IN THE MATTER OF THE PROVISION OF BASIC 
GENERATION SERVICE FOR THE PERIOD 
BEGINNING JUNE 1, 2015 

PARTIES OF RECORD:

Gregory Eisenstark, Esq., Windels Marx Lane & Mittendorf, LLP, on behalf of Jersey Central Power & Light Company
Alexander C. Stern, Esq., Attorney for Public Service Electric and Gas Company
Philip J. Passanante, Esq., Associate General Counsel for Atlantic City Electric Company
Margaret Comes, Esq., Senior Attorney for Rockland Electric Company
Chantale LaCassee, BGS Auction Manager, NERA Economic Consulting
Stefanie A. Brand, Esq., Director, Division of Rate Counsel
Murray E. Bevan, Esq., Bevan, Mosca, Giuditta & Zarillo, P.C., on behalf of the Retail Energy Supply Association
Adam Kaufman, Independent Energy Producers of New Jersey
Aundrea Williams, Director Regulatory Affairs, NextEra Power Marketing LLC
Stuart Ormsbee, Manager Power Marketing, TransCanada Power Marketing Ltd.
James Laskey, Esq., Norris McLaughlin & Marcus, P.A. on behalf of Noble Americas Energy Solutions LLC.
Ira G. Megdal, Esq., Cozen O’Connor, PC on behalf of FirstEnergy Solutions Corp.
Christi L. Nicolay, Division Director, Macquarie Energy LLC
Divesh Gupta, Esq., Managing Counsel - Constellation New Energy, Inc. and Exelon Generation Company, LLC

BY THE BOARD:

By Order dated November 24, 2014 in this docket, the New Jersey Board of Public Utilities ("Board") approved the joint Basic Generation Service ("BGS") proposal of Public Service Electric and Gas Company ("PSE&G"), Jersey Central Power & Light Company ("JCP&L"), Atlantic City Electric Company ("ACE") and Rockland Electric Company ("Rockland") (collectively the "EDCs") for two descending clock auctions to secure the EDCs' BGS electricity
requirements for the period beginning June 1, 2015 ("November 24, 2014 Order"). In an attempt to mitigate the risk to ratepayers, the Board directed the EDCs to procure approximately one-third of the EDCs' current fixed-price ("BGS-FP") BGS load for a 36-month period. The Board also found that a 12-month procurement period for the EDCs' hourly load BGS Commercial and Industrial Electricity Pricing ("BGS-CIEP") customers is appropriate and reasonable. In the November 24, 2014 Order, the Board also committed to review the results of the BGS-FP Auction and the BGS-CIEP Auction (collectively the "BGS Auctions" or "Auctions") each in its entirety and certify the results of each auction for all of the EDCs, or for none of them, no later than the second business day after the last Auction closes.

The results of the BGS Auctions, if approved by the Board, will then be converted into revised BGS rates for customers beginning June 1, 2015. This is the fourteenth (14th) year the Board authorized a similar auction process to secure BGS supply.

The Auction Manager responsible for conducting the 2015 Auctions was National Economic Research Associates ("NERA"). NERA brings expertise in the conduct of simultaneous descending clock auctions in the energy and telecommunications industries, and was the Auction Manager for the past thirteen (13) BGS Auctions. The 2015 Auctions were continuously monitored by Staff from the Division of Energy, as well as by the Board's consultant, Boston Pacific Company, Inc. ("Boston Pacific"). Boston Pacific has experience with simultaneous descending clock auctions and energy industry experience.

**BGS-FP AUCTION SUMMARY**

The BGS-FP Auction began on February 9, 2015 and ended on February 10, 2015 after seventeen (17) rounds with all of the EDCs' fifty-seven (57) tranches secured, with the following closing prices for each EDC:

<table>
<thead>
<tr>
<th>EDC</th>
<th>Closing Price (¢/Kwh)</th>
<th>Total Tranches Available</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACE</td>
<td>8.606</td>
<td>7</td>
</tr>
<tr>
<td>JCP&amp;L</td>
<td>8.042</td>
<td>20</td>
</tr>
<tr>
<td>PSE&amp;G</td>
<td>9.954</td>
<td>29</td>
</tr>
<tr>
<td>ROCKLAND</td>
<td>9.066</td>
<td>1</td>
</tr>
</tbody>
</table>

A list of the BGS-FP Auction winners are included in Attachment A to this Order.

