



Rockland Electric Company
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February 14, 2025

Honorable Sherri L. Lewis
Secretary of the Board
State of New Jersey Board of Public Utilities
44 South Clinton Avenue, 1st Floor
PO Box 350
Trenton, New Jersey 08625-0350

Re: Rockland Electric Company
Quarterly BGS Reconciliation Charges Effective March 1, 2025
BPU Docket No. ER23030124

Dear Secretary Lewis:

Rockland Electric Company ("RECO" or the "Company") hereby submits for filing with the New Jersey Board of Public Utilities ("Board") 84th Revised Leaf No. 54 reflecting revisions to its Schedule for Electric Service B.P.U. No. 3 – Electricity (the "Electric Tariff").

This leaf is issued on February 14, 2025, with an effective date of March 1, 2025, and is filed in accordance with RECO's Board-approved Company Specific Addendum Compliance Filing for Basic Generation Service ("BGS") dated November 9, 2011, which requires the Company to calculate a reconciliation charge (ϕ /kWh) to reconcile differences between BGS supply costs and BGS revenues from customers for BGS service. As per General Information Section No. 31 of the Electric Tariff, separate reconciliation charges will be determined for BGS Residential Small Commercial Pricing ("RSCP") customers and BGS Commercial and Industrial Energy Pricing ("CIEP") customers. The reconciliation charges shall be computed quarterly and filed with the Board not less than fifteen days prior to the date on which the charges are proposed to become effective. The BGS reconciliation charges are set to reconcile differences between BGS costs and revenues for the period November 2024 through January 2025.

Included is a copy of the workpapers used to determine the BGS reconciliation charges effective March 1, 2025.

In this quarter, RECO calculated BGS RSCP reconciliation charges that exceeded the two cents per kWh (including sales and use tax) credit/charge limit. Therefore, RECO will defer a balance of \$68,719 for future disposition. For the BGS CIEP reconciliation rate that became effective December 1, 2024, the Company had deferred a total CIEP under-collection of \$8,400 for future disposition. In this filing RECO proposes to recover this deferred balance from BGS CIEP customers. In addition, the Company proposes to recover, from BGS CIEP customers, \$411,800 of the deferred remaining balance of \$436,887 related to the inadvertent application of retail access related PJM transmission credits received by the Company.¹ The Company

¹ The BGS Reconciliation Charge Filing letter dated November 15, 2024 erroneously states \$463,070 instead of \$436,887 as the remaining PJM deferred remaining balance.

proposes to defer collection of the remaining \$25,087 balance to a future BGS CIEP reconciliation filing.

Please note that the Company is making this filing solely in electronic form pursuant to the Board's directive in its Emergency Order dated March 19, 2020 in BPU Docket No. EO20030254.

Questions regarding this filing can be directed to Yan Flishenbaum at (212) 460-4627.

Sincerely,

/s/ William A. Atzl, Jr.

Director – Rate Engineering

ROCKLAND ELECTRIC COMPANY
BGS Reconciliation Charges
For the Three-month Period March 1, 2025 through May 31, 2025

	<u>BGS - RSCP</u>	<u>BGS - CIEP</u>
Estimated Mar 2025 - May 2025 Sales	202,047,258	18,430,740
BGS Costs	\$23,026,918	\$1,660,178
BGS Revenue (excluding SUT)	<u>19,684,653</u>	<u>1,737,515</u>
(Over)/Under Recovery	\$3,342,265	(\$77,336)
Transmission Surcharge (Over)/Under Collection	451,408	2,310
Interest on (Over)/Under Collections	65,123	566
Mitigation of Rec Charge	(68,719)	0
Recovery of mitigation from Prior Rec Charge ¹	<u>0</u>	<u>420,200</u>
Total (Over)/Under Recovery incl Trans Surch	\$3,790,077	\$345,740
<u>Determination of March 1, 2025 through May 31, 2025 BGS Reconciliation Charges</u>		
(Over)/Under Recovery incl Trans Surch	\$3,790,077	\$345,740
kWh to be billed at Rec Charge effective Mar 2025	202,047,258	18,430,740
Reconciliation Charge ¢/kWh	1.876	1.876
Reconciliation Charge ¢/kWh (including SUT)	6.6250% 2.000	2.000

¹ Includes recovery of PJM related transmission credits inadvertently applied in prior BGS Reconciliation Charges. Please see the filing letter dated November 15, 2024 for further details.

