

# NOTICE TO PUBLIC SERVICE ELECTRIC AND GAS COMPANY ELECTRIC CUSTOMERS

## NOTICE OF FILING AND PUBLIC HEARINGS FOR BASIC GENERATION SERVICE (BGS) CHARGES PROCURED BY PUBLIC SERVICE ELECTRIC AND GAS COMPANY ON BEHALF OF ITS BGS CUSTOMERS AND

### NOTICE OF PROPOSED RECOVERY THROUGH ITS BGS CHARGES OF COSTS RESULTING FROM STATEWIDE AUCTION FOR BGS

BPU DOCKET NO. ER24030191

**PLEASE TAKE NOTICE** that on July 1, 2024, Public Service Electric and Gas Company (“PSE&G” or “Company”) filed an annual “Proposal for Basic Generation Service (“BGS”) Requirements to be Procured Effective June 1, 2025” with the New Jersey Board of Public Utilities (“Board” or “BPU”), requesting that the Board approve the procurement of BGS through a statewide competitive auction process with new BGS charges to become effective June 1, 2025 (“Petition”). BGS is the default electric generation supply provided to all PSE&G customers who do not purchase their electricity supply from a third-party supplier.

The Board mandates that the New Jersey electric distribution companies (“EDCs”), including PSE&G, provide BGS in accordance with the requirements of the Electric Discount and Energy Competition Act N.J.S.A. 48:3-49, et seq. (“Act”). BGS is currently procured through a statewide competitive auction process in which all of the EDCs seek competitive offers for BGS supply from electric generation suppliers. In this auction process, electric generation suppliers bid in a descending-clock auction on specified portions of the electric requirements for BGS customers for each EDC. Since 2001, the Board has approved this type of auction and found that this process meets the statutory requirements of the Act. The Company’s Petition is available at <https://www.bgs-auction.com/bgs.auction.regproc.asp>.

The final price for such supply, provided under the PSE&G Basic Generation Service – Residential Small Commercial Pricing (“BGS-RSCP”) tariff and resulting from the BGS-RSCP auction conducted in 2024, was \$0.08088 per kilowatt-hour for a thirty-six (36)-month supply period. For supply provided under the Basic Generation Service – Commercial and Industrial Energy Pricing (“BGS-CIEP”) tariff and resulting from the auction conducted in 2024, the Generation Capacity Charge cleared at \$378.21 per MW-day.

The final auction clearing prices for the BGS supply procured in the 2025 BGS-RSCP and BGS-CIEP auctions may be higher or lower than the prices obtained in the 2024 auctions. Auction prices are converted to customer charges, which may be higher or lower than current charges, depending on the outcome of the auction consistent with market conditions. BGS charges also include applicable transmission charges set by the Federal Energy Regulatory Commission (“FERC”). BGS-RSCP and BGS-CIEP charges may change to reflect any increases or decreases in these FERC-approved transmission charges.

As proposed in the Petition, the criteria for BGS-CIEP eligibility would be set at a peak load share of 500 kW. Customer classes eligible to be served under the BGS-RSCP rate would include customers served under PSE&G’s distribution Rate Schedules RS, RHS, RLM, WH, WHS, HS, BPL, BPL-POF, PSAL, GLP and LPL-Secondary with a peak load share of less than 500 kW. Customers served on Rate Schedules HS, GLP and LPL-Secondary may elect to be served at BGS-CIEP as their default supply option. Additionally, PSE&G customers served under distribution Rate Schedules LPL-Primary, HTS-Subtransmission, HTS-Transmission, HTS-High Voltage, and those LPL-Secondary customers with a peak load share of 500 kW or greater are only eligible to be served under BGS-CIEP. These criteria for BGS-CIEP service are subject to change for this year’s procurement at the discretion of the Board.

**PLEASE TAKE FURTHER NOTICE** that a virtual public hearing is scheduled on the following date and time so that members of the public may present their views on the Petition.

#### VIRTUAL PUBLIC HEARING

**Date: Wednesday, September 4, 2024**  
**Time: 4:30 p.m.**

#### Join Microsoft Teams Meeting

There are two options for joining. Either go to this website:  
[www.pseg.com/PSEGpublichearings](http://www.pseg.com/PSEGpublichearings), or go to  
<https://www.microsoft.com/en-us/microsoft-teams/join-a-meeting>  
and enter the following information:

Meeting ID: 992 979 119 781  
Passcode: 3X59PZ

-or-

#### Join by Phone

Dial In: (973) 536-2286  
Phone conference ID: 537 811 425#

When prompted, enter the phone conference ID to access the meeting.

Representatives of the Company, Board Staff, and the New Jersey Division of Rate Counsel will participate in the virtual public hearing. Members of the public are invited to participate by utilizing the link or dial-in information set forth above and may express their views on this filing. All comments will be made part of the final record of the proceeding to be considered by the Board. In order to encourage full participation in this opportunity for public comment, please submit any requests for needed accommodations, such as interpreters and/or listening assistance, at least forty-eight (48) hours prior to the above hearing to the Board Secretary at [board.secretary@bpu.nj.gov](mailto:board.secretary@bpu.nj.gov).

Comments may be submitted directly to the specific docket listed above using the “Post Comments” button on the Board’s Document Search tool, <https://publicaccess.bpu.state.nj.us>. Comments are considered “public documents” for purposes of the State’s Open Public Records Act. Only submit public documents using the “Post Comments” button on the Board’s Public Document Search tool. Any confidential information should be submitted in accordance with the procedures set forth in N.J.A.C. 14:1-12.3. In addition to hard copy submissions, confidential information may be filed electronically via the Board’s e-filing system or by email to the Secretary of the Board, Sherri L. Golden. Please include “Confidential Information” in the subject line of any email. Instructions for confidential e-filing are found on the Board’s webpage, <https://www.nj.gov/bpu/agenda/efiling/>. Please include the docket number listed above to assist in identifying the matter you are commenting on.

Emailed and/or written comments may also be submitted to:

Sherri L. Golden, Secretary of the Board  
44 South Clinton Ave., 1st Floor  
PO Box 350  
Trenton, NJ 08625-0350  
Phone: 609-913-6241  
Email: [board.secretary@bpu.nj.gov](mailto:board.secretary@bpu.nj.gov)

**PLEASE TAKE FURTHER NOTICE** that the Board will conduct an additional legislative-type hearing on Friday September 20, 2024, beginning at 1 p.m., regarding the BGS proposals. It is anticipated that the Board will rule on the EDCs’ BGS proposals shortly thereafter. The Board’s hearing schedules can be found at [nj.gov/bpu](http://nj.gov/bpu).



PUBLIC SERVICE ELECTRIC AND GAS COMPANY