---

2 Approximately two-thirds of the EDCs' BGS-FP requirements are already under contract through May 31, 2016, and one-third through May 31, 2017 as a result of the 2013 and 2014 BGS-FP Auctions.

3 A tranche in the BGS-FP Auction is approximately 100 Mw.
BGS-CIEP AUCTION SUMMARY

The BGS-CIEP Auction began on February 6, 2015, and ended on February 9, 2015 after twenty-seven (27) rounds with all of the EDCs' forty-five (45) tranches secured, with the following closing prices for each EDC:

<table>
<thead>
<tr>
<th>EDC</th>
<th>Closing Price /Mw-day</th>
<th>Total Tranches</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACE</td>
<td>235.89</td>
<td>4</td>
</tr>
<tr>
<td>JCP&amp;L</td>
<td>248.41</td>
<td>14</td>
</tr>
<tr>
<td>PSE&amp;G</td>
<td>272.78</td>
<td>26</td>
</tr>
<tr>
<td>ROCKLAND</td>
<td>272.14</td>
<td>1</td>
</tr>
</tbody>
</table>

A list of the BGS-CIEP Auction winners is included in Attachment A to this Order.

BGS AUCTION OVERSIGHT

NERA has provided a confidential post-Auction checklist form evaluating how the BGS-FP and BGS-CIEP Auctions were conducted. NERA's analysis supporting acceptance of the Auction results indicates, in part, that:

- No issues or questions were left unresolved prior to the Auctions that created uncertainty for bidders;
- Neither procedural problems nor errors were observed during the Auctions; all communication protocols were followed;
- Neither hardware nor software problems with the Auctions and communication systems were observed;
- No security breaches were observed during the Auction process;
- All guidelines for setting or changing the Auction parameters were followed;
- There was no evidence of confusion or misunderstanding on the part of bidders that delayed or impaired the Auctions in a material manner;
- Communications between the Auction Manager and bidders was timely and effective;
- There was no evidence that bidders were rushed;
- No complaints were received from the bidders;
- The Auctions were carried out in a fair and transparent manner;
- There was no evidence of collusion or gaming by the bidders;
- Public and sensitive information were treated appropriately;
- There were no factors exogenous to the Auctions that materially affected the Auctions; and
- The Auctions appear to have generated a result that is consistent with competitive bidding, market-determined prices, and efficient allocation of the BGS-FP and BGS-CIEP loads.

---

4 A tranche in the BGS-CIEP Auction is equivalent to approximately 75 Mw.
Boston Pacific also provided the Board with a confidential post-Auction evaluation form for the BGS-FP and BGS-CIEP Auctions, as well as a supplemental checklist reviewing how the Auctions were conducted. Boston Pacific's analysis is consistent with NERA's analysis. Both consultants recommend that the Board accept the final Auction results.

BGS AUCTION FINDINGS AND CONCLUSIONS

The independent NERA and Boston Pacific analyses are consistent, indicating that the Auctions proceeded without meaningful interruption, according to the Board-approved Auction Rules, in an acceptably fair and transparent manner, and they both recommend that the Board certify the Auction results. Staff assigned to oversee the Auctions briefed the Board on the conduct and results of each Auction.

After reviewing the checklists and evaluation forms from NERA and Boston Pacific, and discussing the results and conduct of the Auctions with Staff, NERA and Boston Pacific, the Board FINDS that:

- bidders had sufficient information to prepare for the Auctions;
- information was generally provided to bidders in accordance with the published timetable, and the timetable was adjusted appropriately as needed;
- there were no Auction issues or questions left unresolved prior to the Auctions that created material uncertainty for bidders;
- from what could be observed, there were neither procedural problems nor errors with the Auctions, including the electronic bidding process, the back-up bidding process, and communications between bidders and the Auction Manager;
- from what could be observed, communication protocols between bidders and the Auction Manager were adhered to;
- appropriate data back-up procedures were planned and carried out;
- no security breaches were observed during the Auction process;
- from what could be observed, communication protocols among the EDCs, NERA, Staff, the Board, and Boston Pacific were followed during the Auctions;
- protocols were followed for decisions regarding changes in the Auction parameters (e.g. volume, load cap, bid decrements);
- the calculations (e.g. for bid decrements or bidder eligibility) produced by the Auction software were double-checked or reproduced off-line by the Auction Manager;
- there was no evidence of confusion or misunderstanding on the part of bidders that delayed or impaired the Auctions;
- from what could be observed, the communications between the Auction Manager and bidders was timely and effective;
- there were no complaints received from the bidders about the process;
- the Auctions were carried out in an acceptably fair and transparent manner;
- there was no evidence of gaming on the part of bidders;
- there was no evidence of collusion among bidders;
- information was made public in an appropriate manner and, from what could be observed, sensitive information was treated appropriately;
- there were no factors exogenous to the Auctions (e.g. changes in market environment) that materially affected the Auctions in unanticipated ways);
- there are no concerns with the Auctions' outcome with regard to any specific EDC(s);
the Auctions appear to have generated a result that is consistent with competitive bidding, market-determined prices, and efficient allocation of the BGS-FP and BGS-CIEP loads.

