Electric Company

Meliha Arnautovic, Deputy Attorney General (**Matthew J. Platkin**, Attorney General of New Jersey), on behalf of the Staff of the Board of Public Utilities

T. David Wand, Esq., Managing Attorney-Electric, **Brian Weeks Esq.**, Deputy Rate Counsel, **Robert Glover, Esq.**, Assistant Deputy Rate Counsel, **Lisa Littman, Esq.**, Assistant Deputy Rate Counsel, and **Bethany Rocque-Romaine, Esq.**, Assistant Deputy Rate Counsel, on behalf of the New Jersey Division of Rate Counsel (**Brian O. Lipman, Esq.**, Director, Division of Rate Counsel)

TO THE HONORABLE COMMISSIONERS OF THE BOARD OF PUBLIC UTILITIES:

This Stipulation of Settlement (“Stipulation”) is hereby made and executed as of the dates provided below, by and among the Rockland Electric Company (“RECO” or the “Company”), Staff (“Staff”) of the New Jersey Board of Public Utilities (“Board”), and the New Jersey Division of Rate Counsel (“Rate Counsel”) (collectively, “Parties” and individually, “Party”).

The Parties hereby recommend that the Board issue an Order adopting the terms of this Stipulation, which are as follows:

BACKGROUND

By Order dated April 23, 2025, the Board directed the State's electric distribution companies ("EDCs") to file petitions proposing distribution-side measures to mitigate residential customer bill impacts during the high-usage summer months.¹ Subsequently, on May 7, 2025 RECO filed a petition proposing to establish a Temporary Supply Offset Clause ("TSOC") effective for service provided through May 31, 2026 ("Petition"). In the Petition, RECO explained that the purpose of the TSOC is to provide temporary relief, beginning July 1, 2025, from the electric bill increases that were to occur, beginning on June 1, 2025, following implementation of increased Basic Generation Service ("BGS") rates resulting from the BGS auctions conducted in February 2025.

In the Petition, RECO proposed three (3) options for TSOC credits and charges to offset the June 1, 2025, BGS rate increase for the months of July, August and September 2025, plus accumulated carrying costs to be transferred to the Company's Green Programs Recovery Charge. Collection of the offset amounts would occur over the remainder of the energy year, October 1, 2025, through May 31, 2026.

RECO's proposed credits are as follows:

- Option 1: One hundred percent (100%) deferral – the entire BGS increase would be offset by the credit;
- Option 2: Fifty percent (50%) deferral – half of the BGS increase would be offset by the credit; and

¹ In the Matter of the New Jersey Board of Public Utilities' Consideration of Electric Rate Impacts Beginning June 1, 2025, BPU Docket No. EX25040210, Order (dated April 23, 2025) ("April 2025 Order").

- Option 3: Twenty-five percent (25%) deferral – one-quarter of the BGS increase would be offset by the credit.

On May 14, 2025, Governor Murphy issued a press release addressing electricity prices (“Press Release”). Governor Murphy noted that New Jersey customers are preparing for an unprecedented increase in utility costs, stating that “[w]hile the utilities are not responsible for the rate increases, they have a responsibility to protect ratepayers.” Specifically, the Governor urged the EDCs to expand the Winter Termination Program (“WTP”),² which prevents residential service disconnections in the winter months for qualifying customers, to the months of July through September 2025, and to suspend reconnection fees associated with utility shutoffs for nonpayment of bills to a certain date past the summer peak usage months.

STIPULATION

Following review of the Petition, the Company’s discovery responses and engaging in settlement discussions, the Parties hereby stipulate and agree as follows:

1. For the two (2)-month period, July through August 2025, RECO will apply a credit of \$30.00, including Sales and Use Tax (“SUT”) to each electric residential customer’s monthly bill. For the six (6)-month period beginning September 2025 through February 2026, RECO will apply a charge to each electric customer’s monthly bill of \$10, including SUT.
2. RECO will forego recovery of any, and all, carrying costs on the outstanding balance of the credited amount.

