



VOLUME III

Electric Customer Bills

FEBRUARY 2024

**CONSUMER ADVOCATES OF THE PJM STATES'
TRANSMISSION HANDBOOK**



INTRODUCTION

The Consumer Advocates of the PJM States (CAPS) commissioned this guide to help consumers, their advocates, and others better understand how transmission is developed and paid for in the PJM region. Read the executive summary in Handbook Volume I to learn more about PJM and CAPS.

Handbook Volume III provides:

- an overview of the four main charges that make up a consumer's electric bill;
- an explanation of how transmission charges typically appear on bills, along with examples of different variations from utilities in vertically integrated and retail choice states;
- an explanation of why retail customers are charged separately for generation, transmission, and distribution on their utility bills; and
- an exploration of how PJM transmission charges to wholesale customers are passed onto retail customers.

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Retail Customer Electricity Charges

A. What Charges are Included on a Retail Customer's Electric Bill?

Most residential and commercial customers—also known as “retail customers”—take their electric service from a distribution utility. Their electric bills are generally comprised of four types of charges. Three of those charges account for the largest percentage of an average bill and are related to the infrastructure used to generate and deliver electricity:

- **Generation service**—charges that relate to the costs of generating or purchasing power from the facilities that generate energy;
- **Transmission service**—charges related to the delivery of power over the higher capacity wires and associated infrastructure used to move the energy from the generator to substations located closer to the consumer; and
- **Distribution service**—charges related to the delivery of power over the lower capacity wires and associated infrastructure used to move the energy from the substations to the endpoint where it is consumed.

The fourth category is comprised of additional items that are specific to each utility, such as government taxes and fees, and riders or surcharges for certain utility programs.

B. How do transmission charges appear on a customer's electric bill?

While the specifics of each utility's bills may be different, how transmission charges appear depends on whether the customer is located in a vertically integrated state or a state that offers retail choice, and if the latter, whether the customer takes service from the default utility or from an alternative supplier.

Customers of **vertically integrated** utilities—i.e. a utility that constructs, owns, and operates the generation facilities and the transmission and distribution lines—usually receive bills that list all three major charges together. An example of this type of bill is provided in Figure 1.

Customers of utilities operating in **retail choice** states—i.e. states where the utility provides distribution service and customers are allowed to elect a third-party energy supplier—often have two separate charges on their bills: (1) supply charges, which cover both generation and transmission charges, and (2) delivery/distribution charges. Examples of such bills are provided in Figures 2 and 3.

Customers in retail electric choice states who **elect an alternative electric supplier** may not see a reference to transmission charges in their bill because the alternative electric supply rate integrates the transmission charges.

FIGURE 1. Excerpt of Sample Electric Utility Bill from AEP Ohio

Service Address:
JANE SMITH
123 MAIN ST
ANY CITY, OH 43999-9999
Account #123-456-789-0-1

Line Item Charges:

Previous Charges	
Total Amount Due At Last Billing	\$ 59.31
Payment 05/04/18 - Thank You	-59.31
Previous Balance Due	\$.00*
Current AEP Ohio Charges	
Tariff 013 - Residential Service 05/17/18 Service Delivery Identifier: 0000000000000000	
Generation Service (Supply)	\$ 44.23
Transmission Service	17.76
Distribution Service	30.68
Customer Charge	8.40
Retail Stability Rider	1.15
Deferred Asset Phase-In Rider	1.72
Power Purchase Agreement Rider	.73
Current Electric Charges	\$ 104.67*
Total Balance Due	\$ 104.67
*Charges make up the "Total Balance Due"	

(Credit: American Electric Power Ohio, "Sample Bill," last accessed December 22, 2023).