Based on the foregoing, the Board HEREBY CERTIFIES the final results of the BGS-FP and BGS-CIEP Auctions in their entirety, and subsequently APPROVES the closing prices for each EDC. Furthermore, the Board HEREBY ORDERS the EDCs to: 1) execute the necessary documents with the winning bidders, including the BGS Supplier Master Agreements, 2) implement the BGS rates resulting from the Auctions beginning June 1, 2015, and 3) file tariff sheets reflecting those rates by March 2, 2015.

Consistent with past Board practice, the Board is releasing the names of the winning bidders at this time. However, at this time, the Board will not release the specific tranche and service area details for each successful bidder, so as not to compromise the position of the winning bidders in the marketplace. The Board plans to make this additional information public prior to June 1, 2015.

DATED: 2/12/15

BOARD OF PUBLIC UTILITIES
BY:

RICHARD S. MROZ
PRESIDENT

JOSEPH L. FIORDALISO
COMMISSIONER

MARY ANNA HOLDEN
COMMISSIONER

DIANNE SOLOMON
COMMISSIONER

ATTEST:

KENNETH J. SHEEHAN
SECRETARY

BOARD Docket No. ER14040370
ATTACHMENT A

I/M/O the Provision of Basic Generation Service
For The Period Beginning June 1, 2015
Docket No. ER14040370

Auction Winners Approved by the Board of Public Utilities on February 12, 2015.

BGS-FP Auction Winners
BP Energy Company
BTG Pactual Commodities (US) LLC
DTE Energy Trading, Inc.
Exelon Generation Company, LLC
Macquarie Energy LLC
NextEra Energy Power Marketing, LLC
Noble Americas Gas & Power Corp.
PSEG Energy Resources & Trade LLC
TransCanada Power Marketing Ltd.

BGS-CIEP Auction Winners
ConocoPhillips Company
DTE Energy Trading, Inc.
Exelon Generation Company, LLC
NextEra Energy Power Marketing, LLC
PPL EnergyPlus, LLC
In the Matter of the Provision of Basic Generation Service
For the Period Beginning June 1, 2015
Docket No. ER14040370
Service List

BPU
Kenneth J. Sheehan, Secretary
New Jersey Board of Public Utilities
Post Office Box 350
44 South Clinton Ave., 9th Floor
Trenton, NJ 08625-0350
kenneth.sheehan@bpu.state.nj.us

Frank Perrotti
New Jersey Board of Public Utilities
Post Office Box 350
44 South Clinton Ave., 9th Floor
Trenton, NJ 08625-0350
frank.perrotti@bpu.state.nj.us

Jerome May, Director
New Jersey Board of Public Utilities
Post Office Box 350
44 South Clinton Ave., 9th Floor
Trenton, NJ 08625-0350
jerome.may@bpu.state.nj.us

Mark Beyer, Chief Economist
New Jersey Board of Public Utilities
Post Office Box 350
44 South Clinton Ave., 9th Floor
Trenton, NJ 08625-0350
mark.beyer@bpu.state.nj.us

Stacy Peterson
New Jersey Board of Public Utilities
Post Office Box 350
44 South Clinton Ave., 9th Floor
Trenton, NJ 08625-0350
stacy.peterson@bpu.state.nj.us

DAG
Babette Tenzer, Esq.
Deputy Attorney General
Division of Law
New Jersey Board of Public Utilities Section
124 Halsey Street
P.O. Box 45029
Newark, New Jersey 07101
babette.tenzer@doj.lps.state.nj.us

BPU's BGS CONSULTANTS
Craig R. Roach
Boston Pacific Company, Inc.
1100 New York Avenue, NW
Suite 490 east
Washington, DC 20005
croach@bostonaacific.com

Frank Mosburg
Boston Pacific Company, Inc.
1100 New York Avenue, NW
Suite 490 east
Washington, DC 20005
fmosgurb@bostonpacific.com

