



STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Avenue, 3rd Floor, Suite 314
Post Office Box 350
Trenton, New Jersey 08625-0350
www.nj.gov/bpu/

STATE ENERGY OFFICE

IN THE MATTER OF THE IMPLEMENTATION OF <u>L.</u>)	ORDER INITIATING THE
2018, <u>c.</u> 16 REGARDING THE ESTABLISHMENT OF A)	ZERO EMISSION
ZERO EMISSION CERTIFICATE PROGRAM FOR)	CERTIFICATE PROGRAM,
ELIGIBLE NUCLEAR POWER PLANTS)	DESIGNATING
)	COMMISSIONER, AND
)	SETTING MANNER OF
)	SERVICE AND BAR DATE
)	
)	DOCKET NO. EO18080899

Parties of Record:

Matthew Weissman Esq., Public Service Electric and Gas Company
Gregory Eisenstark, Esq., Windels Marx Lane & Mittendorf, LLP on behalf of Jersey Central Power and Light Company
Margaret Comes, Esq., for Rockland Electric Company
Philip J. Passanante, Esq., for Atlantic City Electric Company
Robert H. Oostdyk, Jr., Esq., for Butler Power and Light
Stefanie A. Brand, Esq., Director, New Jersey Division of Rate Counsel

BY THE BOARD:¹

BACKGROUND

On May 23, 2018, Governor Phil Murphy signed into law L. 2018, c. 16 (C. 48:3-87.3 to -87.7) ("Act"). The Act requires the New Jersey Board of Public Utilities ("Board") to create a program and mechanism for the issuance of Zero Emission Certificates ("ZECs"), each of which represents the fuel diversity, air quality, and other environmental attributes of one megawatt-hour of electricity generated by an eligible nuclear power plant selected by the Board to participate in the program. Under the program, certain eligible nuclear energy generators in the Pennsylvania Jersey Maryland, Inc. ("PJM") footprint may be approved to provide ZECs for the State's energy supply, which in turn will be purchased by the state's Electric Distribution

¹ Commissioner Robert M. Gordon did not participate.

Companies (“EDCs”). The Act identifies the steps required to establish this program, including program logistics, funding, costs, application, eligibility requirements, selection process, and the timelines associated with each aspect of the legislation.

The Act requires that the Board complete a proceeding within 180 days after the date of enactment of the Act, i.e., by November 19, 2018, to allow for the commencement of a ZEC program. In the proceeding, the Board shall – after notice, the opportunity for comment, and public hearings – issue an order establishing a ZEC program for selected nuclear power plants. The Board’s Order shall include but need not be limited to: (i) a method and application process for determination of the eligibility and selection of nuclear power plants; and (ii) establishment of a mechanism for each EDC to purchase ZECs from selected nuclear power plants. See N.J.S.A. 48:3-87.5(b).

The Act also requires that the Board complete a proceeding to certify applicant nuclear power plants as eligible for the program, and to establish a rank-ordered list of the nuclear power plants eligible to be selected to receive ZECs. This proceeding must be completed no later than 330 days after the date of enactment of the Act, i.e., April 18, 2019, after notice, the opportunity for comment, and public hearing. See N.J.S.A. 48:3-87.5(d).

In addition, within 150 days after the date of enactment of the Act, i.e., by October 22, 2018, the Act requires each EDC to file with the Board a tariff to recover from its retail distribution customers a charge in the amount of \$0.004 per kilowatt-hour, which, according to the Act, reflects the emissions avoidance benefits associated with the continued operation of selected nuclear power plants. The Act provides that the Board shall approve the appropriate tariff after notice, the opportunity for comment, and public hearings, within 60 days after the EDCs’ tariffs are filed. See N.J.S.A. 48:3-87.5(j).

DISCUSSION

Under the Act, the Board is responsible for creating and administering the ZEC program. Consistent with the Act, the Board now seeks to afford stakeholder input on the method and application process for determining the eligibility and selection of nuclear power plants, and establishment of a mechanism for each EDC to purchase ZECs from selected nuclear power plants. This process will include stakeholder meetings to review the legislative requirements, soliciting and reviewing stakeholder comments, and ultimately the creation of a ZEC application and selection process.

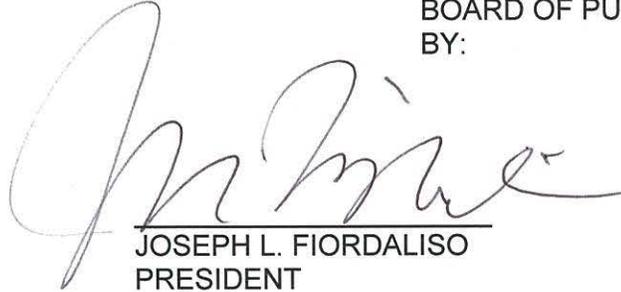
Therefore, in compliance with the Act’s mandates to initiate a ZEC program, the Board **HEREBY DIRECTS** Board Staff (“Staff”) to facilitate the establishment of a ZEC application process and related Act activities, and take all necessary steps required per the Act, including scheduling public hearings, establishing a comment process, and preparing for consideration by the Board a completed application process by November 19, 2018. The Board additionally **HEREBY DIRECTS** the EDCs to file tariffs in compliance with the Act by October 22, 2018, for approval by the Board. Additionally, the Board **HEREBY DESIGNATES** President Joseph L. Fiordaliso as the presiding officer, who is authorized to rule on all motions that arise during the pendency of final Board action as required under the Act and modify any schedules that may be set as necessary to secure a just and expeditious determination of the issues. Further, the Board **HEREBY DIRECTS** that any entities seeking to intervene or participate in the tariff portion of this matter file the appropriate application with the Board by October 23, 2018.

Also, in the interests of economy, all parties are **HEREBY DIRECTED** to serve all documents electronically, while still providing hard copies to the Board for those documents that must be filed with the Board, and providing hard copies to parties who specifically request them. Finally, the Board **HEREBY DIRECTS** Staff to post this Order on the Board's website.

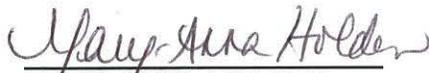
The effective date of this Order is September 8, 2018.

DATED: 8/29/18

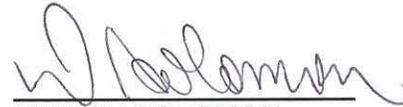
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BY:



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MARY-ANNA HOLDEN
COMMISSIONER



DIANNE SOLOMON
COMMISSIONER



UPENDRA J. CHIVUKULA
COMMISSIONER

ATTEST: 
AIDA CAMACHO-WELCH
SECRETARY

I HEREBY CERTIFY that the within document is a true copy of the original in the files of the Board of Public Utilities.

IN THE MATTER OF THE IMPLEMENTATION OF L. 2018, C. 16 REGARDING THE
ESTABLISHMENT OF A ZERO EMISSION CERTIFICATE PROGRAM FOR ELIGIBLE
NUCLEAR POWER PLANTS ORDER INITIATING THE ZERO EMISSION CERTIFICATE
PROGRAM, DESIGNATING COMMISSIONER, SETTING MANNER OF SERVICE
DOCKET NO. EO18080899

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