



Corporate Headquarters 340 Jackson Avenue, Bronx, NY 10454
1.844.EC.ENERGY | 718.402.5107 | Fax: 718.402.4336
www.ecpg.com | Serving NY | NJ | DE | MD | PA

October 22, 2019

Secretary Aida Camacho-Welch
New Jersey Board of Public Utilities
44 South Clinton Avenue, 3rd Floor Suite 314
Post Office Box 350
Trenton, NJ 08625-0350

**RE: IN THE MATTER OF THE EXPLORATION OF GAS CAPACITY AND RELATED ISSUES
DOCKET NO. GO19070846**

Dear Secretary Camacho-Welch:

Attached please find the comments of East Coast Gas & Power of New Jersey, LLC in the above referenced proceeding. If you have any questions or comments regarding the enclosed, please do not hesitate to contact me.

Respectfully submitted,

Michael Kowal, Esq.



Official Energy Provider: New York Mets / New Jersey Devils / Brooklyn Nets
Proud Partner: Rutgers Athletics / Hunter Mountain

State of New Jersey
Board of Public Utilities

**Comments of East Coast Gas & Power of New Jersey, LLC in the matter of the Exploration of
Gas Capacity and Related Issues Docket No GO19070846**

I. INTRODUCTION

East Coast Gas & Power of New Jersey, LLC ("East Coast") respectfully submits these comments in the above-referenced proceeding addressing the exploration of Gas Capacity and Related Issues. The Exploration of Gas Capacity and Related Issues by the Board of Public Utilities ("BPU" or "Board") are significant to East Coast as East Coast is a licensed third party supplier ("TPS") in New Jersey and provides potential customers in New Jersey to shop for natural gas supply and includes a variety of commodity options, such as fixed price contracts, and other energy related options and anticipates being able to offer customers with additional alternatives in the future.

East Coast supports the Board's evaluation of Gas Capacity and would encourage the release of assets to TPSs in a transparent and predictable manner. The Board's inquiry highlights some current issues that could affect the ability of New Jersey residents to fully enjoy the benefits of the Choice Programs. East Coast looks forward to further discussion on this matter and working towards reliable, effective solutions that provides for the full enjoyment of benefits for New Jersey's customers and promote the robust, competitive marketplace envisioned by the Choice Programs.

II. COMMENTS

2. TPS Capacity Procurement:

a. Do the TPSs have sufficient firm capacity secured to meet the forecasts for the customers that they serve in New Jersey for the next five years?

East Coast does not maintain excess capacity beyond Customer's contract term, thus keeping costs to the amount needed to service customers safely and reliably. East Coast does maintain substantial firm capacity to meet the needs of its New Jersey customers for the duration of their contracts. A typical residential customer enters into an agreement for the next 12 months after service is enrolled. Commercial customers are more likely to engage for longer term agreements and East Coast evaluates these as a separate class of customer requirements and addresses on an individual agreement basis.

3. Does sufficient pipeline capacity exist within the New Jersey market to satisfy the total customers' requirements currently served by both TPSs and GDCs? Can additional incremental pipeline capacity be obtained to meet the forecasted customer requirements over the next five years? Would this capacity be more expensive than the current capacity?

Sufficient capacity must exist currently as GDCs operate and satisfy supply obligations, along with an additional margin. It is difficult to assess the excess (i) as much of the overall pipeline capacity New Jersey is dedicated to serving points beyond points in New Jersey and (ii) the GDC's control much of the pipeline capacity.

The overall capacity serves not only the GDC capacity, but also the needs of TPS customers. As additional customers engage with TPSs, the release of capacity assets would be beneficial to the marketplace.

4. If the GDCs were made responsible for securing the incremental capacity for the transportation customers, what would be the costs involved and how should they be allocated? What would be the impact of those costs on BGSS customers?

Consideration must be given to developing a capacity allocation that matches both BGSS and TPS requirements. East Coast supports a clear and transparent cost and benefits allocation of released capacity. Customers supplied by TPSs as well as BGSS customers should be sharing in the costs proportionally.

6. What rates have the TPSs charged residential customers over the past three years? How does this compare to what these residential customers would have paid for their natural gas supply if they had been served by their GDC? Did these residential customers save money? Should the TPSs be required to report pricing information to the Board and publicly disclose their prices on a monthly basis?

Generally, there are studies that show that customers can save money by switching to service provided by TPS. Additionally, the TPSs have the ability to provide innovative products that extend beyond basic service and the costs of such service can reflect the additional services. Because TPS do not have access to the same assets that GDCs do and contracts don't perfectly align with the same terms as BGSS any comparison is not completely even between TPS and GDC, it would be difficult to mandate a solution that does not adequately reflect the same services and further supports an equitable distribution of assets that would be appropriate to serve New Jersey Customers.