FIGURE 2. Excerpt of Sample Electric Utility Bill from Public Service Electric and Gas Company, New Jersey

Electric Service

Details of your electric charges
 Your rate: Residential Service (RS)

Meter # 1000900 Usage
 Estimated reading Jun 30, 2023 26872
 Less: Estimated reading Jun 1, 2023 26116
Total electric you used in 29 days 756 kWh

Delivery charges
 Monthly service charge \$4.95
 Charges for delivering electric to you
 kWh charges
 For the first 600 kWh x \$0.082000 \$36.72
 For the next 156 kWh x \$0.085321 \$13.19
Total electric delivery charges \$51.86

Supply charges
 Cost of electric supplied by PSE&G
 Charges
 For the first 600 kWh x \$0.128167 \$82.90
 For the next 156 kWh x \$0.127549 \$23.08
Total electric supply charges \$105.98

Total electric charges \$117.84

Electric Explanation of Charges
 The basic billing unit for electricity is a kilowatt-hour (kWh). The charge for each kWh used is determined by the rate schedule.

- Monthly Service Charge:** This is a fixed monthly charge that includes the cost to maintain an account for a customer, including metering, billing and infrastructure improvement program (IP) charges.
- Charges for Delivering Electricity to You:** This is the charge to distribute electricity to a customer's home, referred to as the Distribution Charge, which includes the cost of government-mandated programs designed to achieve public policy goals, such as energy conservation. It also includes Infrastructure Improvement Program (IIP) charges. Refer to the Tariff for Electric Service for more details.
- Supply Charges:** These are the charges for electric generation, including the cost of the transmission from generation facilities to the local distribution system. Refer to our website for current charges.
- Price to Compare (PTC):** A customer may choose to receive electric supply from PSE&G or a third party supplier. A customer who receives electric supply from a third party supplier will not have to pay the Basic Generation Service Charges (BGS) to PSE&G. The PTC per kWh for PSE&G's BGS Charges for residential customers, by rate schedule, is indicated in the bill illustration above. The current PTC is available on our website.
 PSE&G will continue to deliver electricity to its customers and is the company that customers call if they have problems with their delivery service.

(Credit: PSEG New Jersey, "Sample Bill," last accessed December 22, 2023).

FIGURE 3. Excerpt of Sample Electric Utility Bill from Potomac Electric Power Company, MD

PEPCO CUSTOMER
 Account number: 1234 5678 999

Your electric bill for the period
 February 5, 2021 to March 4, 2021

Details of your Electric Charges
 Residential Service - service number: 9999 9999 9999 9999 9999 99
 Electricity you used this period:

Meter Number	Energy Type	End Date	Start Date	Number of Days	Total Use
12C123456789	Use (kWh)	Mar 4	Feb 5	28	1096

Your meter records hourly use. Total use is the sum of this hourly data. Please visit My Account at pepco.com to view your energy use data.
 Your next bill period is scheduled to end on April 6, 2021.

Delivery Charges: These charges reflect the cost of bringing electricity to you. Current charges for 28 days, winter rates in effect.

Type of charge	How we calculate this charge	Amount(\$)
Distribution Services		
Customer Charge		0.00
Energy Charge	1096 kWh X \$0.0346300 per kWh	0.00
Franchise Tax (Delivery)	1096 kWh X \$0.0006200 per kWh	0.00
Universal Service Charge		0.00
MD Environmental Surcharge	1096 kWh X \$0.0001290 per kWh	0.00
Empower MD Chg	1096 kWh X \$0.0063180 per kWh	0.00
Gross Receipts Tax	at 2.0408%	0.00
Montgomery County Energy Tax	1096 kWh X \$0.0113080 per kWh	0.00
Administrative Credit	1096 kWh X \$0.0002912 per kWh	0.00
Total Electric Delivery Charges		0.00

PEPCO CUSTOMER
 Account number: 1234 5678 999

Your electric bill for the period
 February 5, 2021 to March 4, 2021

Supply Charges: These charges reflect the cost of production electricity for you. You can compare this charge on your bill to offers from competitive suppliers. Your Price to Compare is 8.07 cents (\$0.0807) per kWh. When shopping for electric suppliers, compare this price to those proposed by other suppliers. This price reflects the average annual amount a customer on this rate pays per kilowatt-hour for electric supply. For information on electric energy suppliers please visit mdelectricchoice.com.