DIVISION OF RATE COUNSEL
Stefanie A. Brand, Esq., Director
Division of Rate Counsel
140 East Front Street, 4th Floor
Post Office Box 003
Trenton, New Jersey 08625
sbrand@rpa.state.nj.us

Ami Morita
Division of Rate Counsel
140 East Front Street, 4th Floor
Post Office Box 003
Trenton, New Jersey 08625
amorita@rpa.state.nj.us

Diane Schulze
Division of Rate Counsel
140 East Front Street, 4th Floor
Post Office Box 003
Trenton, New Jersey 08625
dschulze@rpa.state.nj.us

PSE&G
Alexander C. Stern, Esq.
Assistant General Regulatory Counsel
Law Department
80 Park Plaza, T-05
Newark, New Jersey 07102-4194
alexander.stern@pseg.com

Tony Robinson
Public Service Electric & Gas Co.
80 Park Plaza, T-8
Newark, NJ 07101
Anthony.Robinson@pseg.com

ATLANTIC CITY ELECTRIC CO.
Joseph F. Janocha, Manager,
Regulatory Affairs
Atlantic City Electric Co. – 63ML38
5100 Harding Highway
Atlantic Regional Office
Mays Landing, NJ 08330
joseph.janocha@ppecoholdings.com

Gregory R. Marquis
Pepco Holdings, Inc.
701 Ninth Street NW
Washington, DC 20068-0001
grmarquis@ppeco.com

Philip J. Passanante,
Assistant General Counsel
Atlantic City Electric Co. – 89KS42
800 King Street, 5th Floor
PO Box 231
Wilmington, DE 19899-0231
philip.passanante@ppecoholdings.com

JCP&L
Kevin Connelly
First Energy
300 Madison Avenue
Morristown, NJ 07960
keconnelly@firstenergycorp.com

Gregory Eisenstark
Windels Marx &Mittendorf, LLP
120 Albany Street, 6th Floor
New Brunswick, NJ 08901
gesenstark@windelsmark.com

Sally J Cheong
First Energy
300 Madison Avenue
P. O. Box 1911
Morristown, NJ 07962-1911
scheong@firstenergycorp.com

ROCKLAND
John L. Carley, Esq.
Consolidated Edison Co. of NY
Law Dept., Room 1815-S
4 Irving Place
New York, NY 10003
carleyj@coned.com

James C. Meyer, Esq.
Riker, Danzig, Scherer, Hyland & Perretti
Headquarters Plaza
One Speedwell Avenue
Morristown, NJ 07962
jmeyer@riker.com

William A. Axel, Jr.
Rockland Electric Company
4 Irving Place - 2nd Floor SC
New York, NY 10003
atdlb@coned.com

Margaret Comes, Esq.,
Consolidated Edison Co. of NY
Law Department, Room 1815-S
4 Irving Place
New York, NY 10003
conezm@coned.com

NERA
Gene Meehan
NERA Economic Consulting
1255 23rd St. NW
Washington, DC 20037
Gene.Meehan@NERA.com

Chantalle LaCasse
NERA Economic Consulting
1255 23rd St. NW
Washington, DC 20037
Chantalle.LaCasse@NERA.com
In the Matter of the Provision of Basic Generation Service  
For the Period Beginning June 1, 2015  
Docket No. ER14040370  
Service List

Third Party Suppliers
Murray E. Bevin, Esq.  
Bevin, Mosca, Giuditta & Zarillo, P.C.  
776 Mountain Blvd.  
Suite 202  
Watchung, NJ 07069  
mbevin@bmzdaw.com

Sue Anne I. Harrel  
Pepco Energy Services  
39 Crestview Drive  
Asset Mgmt Group  
Clinton, NJ 08809  
sharrel@pepcoenergy.com

Dana Swieson  
EPEX  
717 Constitution Drive  
Suit 110  
Exton, PA 19341  
dana.swieson@epex.cc

Marc A. Hanks  
Senior Manager, Government & Regulatory Affairs  
Direct Energy Services, LLC  
Marc.Hanks@directenergy.com

Mark S. Kumm  
Pepco Energy Services, Inc.  
1300 N. 17th, Suite 1600  
Arlington, VA 22209  
mkumm@pepcoenergy.com

Stacey Rantala  
National Energy Marketers Association  
3333 K Street, N.W., Suite 110  
Washington, D.C. 20007  
srantala@energymarketers.com

