



## **Frequently Asked Questions - Network Integration Transmission Service 2019**

### **PJM Customers – (PSE&G)**

Recently, PJM's transmission costs have gone up. Some resources have implied this is due to generation retirements, such as coal plant retirement, when, in fact, there are a number of causes of increased transmission costs, particularly over the last few years due to the need to upgrade aging infrastructure.

A major component of these transmission costs is known as Network Integration Transmission Service rates or NITS. The charges under NITS may be offset in the transmission owner's tariff rates by "Transmission Enhancement Credits", or transmission upgrades charged to neighboring zones, however the customer only sees the netting of the charges and credits.

#### **How Do These Increased Transmission Costs Affect Your Energy Bill?**

Project costs are allocated based on a net benefits test. Because transmission is a network of lines and not simply lines that connect serially from one source to one load area, it's difficult to control which lines carry each generator's output. Rather, each line in the transmission network carries some electrons from many generators to many areas of load. Therefore, PJM cannot build a line or upgrade to simply serve one load area or one generator. Building a transmission line or upgrade actually ends up benefiting many load areas or many generators and PJM charges the cost of these upgrades to all beneficiaries - customers on the PJM system who benefit from the upgrades - based on how much they benefit from the new line or transmission upgrade.

#### **How Can You Reduce Your Transmission Costs?**

Generally, industrial and commercial customers can reduce their transmission costs by reducing their peak contribution to load. Customers without interval metering, which includes most residential customers, may reduce their charges by less energy usage overall. Interval metering customers can review their interval usage and shift higher usage to non-peak hours.

#### **When will the increase be effective and who will it impact?**

The new NITS pass through will be effective on January 1, 2019. It will apply to New Jersey customers in the Public Service Enterprise Group (PSE&G) service areas. If your account is impacted by the increase, you will receive correspondence from Great Eastern Energy prior to the increase.

#### **Where can I find additional information about the NITS increase?**

You can obtain additional information via the following link:

<https://www.ferc.gov/CalendarFiles/20161222121540-ER17-249-000.pdf>

PSE&G:

[https://www.pseg.com/family/pseandg/tariffs/electric/pdf/electric\\_tariff.pdf](https://www.pseg.com/family/pseandg/tariffs/electric/pdf/electric_tariff.pdf)

JCPL:

<https://www.firstenergycorp.com/content/dam/customer/Customer%20Choice/Files/New%20Jersey/tariffs/BPU-12-Part-III-Effective-12-1-2017.pdf>

If you have questions regarding these transmission costs increases, please contact our Customer Experience team, Monday through Friday from 9:00 AM to 5:00 PM EST or you can email us anytime [customer@greateasternenergy.com](mailto:customer@greateasternenergy.com)