Billing Period: Feb 5, 2021 to Mar 4, 2021 (28 days)

Type of charge	How we calculate this charge	Amount(\$)
Transmission Services		
Energy Charge	1096 kWh X \$0.0103900 per kWh	0.00
Gross Receipts Tax	at 2.0408%	0.00
Generation Services		
Energy Charge	1096 kWh X \$0.0651600 per kWh	0.00
Procurement Cost Adjustment	1096 kWh X \$0.0005028 per kWh	0.00
Total Electric Supply Charges		0.00
Total Electric Charges - Residential Service		0.00

(Credit: Pepco MD, "Sample Bill," last accessed December 22, 2023).

FIGURE 4. Excerpt of Sample Electric Utility Bill from Commonwealth Edison (IL) for a customer receiving power from an alternate supplier.

* **RESIDENTIAL RETAIL CUSTOMER BILL: UNBUNDLED ELECTRIC SERVICE (BACK).**

Issued 6/6/19 Account # 999999999

For Questions, Support, and Outages visit ComEd.com

English 1.800.EDISON (1.800.334.7861)
 Español 1.800.95.LUCES (1.800.955.8237)
 Hearing/Speech Impaired 1.800.572.5789 (TTY)
 Federal Video Relay Services (VRS) Fedvrs.us/session/new

Payment Deducted on 6/28/19 \$76.51

METER INFORMATION

Read Dates	Meter Number	Load Type	Reading Type	Previous	Present	Difference	Multiplier	Usage
5/6-6/5	000000000	General Service	Total KWh	19678	20249	571	x 1	571

CHARGE DETAILS

Charge Description	Rate	Usage	Amount
RETAIL DELIVERY SERVICE - Res Single 5/6/19 - 6/5/19 (30 Days)			
SUPPLY - ABC Energy Services			\$34.52
Energy Charge	571 KWh X 0.06045		\$34.52
DELIVERY - ComEd			\$37.36
Customer Charge			\$11.31
Standard Metering Charge			\$5.15
Distribution Facilities Charge	571 KWh X 0.03538		\$20.20
IL Electricity Distribution Charge	571 KWh X 0.00122		\$0.70
TAXES & FEES			\$4.63
Environmental Cost Recovery Adj	571 KWh X 0.00034		\$0.19
Renewable Portfolio Standard	571 KWh X 0.00189		\$1.08
Zero Emission Standard	571 KWh X 0.00195		\$1.11
Energy Efficiency Programs	571 KWh X 0.00065		\$0.37
State Tax			\$1.88
Service Period Total			\$76.51

Thank you for your payment of \$87.32 on May 28, 2019

Total Amount Due \$76.51

UPDATES

ABC Energy Services

- Thank you for selecting ABC Energy Services as your electric supplier!

ComEd

- PRICE TO COMPARE:** The ComEd electric supply price to compare is 6.725 cents per kWh. This price does not include a monthly purchased electricity adjustment factor that may range between +\$0.005 and -\$0.005 per kWh. For more information and supplier offers visit <https://www.plugintillinois.org/theedrate.aspx>. For more information on ComEd bill line items go to ComEd.com/UnderstandBill.
- POWERLINE SAFETY:** Water and electricity don't mix - that's why it's important to be aware of your surroundings and watch out for electrical hazards when working or playing around water recreation areas. Look for overhead power lines before performing activities such as casting a fishing line, using a pool skimming tool or raising a boat mast, and NEVER swim around docks with electrical equipment or boats plugged into shore power. Always keep yourself or any conductive material a minimum of 10 feet away from any power line. Call 800-334-7661 before working near power lines. Learn more at ComEd.com/Safety
- WAYS TO PAY:** Looking for ways to pay your bill? Visit ComEd.com/PAY
- ILLINOIS COMMERCE COMMISSION CONSUMER DIVISION:** The Consumer Services Division is available at 800-524-0795 to help resolve disputes with ComEd. However, customers should contact ComEd before seeking assistance from the ICC.
- The amount of this bill will be automatically deducted from your bank account on June 28, 2019.