David B. Applebaum  
Director, Regulatory Affairs  
NextEra Energy Resources, LLC  
21 Pardee Place  
Ewing, New Jersey 08628  
david.applebaum@nexteraenergy.com

David Gil  
Manager, Regulatory Affairs  
NextEra Energy Resources, LLC  
700 Universe Boulevard  
Juno Beach, Florida 33408  
david.gil@nexteraenergy.com

Kathleen Maher  
Constellation NewEnergy  
810 Seventh Avenue, Suite 400  
New York, NY 10019-5818  
kathleen.maher@constellation.com

Bob Blake  
VP Elec. Operations & Regulatory Affairs  
MXenergy  
10010 Junction Dr, Suite 104S  
Annapolis Junction, MD 20701  
rblake@mxenergy.com

NJLEUC
Paul F. Forshay, Partner  
SUTHERLAND  
1275 Pennsylvania Avenue, N.W.  
Washington, D.C. 20004-2415  
paul.forshay@sutherland.com

Steven S. Goldenberg, NJLEUC, Esq.  
Fox Rothschild LLP  
Princeton Corporate Center  
997 Lenox Drive, BLDG. 3  
Lawrenceville, NJ 08648-2311  
Sgoldenberg@foxrothschild.com

BGS SUPPLIERS
Steven Gabel - IEPNJ  
Gabel Associates  
417 Denison Street  
Highland Park, NJ 08904  
steven@gabelassociates.com

James Laskey, Esq. - IEPNJ  
Norris McLaughlin & Marcus  
721 Route 202-206  
Bridgewater, NJ 08807  
jlaskey@nmmlaw.com

Mark Baird, Director, Regulatory Affairs  
RRI Energy, Inc.  
7642 West 450 North  
Sharpsville, IN 46068  
m Baird@rrienergy.com

Raymond Depillo  
PSEG Energy Resources & Trade  
80 Park Plaza, T-19  
P.O. Box 570  
Newark, NJ 07101  
raymond.depillo@pseg.com

Shawn P. Leyden, Esq.  
PSEG Energy Resources & Trade  
80 Park Plaza, T-19  
P.O. Box 570  
Newark, NJ 07101  
shawn.leyden@pseg.com

David K. Richter, Esq.  
PSEG  
Regulatory Department  
80 Park Plaza, T-5C  
P.O. Box 570  
Newark, NJ 07101  
drichter@pseg.com

Ken Giferer  
RRI Energy  
RR1 Box 246  
Stahtstown, PA 15687  
kgiferer@rrienergy.com

Craig S. Blume  
Director, Power Marketing  
UGI Energy Services / UGI Development Company  
One Meridian Boulevard, Suite 2C01  
Wynnewood, PA 19096  
cblume@ugi.com

Robert O'Connell,  
VP & Compliance Manager  
J.P. Morgan Ventures Energy Corp.  
1033 Squires Drive  
West Chester, PA, 19382  
orobert.oconnell@jpmorgan.com

Deborah Hart, Vice President  
Morgan Stanley Capital Group  
2000 Westchester Avenue  
Trading Floor  
Purchase, NY 10577  
deborah.hart@morganstanley.com

Marcia Hissong, Director, Contract Administration/Counsel  
DTE Energy Trading, Inc.  
414 South Main Street  
Suite 200  
Ann Arbor, MI 48104  
hissong@dteenergy.com

Don Hubschman  
American Electric Power  
155 W. Nationwide Blvd.  
Columbus, OH 43215  
donhubschman@aepes.com

Christine McGarvey  
AEP Energy Partners, Inc.  
Energy Trader  
155 W Nationwide Blvd  
Suite 500  
Columbus, OH 43215  
cmgarvey@aepes.com

Glenn Riepl  
AEP Energy Services  
1 Riverside Plaza  
14th Floor  
Columbus, OH 43215-2373  
griepl@aep.com

Jean-Paul St. Germain  
Sempra Energy Trading  
58 Commerce Road  
Stamford, CT 06902  
jean-paul.st.germain@rbssempra

Howard O. Thompson - BGS  
Russo Tumulty Nester Thompson LLP  
Kelly, LLP  
240 Cedar Knolls Road  
Suite 306  
Cedar Knolls, NJ 07927  
hthompson@russtumulty.com

For the Period Beginning June 1, 2015  
Docket No. ER14040370  
Service List
In the Matter of the Provision of Basic Generation Service
For the Period Beginning June 1, 2015
Docket No. ER14040370
Service List