

163 Madison Avenue, Suite 220-8 Morristown, NJ 07960 (P) 908.753.8300 (F) 908.753.8301

WWW.BMG.LAW

MURRAY E. BEVAN mbevan@bmg.law

January 31, 2024

VIA E-FILING & E-MAIL

Sherri L. Golden, Board Secretary New Jersey Board of Public Utilities 44 South Clinton Avenue, 1st Floor Post Office Box 350 Trenton, New Jersey 08625-0350

Re: In the Matter of the Verified Petition of Jersey Central Power & Light Company For Review and Approval of an Infrastructure Investment Program II -"EnergizeNJ" (BPU Docket No. EO23110793)

Dear Secretary Golden,

On behalf of our client, Commercial Metals Company ("CMC"), enclosed please find CMC's Reply to Rate Counsel's Opposition to CMC's Motion to Intervene in the above docket.

Please do not hesitate to contact me if you have any questions.

Very truly yours,

I_ J.

Murray E. Bevan

Enclosures

cc: Service List (via e-mail w/ enc.) Mark Zimmerman, CMC (via e-mail w/ enc.)

STATE OF NEW JERSEY BOARD OF PUBLIC UTILITIES

)

)

)

In the Matter of the Verified Petition of Jersey Central Power & Light Company For Review and Approval of an Infrastructure Investment Program II ("EnergizeNJ")

BPU Docket No. EO23110793

CMC's Reply to Rate Counsel's Opposition to CMC's Motion to Intervene

Commercial Metals Company ("CMC") hereby replies to Rate Counsel's opposition to CMC's motion to intervene in the above referenced matter.

1. Rate Counsel appears to be arguing that JCP&L's proposed IIP program will not impact

CMC because it is focused on the safety, reliability and resiliency of JCP&L's distribution system rather than the transmission system.

- 2. CMC is takes service from JCP&L's GT rate class.
- 3. As stated in CMC's motion, JCP&L proposes to allocate at least \$229,625 of the IIP

revenue requirement to the GT rate class. See JCP&L EnergizeNJ petition at Schedule CAP-3.

4. Although CMC, like all customers in the GT rate class, receives electric service from

JCP&L at transmission level voltage, it is required by JCP&L's tariff to pay distribution charges.

5. Specifically, the GT rate class is required by JCP&L's current tariff to pay the following distribution charges shown in the tariff screenshot below.¹

¹ See page 23 of JCP&L's current Part III Tariff, available at:

https://www.firstenergycorp.com/content/dam/customer/Customer%20Choice/Files/New%20Jersey/tariffs/BPU13-Part-III-January%201%202024.pdf

JERSEY CENTRAL POWER & LIGHT COMPANY

BPU No. 13 ELECTRIC - PART III

6th Rev. Sheet No. 22 Superseding 5th Rev. Sheet No. 22

Service Classification GT General Service Transmission

APPLICABLE TO USE OF SERVICE FOR: Service Classification GT is available for general service purposes for commercial and industrial customers.

CHARACTER OF SERVICE: Three-phase service at transmission voltages.

RATE PER BILLING MONTH (All charges include Sales and Use Tax as provided in Rider SUT): All charges are applicable to Full Service Customers. All charges, excluding Basic Generation Service (default service), are applicable to Delivery Service Customers.

BASIC GENERATION SERVICE (default service):

- 1) BGS Energy, Capacity and Reconciliation Charges as provided in Rider BGS-CIEP (Basic Generation Service – Commercial Industrial Energy Pricing).
- 2) Transmission Charge: \$0.006604 per KWH for all KWH \$0.001986 per KWH for all KWH High Tension Service

DELIVERY SERVICE (Customer and Distribution charges include Corporation Business Tax as provided in Rider CBT):

- Customer Charge: \$ 264.96 per month
- 2) Distribution Charge:

KW Charge: (Demand Charge)

- \$ 4.13 per maximum KW
- \$ 1.10 per KW High Tension Service Credit
- \$ 2.74 per KW DOD Service Credit

KW Minimum Charge: (Demand Charge)

 \$ 1.25 per KW Minimum Charge
 \$ 0.82 per KW DOD Service Credit
 \$ 0.52 per KW Minimum Charge Credit

 KVAR Charge: (Kilovolt-Ampere Reactive Charge)

 \$ 0.41 per KVAR based upon the 15-minute integrated KVAR demand which occurs coincident with the maximum on-peak KW demand in the current billing month (See Part II, Section 5.05)

 KWH Charge:

 \$ 0.002833 per KWH for all KWH on-peak and off-peak
 \$ 0.001005 per KWH High Tension Service Credit
 \$ 0.001841 per KWH DOD Service Credit

6. CMC is required to pay distribution charges that are similar to these amounts since it is in

a subset of the GT rate class.

7. Since CMC is a large volume customer of electricity from JCP&L and pays distribution

charges, it will be impacted by this IIP proceeding.

8. Rate Counsel also argues that the rates applicable to CMC and other customers will not be decided in this IIP proceeding but will instead be decided in a JCP&L base rate case, and therefore Rate Counsel believes it is unnecessary for CMC to intervene in the IIP proceeding.

