



October 1, 2020

Via Electronic Mail & Hand Delivery

Aida Camacho-Welch, Secretary
New Jersey Board of Public Utilities
44 South Clinton Avenue, Suite 314
P.O. Box 350
Trenton, New Jersey 08625-0350

Re: I/M/O The Application of PSEG Nuclear, LLC and Exelon Generation Company, LLC for the Zero Emission Certificate Program - Salem Unit 1
Docket No. ER20080557

Supplemental Information of Exelon Generation Company, LLC
in Support of the Application

Dear Secretary Camacho-Welch:

On October 1, 2020, pursuant to the Board of Public Utilities' ("Board") August 12, 2020 Order Establishing the Application Process for the Second Eligibility Period and Approving Request for Quotation in Docket No. EO18080899 and the procedural schedules set forth in the Board's September 10, 2020¹ September 15, 2020² orders in the above-captioned docket ("Procedural Orders"), PSEG Nuclear, LLC ("PSEG Nuclear"), on behalf of itself and Exelon Generation Company, LLC ("Exelon Generation"), submitted the application for Zero Emission Certificates ("ZEC") for Salem Unit 1 ("Application"). In support of the Application, Exelon Generation hereby submits the enclosed supplemental information.

¹ Order Setting a Procedural Schedule.

² Order – Motions to Intervene and Participate and Access to Confidential Information.

As explained in the Application, Exelon Generation owns 42.59 percent of Salem Unit 1 and Salem Unit 2, and PSEG Nuclear owns 57.41 percent of each unit and is the United States Nuclear Regulatory Commission (“NRC”)-licensed operator of the units. The Application includes all the information to fully demonstrate that Salem Unit 1 meets the qualification requirements to be selected for receipt of ZEC payments under the ZEC Act, N.J.S.A. §§ 48:3-87.3 to -87.5, including extensive information demonstrating the financial challenges the unit is facing, and a certification that the unit will be permanently closed within three years absent a material financial change because the plant is not projected to cover its costs and risks of operation. In addition, the Application clearly demonstrates the negative environmental consequences of closing the plant on New Jersey residents as retirement would result in greater reliance on emitting fossil-fuel generation plants in New Jersey and elsewhere in the PJM territory. The Application also demonstrates that the unit makes a significant and material contribution to the air quality in New Jersey and provides fuel diversity and other environmental attributes that are at risk of loss if the unit is retired. Additionally, the Application includes a certification that the unit currently receives no payments or credits for fuel diversity, resilience, air quality, or other environmental attributes that would eliminate the need for ZECs. Finally, the Application confirms that the unit is licensed to operate by the NRC beyond 2030.

Where possible, Exelon Generation provided information to PSEG Nuclear to enable the preparation of a single application for Salem Unit 1. Exelon Generation is making this separate filing in order to provide certain supplemental information ("Supplemental Information") to ensure that the Application is fully responsive to all questions asked by the Board. This Supplemental Information includes information that could not be shared with PSEG Nuclear as well as a few items submitted separately for administrative efficiency. The categories of supplemental information are set forth below.

- As explained more fully in the attached Affidavit of Confidentiality, the Supplemental Information contains competitively sensitive information that could not be shared with PSEG Nuclear and the disclosure of which would be injurious to competition. As the ZEC Act recognizes, it is crucial to protect the confidentiality of the applicants' critical financial information. This category of information includes portions or all of the responses to ZECJ-FIN-1, ZECJ-FIN-3, ZECJ-FIN-5, ZECJ-FIN-8, ZECJ-FIN-9,

ZECJ-FIN-10, ZECJ-FIN-11, ZECJ-FIN12, ZECJ-FIN-13a, d., ZECJ-FIN-16, ZECJ-FIN-17, ZECJ-FIN-19a, b, ZECJ-FIN-21, ZECJ-FIN-23, ZECJ-FIN-24, ZECJ-FIN-26, IUD-3, IUD-4

- The Supplemental Information is also comprised of responses or certifications where PSEG Nuclear did not have, and could not be provided with, sufficient information about Exelon Generation to enable it to respond on Exelon Generation's behalf, such as ZECJ-FIN-15; and
- Finally, a third category of responses are not confidential and are being provided in the Supplemental Information because it was more efficient for Exelon Generation to provide them, including ZECJ-FIN-4, SSA-6, SSA-7, SSA-8 and SSA-10.

All confidential information provided with this filing is being provided in accordance with N.J.S.A. 48:3-87.5(a), N.J.A.C. 14:1-12.1 et seq. ("Board Rules"), N.J.S.A. 47:1A-1 et seq. ("OPRA") and the Agreement of Non-Disclosure of Information Claimed to be Confidential (the "NDA"), with the understanding that (i) N.J.S.A. 48:3-87.5(a) applies in the event of any conflict between N.J.S.A. 48:3-87-5(a) and OPRA or the Board Rules; and (ii) the NDA will bind the Exelon Generation Company, LLC, PSEG Nuclear LLC, the Staff of the New Jersey Board of Public Utilities, the New Jersey Division of the Rate Counsel, and the Independent Market Monitor for PJM ("IMM"), once NDAs are fully executed, with respect to information submitted in this docket, as well as in Docket Nos. EO18080899, ER20080558 and any other related dockets.

In accordance with the Procedural Orders and conversations with Board Staff, Exelon Generation is filing the public redacted copy of the Supplemental Information and Confidential copy of the Supplemental Information via electronic mail to the Board's Secretary. Additionally, Exelon Generation is providing the Board with a hard copy of this transmittal letter and an index to the Supplemental Information via hand delivery.

Exelon Generation electronically will serve confidential copies to Rate Counsel and the IMM once we have received the fully executed NDA. All Participants will be electronically

served with a link to public copies of the Supplemental Information, which they can access on Day Pitney's sharefile site.

Exelon Generation appreciates the Board's consideration of the Application and the Supplemental Information and looks forward to working with Board Staff and its consultants as they evaluate the Application. If you have any questions about this submission, please do not hesitate to contact Jeanne J. Dworetzky at jeanne.dworetzky@exeloncorp.com or (202) 637-0346.

Regards,

/s/ Naju R. Lathia

Naju R. Lathia

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/s/ Jeanne J. Dworetzky

Jeanne J. Dworetzky

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Enclosures

cc: Attached Service List
Jesse A. Rodriguez