



**STATE OF NEW JERSEY
Board of Public Utilities
44 South Clinton Ave., P.O. Box 350
Trenton, NJ 08625-0350**

**MINUTES OF THE SPECIAL BGS MEETING OF THE
BOARD OF PUBLIC UTILITIES**

A special meeting of the Board of Public Utilities was held on February 7, 2013, located at the Trenton Office of the Board at 44 South Clinton Avenue, Trenton, New Jersey 08608.

Public notice was given pursuant to N.J.S.A. 10:4-18 by posting notice of the meeting at the Board's Trenton Office, on the Board's website, filing notice of the meeting with the New Jersey Department of State and the following newspapers circulated in the State of New Jersey:

Asbury Park Press
Atlantic City Press
Burlington County Times
Courier Post (Camden)
Home News Tribune (New Brunswick)
North Jersey Herald and News (Passaic)
The Record (Hackensack)
The Star Ledger (Newark)
The Trenton Times

The following members of the Board of Public Utilities were present:

Robert M. Hanna, President
*Jeanne M. Fox, Commissioner
Joseph L. Fiordaliso, Commissioner

*Commissioner Fox participated via teleconference and Commissioner Holden was not present.

President Hanna presided at the meeting and Kristi Izzo, Secretary of the Board, carried out the duties of Secretary.

It was announced that the next regular Board Meeting would be held on February 20, 2013 at the State House Annex, Committee Room 11, 125 West State Street, Trenton, New Jersey 08608.

EXECUTIVE SESSION

After appropriate motion, the following matter, which involved the attorney-client privilege, exception to the Open Public Meetings Act, was discussed in Executive Session.

2. ENERGY

A. Docket No. ER12060485 – In the Matter of the Provision of Basic Decision and Order Generation Service for the Period Beginning June 1, 2013.

DISCUSSION: Frank Perrotti, Issues Manager, Division of Energy, discussed the results of the BGS-FP and BGS-CIEP Auctions, indicating when they opened and closed, the number of rounds and the final Auction prices. Representatives from Boston Pacific Company (Boston Pacific), the Board's consultant assigned to oversee the Auction process, and National Economic Research Associates (NERA), the auction manager, both indicated to the Board that they were satisfied with the auction process and the results, and recommended the Board certify the results.

Fixed Price (FP) Auction Summary

The BGS-FP Auction began on February 4, 2013 and ended on February 5, 2013 after 21 rounds, with all of the electric distribution companies' (EDCs) 54 tranches filled with a total of 8 winning bidders and with the following closing prices for each EDC:

BGS-FP 3-Year Tranches

EDC	Closing Price (Cents/Kwh)	Total Tranches Sold
ACE	8.727	7
JCP&L	8.370	18
PSE&G	9.218	28
Rockland	9.258	1

CIEP Auction Summary

The BGS-CIEP Auction began on February 1, 2012 and ended on February 1, 2012 after 18 rounds with all of the EDCs' 50 tranches filled, with a total of 6 winning bidders, and with the following closing prices for each EDC:

BGS-CIEP 1 yr. Tranches

EDC	Closing Price \$/Mw-day	Total Tranches Sold
ACE	265.33	5
JCP&L	265.00	14
PSE&G	269.29	29
Rockland	365.00	2

After appropriate motion, the Board reconvened to Open Session.

OPEN SESSION

DISCUSSION: Frank Perrotti, Issues Manager, Division of Energy, discussed the results of the BGS-FP and BGS-CIEP Auctions, indicating when they opened and closed, the number of rounds and the final Auction prices. Representatives from Boston Pacific Company (Boston Pacific), the Board's consultant assigned to oversee the Auction process, and National Economic Research Associates (NERA), the auction manager, both indicated to the Board that they were satisfied with the auction process and the results, and recommended the Board certify the results.

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Staff Recommendation:

The Auction Manager responsible for conducting the 2013 BGS-FP and BGS-CIEP Auctions was NERA. The Auctions were also continuously monitored by Staff from the Division of Energy, as well as by the Board's consultant, Boston Pacific.

NERA and Boston Pacific both provided Board approved auction checklist, that have been reviewed by Staff, that includes an in-depth analysis on how the BGS-FP and BGS-CIEP Auctions were conducted, and also includes a post-Auction checklist form.

Both the independent NERA and Boston Pacific post auction reports are consistent with each other and indicate that both of the Auctions proceeded without interruption, according to the Board-approved Auction rules, in an acceptably fair and transparent manner, and that the Board should certify the Auction results.

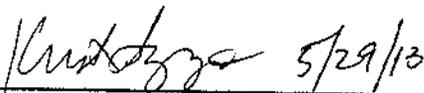
Staff assigned to oversee the Auctions also recommends that the Board certify the final results of the BGS-FP and BGS-CIEP Auctions in their entirety and approve the closing prices for each EDC.

Staff recommended, if the Board adopts the BGS-FP and BGS-CIEP auction prices, the it should direct the EDCs to: (1) execute the necessary documents, including the BGS Supplier Master Agreements, with the winning bidders within three days; (2) implement the BGS rates resulting from the Auctions beginning June 1, 2013; and (3) file tariff sheets reflecting those rates by March 1, 2013. Board Staff also recommended the Board accept the results of the BGS auction.

DECISION: After discussion, the Board adopted the recommendation of Staff as set forth above.

Roll Call Vote:	President Hanna	Aye
	Commissioner Fox	Aye
	Commissioner Fiordaliso	Aye

There being no further business before the Board, the meeting was adjourned.

 5/29/13

KRISTI IZZO
BOARD SECRETARY