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March 21, 2022

VIA ELECTRONIC MAIL ONLY

Hon. Aida Camacho–Welch, Secretary New Jersey Board of Public Utilities 44 South Clinton Avenue, 9th Floor P.O. Box 350 Trenton, NJ 08625-0350 Aida.Camacho@bpu.nj.gov

Re: In the Matter of the Petition of Rockland Electric Company for Approval of

a Zero Emission Certificate Recovery Charge

BPU Docket No.: EO21101188

Dear Secretary Camacho-Welch:

Please accept for filing these comments on behalf of the Division of Rate Counsel ("Rate Counsel") to the following Rockland Electric Company ("RECO" or "company") petition referenced above.

As directed by the Board's Order in Docket No. EO20030254, dated March 19, 2020, Rate Counsel hereby submits this filing via email only to the Board Secretary and service list.

Please acknowledge receipt of these comments. Thank you for your consideration and attention to this matter.

In May 2018 the State of New Jersey established the Zero Emissions Certificate ("ZEC") Program and ordered the Board of Public Utilities ("Board" or "BPU") to create a mechanism for

the issuance of ZECs, which represent "the fuel diversity, air quality and other environmental attributes" of one megawatt-hour of nuclear generation, N.J.S.A. 48:3-87.4, and to create a Zero Emissions Certificate Recovery Charge ("ZEC Charge"). In the enabling legislation New Jersey also directed the New Jersey electric distribution companies ("EDCs") to return excess monies collected in each EDC's separate ZECRC interest-bearing account to its retail distribution customers at the end of each energy year. N.J.S.A. 48:3-87.5 3. j. (2).

On October 19, 2021 RECO filed a letter petition seeking to refund the excess ZECRC collection and corresponding interest over a twelve month period commencing January 1, 2022 via the previously established Return of Excess Collections Credit Rate ("RECCR"), which is a component of the ZECRC. The RECCR is currently set at a credit of \$0.000153 per kWh (excluding Sales and Use Tax ("SUT")). The proposed RECCR is a credit of \$0.000239 per kWh (excluding SUT). RECO Petition, p. 1.

The Company states it will monitor the ZECRC excess collection balance and, as it approaches zero, the Company proposes to file with the Board no later than 30 days prior to making the change effective to set the RECCR to zero. The Company also states that any excess balance remaining at that point will be included in the Company's next RECCR filing. <u>Ibid.</u>

COMMENTS

Rate Counsel has reviewed the petition and discovery responses for this matter and based on the facts and discovery responses specific to this petition does not object to RECO's request to refund the excess of the 2020 Energy Year ZEC collection to its customers over a 12-month period. In addition, Rate Counsel does not object to the proposed adjustment sought to the ZECRC for Energy Year 2022, however it is unclear to Rate Counsel how a compliance filing with a

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thirty day notice would satisfy the Board's statutory public hearing notice requirements if the proposed adjusted rate would lead to an increase in rates.

Respectfully submitted,

BRIAN O. LIPMAN, DIRECTOR DIVISION OF RATE COUNSEL

By: /s/ **Bethany Rocque-Romaine**Bethany Rocque-Romaine, Esq.
Assistant Deputy Rate Counsel

c: Service list (via electronic mail)

I/M/O the Verified Petition of Rockland Electric Company for Approval of a Zero Emissions Certificate Recovery Charge

BPU Docket No.: EO21101188 SERVICE LIST

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