111344401071540014013814

(Credit: Commonwealth Edison Company, "Schedule of Rates for Electric Service," 4th Revised Sheet No. 218.1).

C. Why are retail customers charged separately for generation, transmission, and distribution rather than being assessed a single charge?

The separate charges reflect that: (1) different categories of infrastructure are needed to generate and deliver power, and (2) a range of energy policies and regulations govern each of those categories (see Handbook Volume II for more information on the differences between generation, transmission, and distribution service). The items are separated to provide transparency to customers and to acknowledge that the charges' source—and therefore the entity that controls how much is being charged—may not be the same as the utility assessing the bill.



PJM Transmission Charges

A. How are PJM transmission charges in PJM passed onto retail customers?

As discussed more in Handbook Volumes VI and VII, distribution utilities receive the power sent over transmission lines and resell that power to end use entities that will use that power, i.e. residential and commercial. Because the distribution utilities are the transmission customers—also referred to as wholesale customers—they are assessed transmission charges from PJM, and they then pass those charges down to retail customers. The way transmission charges are passed down depends on the specific electric utility and state laws. In most cases, transmission charges that are passed onto retail customers are laid out in that customer’s **distribution utility tariff**. Distribution utility tariffs are posted on the state’s utility commission’s website and/or the utility’s website.



For retail customers that may not choose their own electric provider (vertically integrated states and commercial/industrial customers in certain retail choice states): the distribution tariff will likely include a list of transmission charges, including the current effective Network Integration Transmission Service (NITS) rate for that transmission zone, transmission enhancement charges if not already incorporated into the NITS rate, and additional PJM Transmission charges. Each of these charges is explained more fully in Handbook Volume VI. Retail customer charges will be charged for transmission will either be set charges or volumetric charges based on electricity consumption. An example of this type of tariff filing is provided in Figure 5.

FIGURE 5. Example of Transmission Charges for Bundled Service Customers from PSEG's Tariff