III. CONCLUSION

East Coast appreciates the Board reviewing this critical matter and looks forward to participating in the process going forward. East Coast believes that the inclusion of these aspects noted above will further deliver to New Jersey consumers the benefits promised by market competition. These comments will further enable the customers to more fully realize the promise of energy competition in New Jersey.



159 20th St., Suite 1B
Brooklyn, NY 11232

P. 212 590 0145

info@feller.law
www.feller.law

Via Email and Regular Mail

October 22, 2019

Secretary Aida Camacho
State of New Jersey
Board of Public Utilities
44 S. Clinton Ave.
9th Floor
P.O. Box 350
Trenton, NJ 08625-0350
energycomments@bpu.nj.gov

**Re: I/M/O The Matter of the Exploration of Gas Capacity and Related Issues
Docket No.: GO19070846**

Dear Secretary Camacho:

Enclosed please find New Jersey Retail Choice Coalition's Comments in the above-referenced proceeding.

If you have any questions or comments regarding the enclosed, please do not hesitate to contact me.

Respectfully,

/s/ Natara G. Feller
Natara G. Feller, Esq.
natarafeller@feller.law
(212) 590-0145
Counsel to New Jersey Retail
Choice Coalition

Enclosures

**STATE OF NEW JERSEY
BOARD OF PUBLIC UTILITIES**

DOCKET NO. GO19070846 – IN THE MATTER OF THE EXPLORATION OF GAS
CAPACITY AND RELATED ISSUES

Comments of the New Jersey Retail Choice Coalition

The New Jersey Retail Choice Coalition (“NJRCC”)¹ submits these comments in response to the Board of Public Utilities’ (“BPU”) notice for comments on gas capacity and related issues (“Notice”).

Below, the NJRCC provides general comments in response to the Notice and seeks to supplement these comments with specific responses to the six issues outlined in the Notice during a reply period. Some of the information required to opine on the issues in the Notice will be provided by interested parties (including the Gas Distribution Utilities (“GDC”)) in response to the Notice. Therefore, the NJRCC respectfully requests that Staff establish a three week reply period for interested parties to fully respond to the questions outlined in the Notice.

The NJRCC supports the BPU’s initiative to explore whether there is sufficient gas capacity to meet New Jersey (“NJ”) customer needs prospectively, along with the benefits that the retail market in New Jersey provides to residential (and commercial) customers. The establishment of a natural gas capacity market in New Jersey is a necessary step towards leveling the playing field among all marketers that serve retail choice customers, which includes TPSs and GDCs. Compared to the electricity market, where both TPSs and Electric Distribution Companies

¹ The New Jersey Retail Choice Coalition is a growing coalition of small to mid-size Third Party Suppliers (“TPS”) working to advance a transparent and fair regulatory environment in New Jersey.

(“EDCs”) acquire their supply from PJM Interconnection, L.L.C., TPSs are at a disadvantage when it comes to acquiring gas supply.

The NJ natural gas retail choice market has evolved since its establishment in 2003. To foster further development of the retail choice market, it is essential to accurately assign the costs associated with the GDC’s dual responsibilities: (i) to ensure adequate resources are in place to meet reliability requirements, and (ii) to act as a supplier of natural gas. To the greatest extent feasible, in its role as supplier, the GDC should be subject to the same rules, costs and market conditions as TPSs.

Without specifically commenting on the sufficiency of pipeline capacity in the New Jersey market to satisfy customers’ requirements, the NJRCC submits that the current total customers’ requirements as well as forecasted customer requirements will be virtually the same whether those customers receive their natural gas supply from TPSs or GDCs. Whether there is sufficient capacity to meet demand is a threshold consideration not directly related to the manner in which capacity (or its costs) is allocated among TPSs and GDCs.

Question 6 of the Notice seeks to examine the rates TPSs charge residential customers as compared to the rates GDCs charge customers. Such an analysis would first require recognition of the fundamental differences between TPS products and services, and those offered by the GDC. For example, many TPSs provide residential customers with value-added products not offered by the GDCs, such as fixed rate products, green product options and white-glove customer service. Competitive markets also drive innovation, which leads to the development of products that enhance energy efficiency and drive down the over all cost residential customers pay to meet their energy needs. With such differences in product offerings, it is neither feasible, nor would it be

accurate, to compare the rates TPSs charged residential customers against the rates GDCs charged residential customers.

In closing, the NJRCC thanks Staff for the opportunity to provide comments, and further requests the establishment of a three (3) week reply period in order to enable party participants to provide complete responses to the questions included in the Notice.

Respectfully submitted,

Natara G. Feller

Natara G. Feller, Esq.
Feller Law Group, PLLC
159 20th St 1B
Brooklyn, NY 11232
Phone: (212) 590-0145
Email: natarafeller@feller.law

Counsel to the New Jersey Retail Choice Coalition

Date: October 22, 2019