² The provisions of the WTP are set forth in N.J.A.C. 14:3-3A.5. (“WTP Regulation”)

3. The credit and charge described in Paragraph 1 above will be identified on each electric customer's bill as the "Electric Generation/Capacity Cost Deferral" for the period July through August 2025, and as the "Electric Generation/Capacity Cost Deferral Recovery" for the period September 2025 through February 2026, respectively.

4. As a result of the normal occurrences of customers entering and exiting the RECO service territory over course of a typical year, the Parties anticipate that as of February 28, 2026, the amount credited by RECO will not match exactly the amount charged pursuant to Paragraph 1 above. RECO therefore will defer any under- or over-recovery and collect from, or return to, customers the amount of the balance, without interest, via the Company's Regional Greenhouse Gas Initiative ("RGGI") Surcharge in its February 1, 2026 filing.

5. The Company agrees to extend WTP protections from July 1, 2025 through September 30, 2025 to eligible residential customers who either receive assistance from any of the eight payment assistance programs, as set forth in N.J.A.C. 14:3-3A.5(a)(1) through (8), or are unable to pay their utility bills due to circumstances beyond their control, as set forth in N.J.A.C. 14:3-3A.5(a)(9). The Company also agrees to extend WTP protections to customers currently covered by Linda's Law who utilize life sustaining equipment powered by electricity and any list of customers used by the Company to comply with the requirements under N.J.A.C. 14:3-3A.2 and -3A.4.

6. Beginning October 1, 2025, RECO will cease applying the provisions of the WTP Regulation during any period not prescribed by the WTP Regulation.

7. For any residential customer who requests a Deferred Payment Agreement ("DPA") to pay overdue billed amounts, RECO will offer a DPA with monthly installment

amounts based on the customer's financial circumstances and with a term of up to twenty-four (24) months, at the discretion of the customer.

8. RECO will waive all reconnection fees for residential customers during the period July 1, 2025 through September 30, 2025.

9. This Stipulation represents a mutual balancing of interests, contains interdependent provisions and, therefore, is intended to be accepted and approved in its entirety. In the event any particular aspect of this Stipulation is not accepted and approved in its entirety by the Board, any Party aggrieved thereby shall not be bound to proceed with this Stipulation and shall have the right to litigate all issues addressed herein to a conclusion. More particularly, in the event that this Stipulation is not adopted in its entirety by the Board in any applicable Order(s), then any Party hereto is free to pursue its then available legal remedies with respect to all issues addressed in this Stipulation as though this Stipulation had not been signed.

10. The Parties agree that they consider the Stipulation to be binding on them for all purposes herein.

11. It is specifically understood and agreed that this Stipulation represents a negotiated agreement and has been made exclusively for the purpose of these proceedings. Except as expressly provided herein, RECO, Board Staff, and Rate Counsel shall not be deemed to have approved, agreed to, or consented to any principle or methodology underlying or supposed to underlie any agreement provided herein, in total or by specific item. The Parties further agree that this Stipulation is in no way binding upon them in any other proceeding, except to enforce the terms of this Stipulation.

12. The Parties further acknowledge that a Board Order approving this Stipulation will become effective upon the service of said Board Order or upon such date after the service thereof as the Board may specify in accordance with N.J.S.A. 48:2-40.

ROCKLAND ELECTRIC COMPANY

NEW JERSEY DIVISION OF RATE COUNSEL,
BRIAN O. LIPMAN, DIRECTOR

By: Margaret Comes
Margaret Comes
Associate Counsel

By: T. David Wand
T. David Wand, Esq.
Deputy Rate Counsel

DATED: June 16, 2025

DATED: June 17, 2025

MATTHEW J. PLATKIN
ATTORNEY GENERAL OF NEW JERSEY
Attorney for the Staff of the Board of Public
Utilities

Meliha Arnautovic DAG
By: Meliha Arnautovic
Deputy Attorney General

DATED: June 17, 2025