



Rockland Electric Company

**Margaret Comes**  
Associate Counsel  
Law Department

May 12, 2023

Sherri L. Golden, Secretary  
New Jersey Board of Public Utilities  
44 South Clinton Avenue  
3<sup>rd</sup> Floor, Suite 314  
P.O. Box 350  
Trenton, NJ 08625-0350

Re: In the Matter of the Petition of Rockland Electric Company Requesting Approval of a  
Tariff Amendment to Add Basic Generation Service (BGS) Time-of-Use Rates Pursuant  
to N.J.A.C 14:1-5.11 and N.J.A.C 14:3-1.3  
BPU Docket No. ER23030198

Dear Secretary Golden:

Rockland Electric Company (“the Company” or “RECO”) submits these reply comments in response to the comments filed by the New Jersey Division of Rate Counsel (“Rate Counsel”) on May 8, 2023, and in further support of the Company’s March 31, 2023 Filing.

Rate Counsel’s objection to the Company’s cost recovery proposal is that the BGS Reconciliation Charge is not the appropriate mechanism to recover these costs. The Company respectfully disagrees.

The Company made its March 31, 2023 Filing in response to the Board’s November 9, 2022 Order in the 2023 BGS proceeding, BPU Docket No. ER22030127 (the “November 2022 Order”).<sup>1</sup> The Board characterized this filing as creating a “BGS Time-of-Use (‘TOU’) rate.”<sup>2</sup> The Company will incur costs related to this new BGS component, if approved, and set out

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<sup>1</sup> *In the Matter of the Provision of Basic Generation Service (BGS) for the Period Beginning June 1, 2023*, BPU Docket No. ER22030127, Order dated November 9, 2022.

<sup>2</sup> *November 2022 Order* at 15 - 16.

those costs in its response to discovery.<sup>3</sup> The BGS process already has a cost recovery mechanism: the BGS Reconciliation Charge. Therefore, it logically follows that the Company's costs associated with administering a BGS TOU rate should be recovered through the established BGS recovery mechanism.

Additionally, the Company respectfully disagrees with Rate Counsel's conclusion that recovery through the BGS Reconciliation Charge prevents or somehow circumvents review of the Company's costs. Sufficient due process is in place for review.

In light of the above, the Company reiterates its request that it be permitted to recover costs related to the BGS TOU tariff offering through the BGS Reconciliation Charge process, as requested in its March 31, 2023 Filing.

Respectfully submitted,

  
Margaret Comes

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<sup>3</sup> In response to S-RECO-REC-1, RECO responded as to costs: "The estimated cost to implement the revised tariff is \$55,000. This total cost includes: end to end use process, configuration, build, testing, implementation and promotion. The costs would flow through the quarterly BGS reconciliation charge. The costs will be reflected in the line item 'Other' under the BGS Costs Supply section. These costs will be recovered under the BGS-RSCP reconciliation."