PUBLIC SERVICE ELECTRIC AND GAS COMPANY		Twenty-Third Revised Sheet No. 79
B.P.U.N.J. No. 16 ELECTRIC		Superseding Twenty-Second Revised Sheet No. 79
BASIC GENERATION SERVICE – RESIDENTIAL SMALL COMMERCIAL PRICING (BGS-RSCP)		
ELECTRIC SUPPLY CHARGES		
(Continued)		
BGS CAPACITY CHARGES:		
Applicable to Rate Schedules GLP and LPL-Sec.		
Charges per kilowatt of Generation Obligation:		
Charge applicable in the months of June through September		\$ 1.6327
Charge including New Jersey Sales and Use Tax (SUT)		\$ 1.7409
Charge applicable in the months of October through May.....		\$ 1.6327
Charge including New Jersey Sales and Use Tax (SUT)		\$ 1.7409
The above charges shall recover each customer's share of the overall summer peak load assigned to the Public Service Transmission Zone by the PJM Interconnection, L.L.C. (PJM) as adjusted by PJM assigned capacity related factors and shall be in accordance with Section 9.1, Measurement of Electric Service, of the Standard Terms and Conditions.		
BGS TRANSMISSION CHARGES		
Applicable to Rate Schedules GLP and LPL-Sec.		
Charges per kilowatt of Transmission Obligation:		
Currently effective Annual Transmission Rate for		
Network Integration Transmission Service for the		
Public Service Transmission Zone as derived from the		
FERC Electric Tariff of the PJM Interconnection, LLC		
EL05-121	\$ 142,957.59 per MW per year	
FERC 680 & 715 Reallocation.....	\$ 77.54 per MW per month	
PJM Seams Elimination Cost Assignment Charges	\$ 0.00 per MW per month	
PJM Reliability Must Run Charge	\$ 0.00 per MW per month	
PJM Transmission Enhancements		
Trans-Allegheny Interstate Line Company	\$ 52.61 per MW per month	
Virginia Electric and Power Company	\$ 63.65 per MW per month	
Potomac-Appalachian Transmission Highline L.L.C	\$ 0.49 per MW per month	
PPL Electric Utilities Corporation.....	\$ 181.69 per MW per month	
American Electric Power Service Corporation.....	\$ 17.58 per MW per month	
Atlantic City Electric Company	\$ 8.46 per MW per month	
Delmarva Power and Light Company	\$ 1.28 per MW per month	
Potomac Electric Power Company	\$ 2.70 per MW per month	
Baltimore Gas and Electric Company.....	\$ 3.89 per MW per month	
Jersey Central Power and Light	\$ 60.23 per MW per month	
Mid Atlantic Interstate Transmission.....	\$ 18.06 per MW per month	
PECO Energy Company.....	\$ 23.93 per MW per month	
Silver Run Electric, Inc	\$ 44.16 per MW per month	
Northern Indiana Public Service Company.....	\$ 0.73 per MW per month	
Commonwealth Edison Company	\$ 0.13 per MW per month	
South First Energy Operating Company.....	\$ 0.66 per MW per month	
Duquesne Light Company	\$ 0.33 per MW per month	
Above rates converted to a charge per kW of Transmission		
Obligation, applicable in all months		\$ 12.4713
Charge including New Jersey Sales and Use Tax (SUT)		\$ 13.2975
The above charges shall recover each customer's share of the overall summer peak transmission load assigned to the Public Service Transmission Zone by the PJM Interconnection, L.L.C. (PJM) as adjusted by PJM assigned transmission capacity related factors and shall be in accordance with Section 9.1, Measurement of Electric Service, of the Standard Terms and Conditions. These charges will be changed from time to time on the effective date of such change to the PJM rate for charges for Network Integration Transmission Service, including the PJM Seams Elimination Cost Assignment Charges, the PJM Reliability Must Run Charge and PJM Transmission Enhancement Charges as approved by Federal Energy Regulatory Commission (FERC).		
Date of Issue: August 29, 2023		Effective: September 1, 2023
Issued by SCOTT S. JENNINGS, SVP – Finance, Planning & Strategy – PSE&G		
80 Park Plaza, Newark, New Jersey 07102		
Filed pursuant to Order of Board of Public Utilities dated August 16, 2023		
in Docket No. ER23060410		

(Credit: Public Service Electric and Gas Company, "Tariff for Electric Service," BPUNJ No. 16 Electric, Twenty-Third Revised Sheet No. 79).

For retail customers that have the option to choose their own electric provider but have declined that option: the transmission service charges will be incorporated in the rate schedule for Standard Offer Service (SOS). SOS rates are typically set through an auction process that is managed by the respective PSC/PUC. The SOS rates include transmission service charges based on the FERC-approved NITS rates for the applicable zone (see Handbook Volume VI), any other PJM charges, and any additional costs incurred by the utility in providing transmission service. Figure 6 provides an example of this type of bill.

FIGURE 6. Example of SOS Rate Schedule for Pepco DC

Electric--P.S.C. of D.C. No. 1
Thirty-Eighth Revised Page No. R-41.1

DC

MONTHLY RATE
Customers receiving Standard Offer Service will pay the Distribution Service Charge, Transmission Service Charge and Generation Service Charge including all applicable riders. The Distribution Service Charges are stated in the Monthly Rates for the Customer's applicable Rate Schedule.
The Standard Offer Service Rate for each Rate Schedule within each SOS Type, including any usage incurred under associated Riders, will include the following components:

- The seasonally-differentiated and, if applicable, time-of-use differentiated load weighted average of all awarded electric supply prices for specific services in each year.
- Retail charges designed to recover, on an aggregate basis, FERC-approved Network Integrated Transmission Service charges ("NITS") and related charges and any other PJM charges and costs incurred by the Electric Company directly related to Electric Company's SOS load obligation for each SOS Customer Group.
- An administrative charge (included in Generation rates shown below)
- Applicable taxes (Included in Generation Rates shown below.)

