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To: Third-Party Suppliers (TPS) and Electric Distribution Companies (EDCs) on behalf of their Basic Generation Service (BGS) Providers

On May 23, 2012, the New Jersey Board of Public Utilities (Board) approved the readoption with amendments of N.J.A.C. 14:8, Renewable Energy and Energy Efficiency. The rule was published in the June 4, 2012 New Jersey Register. The readopted portions of the rules became effective on May 23, 2012, and the amendments became effective on June 4, 2012, upon their publication in the New Jersey Register.

N.J.A.C. 14:8-3, which requires the disclosure of certain environmental information regarding the means by which electricity is generated, was among the subchapters amended in the readoption. The Board found that the former environmental information disclosure (EID) rules did not reflect current conditions in the electricity market and had proven to be overly detailed and complex.

The Board repealed the old subchapter 3 and replaced it with a significantly simpler version that requires only the basic EID as identified in N.J.S.A. 48:3-87 a, b. N.J.A.C. 14:8-3.1(a) requires TPS and BGS Providers to disclose the specified information periodically, in conformance with the Board's instructions as communicated through a Secretary's letter posted on the Board's website.

SUBCHAPTER 3. ENVIRONMENTAL INFORMATION DISCLOSURE

14:8-3.1 Environmental Information Disclosure

(a) Each supplier/provider shall disclose on customer bills, on customer contracts or on its marketing materials, a uniform, common set of information about the environmental characteristics of the electricity purchased by the customer. The supplier/provider shall disclose this information periodically, as directed by the Board through the posting of a secretary's letter on the Board's website.

(b) The disclosure required under this section shall include:

1. The fuel mix used in generating the electricity supplied, including categories for oil, gas, nuclear, coal, solar, hydroelectric, wind and biomass. If the fuel mix for particular electricity cannot practicably be determined, the supplier/provider shall include a regional average determined by the Board;

2. The air pollutants that were emitted as a result of the generation of the energy, expressed in pounds per megawatt hour, and including categories for sulfur dioxide, carbon dioxide and oxides of nitrogen. If the emissions for particular electricity cannot practicably be determined, the supplier/provider shall include an emissions default determined by the Board; and
3. Any discrete emission reduction retired pursuant to rules adopted pursuant to P.L. 1995, c. 188.

(c) The disclosure required under this section shall be provided in a graphic format provided by the Board through a posting on its website.

EID Compliance in EY19

In light of the pending deadline for release of the EY19 EID default label, Staff promptly made minor revisions to the Compliance Instructions below: removal of the benchmark data for emissions of NJ-based generation; clarification that RECs retired for NJRPS compliance cannot be used to improve the environmental characteristics of an electricity product; and the specification of where the Secretary's Letter and Default Label may be found on the Board's website. This information can now be found on the Energy Division web page under the "EID Label Information" Section. Staff has also updated the NJ Emission Benchmarks and has clarified how and when RECs may be used to claim a reduction in emissions from the PJM System Mix and justify a modification to a default label. The Energy Conservation section was removed after Staff had determined that it has no basis in New Jersey rule or law.

COMPLIANCE INSTRUCTIONS

Staff has developed a default EID label intended for use by TPS/BGS Providers for retail electricity products for which no claim is made about the product's environmental characteristics or exceedance of the product's required compliance with the New Jersey Renewable Portfolio Standards (N.J.A.C 14:8-2). Each TPS/BGS Provider shall update and distribute environmental information on a separate and distinct label for each retail electricity product with unique environmental characteristics.

(See default NJ EID Label at www.NJ.gov/bpu and www.njcleanenergy.com)

This information shall be based on data reflecting the generation of power from the most recent energy year, which begins on June 1st of a particular year and ends on May 31st of the following year. Recognizing that a period of time is needed for information gathering and processing, a span of seven months is typically allowed between the last day of the energy year on which the label information is based and the date that disclosure of an updated label is required. The previous energy year ended on June 1, 2019, meaning that TPS and BGS Providers shall have until December 1, 2019 to provide updated labels to their customers that provide environmental information according to the schedule set forth above.

The source of publicly available information for the default label shall be the PJM System Mix provided by PJM-Environmental Information Services (PJM-EIS) Generation Attributes Tracking System, or GATS (GATS), which can be accessed at www.pjm-eis.com. Data in GATS may also be based upon information supplied by the generator that is made available to and made verifiable by the Board.

The PJM System Mix report is publicly available on a monthly, quarterly, annual, or an Energy year basis at www.pjm-eis.com. The System Mix report provides average emission rates and percentages by fuel type for all electricity delivered in PJM. These averages are determined by GATS via generator specific electronic certificates that identify the relevant generation attributes

necessary for electricity suppliers/providers to satisfy state policies and support voluntary green markets. The PJM System Mix report provides the resource breakdown that is used on the default label and that appears as percentages in the Energy Source table and pie chart.

The PJM System Mix includes electricity on the basis of which Renewable Energy Certificates (RECs) were created and retired for NJ RPS compliance purposes. Therefore, in making an affirmative environmental claim about an electricity product, only RECs that have not been used for RPS compliance may be retired for use in the calculation of the fuel mix. If using such a REC, the TPS/BGS Providers will have to provide their own label and backup documentation that supports their claim. The numbers in the Default label cannot be used.

When a new electricity product is offered, the TPS/BGS shall distribute the label incorporating information applicable to the new product to its customers annually, as outlined above, whether the TPS/BGS is making an affirmative environmental claim for the product or using a default label.

Any questions regarding these procedures may be directed to Ronald Jackson at Ronald.jackson@bpu.nj.gov.

Sincerely,



Aida Camacho-Welch
Secretary of the Board

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