ROCKLAND ELECTRIC COMPANY
BGS Reconciliation Charges
Over/(Under) Collection For the month of November 2024

Costs/Revenue Detail

BGS Costs		
<u>Supply</u>		
PJM	7,739,093	255,793
True-up Adj.	(42,627)	<u>0</u>
PJM (incl adj. excl Trans Surch)	7,696,466	255,793
NYISO	204,854	
Other		
Subtotal BGS Supply Cost	7,901,320	255,793
<u>Reconciliation</u>		
November 2024 (projected)	(143,368)	461,563
Total BGS Costs	7,757,952	717,356

BGS Revenue		
<u>Supply</u>		
BGS Billed Revenue (excluding SUT)	5,875,935	270,899
Unbilled	225,980	11,930
Prior Period Adjustment		-
DSSAC		
Adjustments		
Subtotal BGS Supply Revenue	6,101,916	282,829
<u>Reconciliation</u>		
November 2024 (actual)	(110,166)	57,643
BGS Revenue (excluding SUT)	5,991,749	340,472

Transmission Surcharge		
Trans Surch Costs	1,399,907	59,670
Trans Surch Revenue	1,053,588	42,197
Trans Surcharge (Over)/Under Collection	346,318	17,473

Analysis of (Over)/Under recoveries

	<u>Cost</u>	<u>Revenue*</u>	<u>(Over)/Under</u>
BGS-RSCP			
Current	7,901,320	6,101,916	1,799,405
Reconciliation	(143,368)	(110,166)	(33,202)
<u>Trans Surcharge</u>	<u>1,399,907</u>	<u>1,053,588</u>	<u>346,318</u>
Total	9,157,859	7,045,338	2,112,521
BGS-CIEP			
Current	255,793	282,829	(27,036)
Reconciliation	461,563	57,643	403,920
<u>Trans Surcharge</u>	<u>59,670</u>	<u>42,197</u>	<u>17,473</u>
Total	777,026	382,669	394,357

* Does not include adjustment for Bill Groups 19 and 20

ROCKLAND ELECTRIC COMPANY
BGS Reconciliation Charges
Over/(Under) Collection For the month of December 2024

Costs/Revenue Detail

BGS Costs		
<u>Supply</u>		
PJM	6,312,647	306,652
True-up Adj.	(124,887)	<u>0</u>
PJM (incl adj. excl Trans Surch)	6,187,760	306,652
NYISO	1,715,000	
Other		
Subtotal BGS Supply Cost	7,902,760	306,652
<u>Reconciliation</u>		
December 2024 (projected)	(787,251)	122,179
Total BGS Costs	7,115,509	428,831

BGS Revenue		
<u>Supply</u>		
BGS Billed Revenue (excluding SUT)	7,056,852	625,811
Unbilled	134,721	12,146
Prior Period Adjustment		
DSSAC		
Adjustments		
Subtotal BGS Supply Revenue	7,191,573	637,957
<u>Reconciliation</u>		
December 2024 (actual)	(737,172)	187,536
BGS Revenue (excluding SUT)	6,454,401	825,493

Transmission Surcharge		
Trans Surch Costs	1,293,415	55,494
Trans Surch Revenue	1,279,854	80,904
Trans Surcharge (Over)/Under Collection	13,561	(25,410)

Analysis of (Over)/Under recoveries

	<u>Cost</u>	<u>Revenue*</u>	<u>(Over)/Under</u>
BGS-RSCP			
Current	7,902,760	7,191,573	711,187
Reconciliation	(787,251)	(737,172)	(50,079)
<u>Trans Surcharge</u>	<u>1,293,415</u>	<u>1,279,854</u>	<u>13,561</u>
Total	8,408,924	7,734,255	674,669
BGS-CIEP			
Current	306,652	637,957	(331,305)
Reconciliation	122,179	187,536	(65,358)
<u>Trans Surcharge</u>	<u>55,494</u>	<u>80,904</u>	<u>(25,410)</u>
Total	484,325	906,397	(422,072)

* Does not include adjustment for Bill Groups 19 and 20

ROCKLAND ELECTRIC COMPANY
BGS Reconciliation Charges
Over/(Under) Collection For the month of January 2025

Costs/Revenue Detail

BGS Costs		
<u>Supply</u>		
PJM	6,257,402	390,642
True-up Adj.	<u>390,364</u>	<u>0</u>
PJM (incl adj. excl Trans Surch)	6,647,765	390,642
NYISO	2,280,112	
Other (BGS Labor Costs)	<u>12,830</u>	<u>1,170</u>
Subtotal BGS Supply Cost	8,940,707	391,813
<u>Reconciliation</u>		
January 2025 (projected)	(787,251)	122,179
Total BGS Costs	8,153,456	513,991