SOS – Residential (Generation, Transmission including Procurement Cost Adjustment)
Schedule R*

	June 2022 - October 2022 (Summer)	November 2022 - May 2023 (Winter)	June 2023 - October 2023 (Summer)	November 2023 - May 2024 (Winter)
Generation Service Charge				
Minimum charge **	\$ 1.95 per month	\$ 2.21 per month	\$ 2.51 per month	\$ 2.80 per month
In excess of 30 kwh	\$ 0.06277 per kwh	\$ 0.07144 per kwh	\$ 0.07638 per kwh	\$ 0.08816 per kwh
Admin Charge**	\$ 0.00220 per kwh	\$ 0.00220 per kwh	\$ 0.00530 per kwh	\$ 0.00530 per kwh
Transmission Service Charge	Summer	Winter		
Minimum charge ***	\$ 0.12 per month	\$ 0.12 per month		
In excess of 30 kwh	\$ 0.01190 per kwh	\$ 0.01190 per kwh		

* R is combined with AE and RTM.
** The minimum charge includes the first 30 kWh or fraction thereof of consumption. The minimum charge for the period June 2023 through May 2024 includes an administrative charge of \$0.16 per month. This charge is derived by multiplying the administrative charge in effect by the 30 kWh, the quantity assumed in the minimum charge. The administrative charge is \$0.00530 per kWh from June 2023 through May 2024.
*** The Minimum charge includes the first 30 kWh or fraction thereof of consumption.
Procurement Cost Adjustment- Refer to Page R-41.8 for the currently effective rate.

Schedule MMA

	June 2022 - October 2022 (Summer)	November 2022 - May 2023 (Winter)	June 2023 - October 2023 (Summer)	November 2023 - May 2024 (Winter)
Generation Service Charge				
Minimum charge *	\$ 1.94 per month	\$ 2.22 per month	\$ 2.49 per month	\$ 2.75 per month
In excess of 30 kwh	\$ 0.06260 per kwh	\$ 0.07183 per kwh	\$ 0.07756 per kwh	\$ 0.08652 per kwh
Admin Charge	\$ 0.00220 per kwh	\$ 0.00220 per kwh	\$ 0.00530 per kwh	\$ 0.00530 per kwh
Transmission Service Charge	Summer	Winter		
Minimum charge **	\$ 0.12 per month	\$ 0.12 per month		
In excess of 30 kwh	\$ 0.00918 per kwh	\$ 0.00918 per kwh		

* The minimum charge includes the first 30 kWh or fraction thereof of consumption. The minimum charge for the period June 2023 through May 2024 includes an administrative charge of \$0.16 per month. This charge is derived by multiplying the administrative charge in effect by the 30 kWh, the quantity assumed in the minimum charge. The administrative charge is \$0.00530 per kWh from June 2023 through May 2024.
** The Minimum charge includes the first 30 kWh or fraction thereof of consumption.
Procurement Cost Adjustment- Refer to Page R-41.8 for the currently effective rate.

(Credit: Potomac Electric Power Company, "Rate Schedules for Electric Service in the District of Columbia," Electricity—P.S.C. of D.C. No. 1, Thirty-Eight Revised Page No. R-41.1).

For retail customers that have elected an alternative electric supplier: the alternative supplier's rates will incorporate the transmission charges from PJM. It is important to note that most alternative suppliers provide a black-box rate that does not list a separate transmission charge.