9. However, the Board has previously granted intervention to customers like CMC in other IIP proceedings as those IIP proceedings did impact the cost of electric and gas service for those customers. For example, on March 12, 2009, the Board granted the motion to intervene filed by CMC's predecessor, Gerdau, in a prior JCP&L IIP proceeding.² Gerdau argued in its motion that it owns and operates a steelmaking facility in Sayreville that is served by JCP&L and is one of the largest customers in JCP&L's system. Gerdau also argued that as a significant electricity customer, it has an interest in the level and recovery of proposed intrastate project costs that is not adequately represented by any other party in the proceeding. Those arguments are also applicable to CMC which purchased the Gerdau steelmaking facility. The Board also granted intervention in that proceeding to the New Jersey Large Energy Users Coalition ("NJLEUC"), which is a group of large commercial and industrial customers.

10. In addition, on November 22, 2018, the Board granted intervention in another prior JCP&L IIP proceeding to NJLEUC who argued that the outcome of the IIP proceeding would have an impact on the cost of electric service for its members.³

² Order Granting Motions For Intervention And Admission Pro Hac Vice (March 12, 2009), I/M/O The Proceeding For Infrastructure Investment And A Cost Recovery Mechanism For Gas & Electric Utilities; In The Matter Of The Verified Petition Of Jersey Central Power & Light Company For An Economic Stimulus Infrastructure Investment Program And Associated Cost Recovery Mechanism (BPU Docket Nos. EO09010049, EO09010055).

³ See Prehearing Order with Procedural Schedule and Order On Motions To Intervene or Participate and For Admission Pro Hac Vice (November 22, 2018), I/M/O The Verified Petition of Jersey Central Power & Light Company for Approval of an Infrastructure Investment Program (Reliability Plus) (BPU Docket No. EO18070728).

11. Similarly, on March 3, 2022, the Board granted intervention to NJLEUC in PSE&G's IIP proceeding.⁴ NJLEUC made the same arguments about the impact of the IIP on the cost of electric and gas service for its members in its motion to intervene in that proceeding.

Therefore, CMC respectfully requests the Board (1) grant it full procedural and substantive rights as an intervenor in this matter pursuant to N.J.A.C. 1:1-16.1 et seq., and (2) order such further relief in connection therewith as the Board deems reasonable and just.

By:

Murray E. Bevan Bevan, Mosca & Giuditta, P.C. 163 Madison Avenue, Suite 220-8 Morristown, NJ 07960 Tel: (908) 753-8300 Fax: (908) 753-8301 Email: mbevan@bmg.law

Counsel for Commercial Metals Company

Dated: January 31, 2024

⁴ See Prehearing Order With Procedural Schedule And Order On Motions To Intervene Or Participate And For Admission Pro Hac Vice (March 3, 2022), I/M/O The Petition Of Public Service Electric And Gas Company For Approval Of An Infrastructure Advancement Program (IAP) (BPU Docket Nos. EO21111211 AND GO21111212).

SERVICE LIST

Board of Public Utilities

Sherri L. Golden Secretary of the Board board.secretary@bpu.nj.gov

Robert Brabston, Esq., Executive Director robert.brabston@bpu.nj.gov

Stacy Peterson, Deputy Executive Director stacy.peterson@bpu.nj.gov

Michael Beck, General Counsel Michael.beck@bpu.nj.gov

Carol Artale, Esq. carol.artale@bpu.nj.gov

Heather Weisband heather.weisband@bpu.nj.gov

David Brown david.brown@bpu.nj.gov

Nisa Rizvi nisa.rizvi@bpu.nj.gov

Dean Taklif dean.taklif@bpu.nj.gov

Dari Urban dari.urban@bpu.nj.gov

Cindy Bianco cindy.bianco@bpu.nj.gov

Division of Rate Counsel Brian Lipman, Esq., Director blipman@rpa.nj.gov

T. David Wand, Esq. <u>dwand@rpa.nj.gov</u>

Robert Glover, Esq. rglover@rpa.nj.gov

Bethany Rocque-Romaine, Esq. bromaine@rpa.nj.gov

Carlena Morrison <u>cmorrison@rpa.nj.gov</u> Division of Law Pamela Owen, ASC DAG pamela.owen@law.njoag.gov

Daren Eppley, SC DAG daren.eppley@law.njoag.gov

Steven A. Chaplar, DAG steven.chaplar@law.njoag.gov

Matko Ilic, DAG matko.Ilic@law.njoag.gov

Jersey Central Power & Light Mark A. Mader mamader@firstenergycorp.com

James O'Toole jotoole@firstenergycorp.com

Carol Pittavino cpittavino@firstenergycorp.com

James A. Meehan, Esq. jameehan@firstenergycorp.com

Tori Giesler, Esq. tgiesler@firstenergycorp.com

Gregory Eisenstark geisenstark@cozen.com

Michael Connolly mconnolly@cozen.com

William Lesser wlesser@cozen.com

Lisa Gurkas lgurkas@cozen.com