BGS Revenue		
<u>Supply</u>		
BGS Billed Revenue (excluding SUT)	8,136,308	364,188
Unbilled	(21,014)	131,129
Prior Period Adjustment		-
DSSAC		
Adjustments		
Subtotal BGS Supply Revenue	8,115,294	495,317
<u>Reconciliation</u>		
January 2025 (actual)	(876,792)	76,232
BGS Revenue (excluding SUT)	7,238,502	571,549

Transmission Surcharge		
Trans Surch Costs	1,577,321	55,887
Trans Surch Revenue	1,485,792	45,641
Trans Surcharge (Over)/Under Collection	91,529	10,246

Analysis of (Over)/Under recoveries

	<u>Cost</u>	<u>Revenue*</u>	<u>(Over)/Under</u>
BGS-RSCP			
Current	8,940,707	8,115,294	825,413
Reconciliation	(787,251)	(876,792)	89,541
<u>Trans Surcharge</u>	<u>1,577,321</u>	<u>1,485,792</u>	<u>91,529</u>
Total	9,730,777	8,724,295	1,006,483
BGS-CIEP			
Current	391,813	495,317	(103,505)
Reconciliation	122,179	76,232	45,947
<u>Trans Surcharge</u>	<u>55,887</u>	<u>45,641</u>	<u>10,246</u>
Total	569,879	617,190	(47,311)

* Does not include adjustment for Bill Groups 19 and 20

ROCKLAND ELECTRIC COMPANY
BGS Reconciliation Charges
Calculation of Interest

(1) Calculation of Interest Rates

	<u>Dec-24</u>	<u>Jan-25</u>	<u>Feb-25</u>	<u>Mar-25²</u>	<u>Apr-25²</u>
(a) IR for 1st of the Month ¹	4.17%	4.25%	4.22%	4.22%	4.22%
60 Basis Point Added	<u>0.60%</u>	<u>0.60%</u>	<u>0.60%</u>	<u>0.60%</u>	<u>0.60%</u>
Total Interest Rate	4.77%	4.85%	4.82%	4.82%	4.82%
(b) RECO Overall Rate of Return	7.08%	7.08%	7.08%	7.08%	7.08%
(c) Min of (a) and (b)	4.77%	4.85%	4.82%	4.82%	4.82%
(d) Monthly IR (divided by 12)	0.40%	0.40%	0.40%	0.40%	0.40%

(2) Calculation of BGS - RSCP Interest³

		<u>Dec-24</u>	<u>Jan-25</u>	<u>Feb-25</u>	<u>Mar-25</u>	<u>Apr-25</u>	<u>Total</u>
	(Over)/Under						
Nov-24	\$2,112,521	\$8,450	\$8,450	\$8,450	\$8,450	\$8,450	\$42,250
Dec-24	674,669		2,699	2,699	2,699	2,699	10,795
Jan-25	1,006,483			<u>4,026</u>	<u>4,026</u>	<u>4,026</u>	<u>12,078</u>
		\$8,450	\$11,149	\$15,175	\$15,175	\$15,175	\$65,123

(3) Calculation of BGS - CIEP Interest³

		<u>Dec-24</u>	<u>Jan-25</u>	<u>Feb-25</u>	<u>Mar-25²</u>	<u>Apr-25²</u>	<u>Total</u>
	(Over)/Under						
Nov-24	\$394,357	\$1,577	\$1,577	\$1,577	\$1,577	\$1,577	\$7,887
Dec-24	(422,072)		(1,688)	(1,688)	(1,688)	(1,688)	(6,753)
Jan-25	(47,311)			<u>(189)</u>	<u>(189)</u>	<u>(189)</u>	<u>(568)</u>
		\$1,577	(\$111)	(\$300)	(\$300)	(\$300)	\$566

Notes:

- (1) Interest Rate = Fed Reserve US Treasury Securities at two year constant maturity on 1st business day of month.
- (2) March and April interest rates assumed to be equal to February 2025 interest rate.
- (3) Interest is calculated assuming recovery will occur in the middle of the quarterly period (i.e., April 2025).