B. Can a state Utility Commissions change the FERC-approved transmission rate?

The Federal Power Act gives FERC exclusive jurisdiction over the rates for transmission service.¹ Courts have held that because FERC has exclusive jurisdiction, the Supremacy Clause of the U.S. Constitution² bars state regulatory agencies from changing FERC-approved transmission rates. In *Nantahala Power & Light Co. v. Thornburg*, 476 U.S. 953, 953 (1986)—the seminal case on this issue—the court addressed FERC’s analogous exclusive jurisdiction over wholesale rates and held that:

Once FERC sets such a rate, a State may not conclude in setting retail rates that the FERC-approved wholesale rates are unreasonable. A State must rather give effect to Congress’ desire to give FERC plenary authority over interstate wholesale rates, and to ensure that the States do not interfere with this authority.

Although state commissions may not *change* a transmission owner’s authorized Annual Transmission Revenue Requirements (see Handbook Volume VI), states commissions may review in distribution rate cases: (1) the mechanism the distribution utility proposes to use to recover transmission charges,³ and (2) the prudence of the distribution company’s request to recover the transmission charges.⁴

¹ 16 USC § 824(b).

² U.S. Constitution, Article VI, Clause 2.

³ See, e.g. *Kansas City Power v. Mo. Public Serv. Comm.*, 509 SW 3d 757, request for Mo. Sup Ct review denied (Mo.App. W.D. 2016)(state court upholding a PSC order denying the utility’s request to recover certain transmission charges through a fuel adjustment clause and finding that the PSC has discretion to include RTO costs in its decision determining general rates.”)

⁴ See, e.g., *State of Missouri Ex Rel. Kansas City Power v. Mo. Public Serv. Comm.*, 408 S.W.3d 153, 162-165 (Mo.App. W.D. 2013), request for Mo. Sup Ct review denied, cert. denied (upholding a state PSC order to disallow recovery of transmission costs as imprudent when the costs were for power plants located far from load and the utility had other energy production options in the relevant Missouri rate districts that bore no transmission expense whatsoever. Further noting that “[t]he PSC did not conclude that [approved FERC] transmission service rate was unreasonable; instead, the PSC concluded that it was unreasonable . . . to pass through the otherwise unnecessary transmission costs to ratepayers”).

Advocacy Opportunities

- **Rate Cases at the Federal Energy Regulatory Commissions (FERC)**—Because the customer bills flow through transmission charges set by FERC, rate cases are the best way to advocate for lower bills.
- **Proceedings at state utility commissions**—Although state commissions may not change a transmission owner’s authorized Annual Transmission Revenue Requirements, as discussed above, they may review: (1) the mechanism the distribution utility uses to recover such charges, and (2) and the prudence of the distribution company’s request to recover the charges. Advocates can usually raise these issues in distribution rate cases.
- **Informal discussions with utilities**—If a utility is providing misleading information on its bills or is overcharging a customer, advocates often start a discussion with the offending utility. If the issues cannot be resolved informally, advocates should engage with their state commission for a formal resolution.

ABOUT CAPS

Established in 2013, Consumer Advocates of the PJM States, Inc. (CAPS) is a non-profit organization whose members represent over 65 million consumers in the 13 PJM States and the District of Columbia. Regulatory rules vary greatly across jurisdictions, but in each the electricity costs paid by consumers is at least partly determined by the tariff and rules under which PJM operates. PJM and its stakeholders set those rules and CAPS' engagement is necessary to ensure that consumers' voices are heard. CAPS' mission is to actively engage in the PJM stakeholder process and at the Federal Energy Regulatory Commission to ensure that the prices consumers pay for reliable, wholesale electric service are reasonable.

ABOUT DGA

David Gardiner and Associates (DGA) was founded in 2001 to serve as a strategic advisor to organizations and businesses seeking a sustainable future. Our firm combines expertise developing research and analysis with deep understanding of clean energy markets and policy. DGA has worked for foundations, businesses, and non-profit advocacy groups to develop strategies to identify and promote policies that will advance clean energy and a low-carbon economy.

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DGA Report Team: Anjali Patel, Hannah Schuster, Will Sherman, and Anna Stern

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