ROCKLAND ELECTRIC COMPANY
BGS Reconciliation Charges
True Up of Interest for December 2024 and January 2025 Estimates

(1) Calculation of Interest Rates - Actual from Prior Quarter's Filing

	<u>Sep-24</u>	<u>Oct-24</u>	<u>Nov-24</u>	<u>Dec-24</u>	<u>Jan-25</u>
(a) IR for 1st of the Month ¹	3.88%	3.61%	4.21%	4.17%	4.25%
60 Basis Point Added	<u>0.60%</u>	<u>0.60%</u>	<u>0.60%</u>	<u>0.60%</u>	<u>0.60%</u>
Total Interest Rate	4.48%	4.21%	4.81%	4.77%	4.85%
(b) RECO Overall Rate of Return	7.08%	7.08%	7.08%	7.08%	7.08%
(c) Min of (a) and (b)	4.48%	4.21%	4.81%	4.77%	4.85%
(d) Monthly IR (divided by 12)	0.37%	0.35%	0.40%	0.40%	0.40%

(2) Calculation of BGS - RSCP Interest²

		<u>Sep-24</u>	<u>Oct-24</u>	<u>Nov-24</u>	<u>Dec-24</u>	<u>Jan-25</u>	<u>Total</u>
	(Over)/Under						
Aug-24	(\$1,951,243)	(\$7,220)	(\$6,829)	(\$7,805)	(\$7,805)	(\$7,805)	(\$37,464)
Sep-24	(\$676,535)		(2,368)	(2,706)	(2,706)	(2,706)	(10,486)
Oct-24	\$308,367			<u>1,233</u>	<u>1,233</u>	<u>1,233</u>	<u>3,700</u>
		(\$7,220)	(\$9,197)	(\$9,278)	(\$9,278)	(\$9,278)	(\$44,250)
						Estimated Interest from Last Quarter's Filing	<u>(44,250)</u>
						Delta	0

(3) Calculation of BGS - CIEP Interest²

		<u>Sep-24</u>	<u>Oct-24</u>	<u>Nov-24</u>	<u>Dec-24</u>	<u>Jan-25</u>	<u>Total</u>
	(Over)/Under						
Aug-24	\$137,120	\$507	\$480	\$548	\$548	\$548	\$2,633
Sep-24	(\$96,329)		(337)	(385)	(385)	(385)	(1,493)
Oct-24	\$328,970			<u>1,316</u>	<u>1,316</u>	<u>1,316</u>	<u>3,948</u>
		\$507	\$143	\$1,479	\$1,479	\$1,479	\$5,087
						Estimated Interest from Last Quarter's Filing	<u>5,087</u>
						Delta	(0)

Notes:

(1) Interest Rate = Fed Reserve US Treasury Securities at two year constant maturity on 1st business day of month.

(2) Interest is calculated assuming recovery will occur in the middle of the quarterly period (i.e., January 2025).

GENERAL INFORMATION

No. 31 BASIC GENERATION SERVICE (“BGS”) (Continued)

(4) BGS Reconciliation Charges

Separate BGS-RSCP and BGS-CIEP reconciliation charges shall be computed quarterly and assessed on all BGS-RSCP and BGS-CIEP customers. The billing quarters shall be defined as the three-month periods beginning March, June, September, and December. The reconciliation charges shall recover the differences, including interest, between amounts paid to BGS suppliers and BGS revenue for the preceding quarter for the applicable BGS supply. The BGS Reconciliation Charges will also include recovery of transmission charge retail rate revenue for the period August 30, 2022 through December 31, 2023 resulting from the increase in the PJM Open Access Transmission Tariff (“OATT”) Schedule H-12 revenue requirement and the decrease in the Company’s PJM OATT Schedule 1A scheduling, system control, and dispatch rate approved by FERC on October 24, 2023 in FERC Docket Nos. ER22-910-000 and ER22-910-002. The BGS-CIEP Reconciliation Charge will also include any Direct Current Fast Charging (“DCFC”) Per-Plug program incentives paid out to participating customers. For any given quarter, the reconciliation charges shall not exceed a charge or a credit of 2.0 cents per kWh, including SUT. In the event the 2.0 cents per kWh limit is imposed, any remaining over- or under-collection balance shall be included in the subsequent quarter’s reconciliation charges to the extent possible within the 2.0 cents per kWh limitation. Interest will be calculated as determined by the Board in its Order dated February 6, 2009 in Docket Number ER08050310.

These charges include all applicable taxes and are charged on a monthly basis for all usage billed in the month indicated.

BGS-RSCP Reconciliation Charge.....	2.000 ¢/kWh
BGS-CIEP Reconciliation Charge	2.000 ¢/kWh

In accordance with Rider SUT, the above charges include provision for the New Jersey Sales and Use Tax. When billed to customers exempt from this tax, as set forth in Rider SUT, such charges will be reduced by the relevant amount of such tax included therein.

The BGS Reconciliation Charges shall be filed with the Board not less than fifteen days prior to the date on which they are proposed to become effective.

ISSUED: February 14, 2025

EFFECTIVE: March 1, 2025

ISSUED BY: Michele O’Connell, President
Mahwah, New Jersey 07430

Filed pursuant to Order of the Board of Public Utilities, State of New Jersey, dated February 8, 2024 in Docket No. ER23030124.