

ASSEMBLY TELECOMMUNICATIONS AND UTILITIES
COMMITTEE

STATEMENT TO

ASSEMBLY COMMITTEE SUBSTITUTE FOR
ASSEMBLY, No. 3980

STATE OF NEW JERSEY

DATED: JUNE 4, 2026

The Assembly Telecommunications and Utilities Committee reports favorably an Assembly Committee Substitute for Assembly Bill No. 3980.

As reported, the substitute requires an electric public utility to: (1) conduct sufficient advanced planning, engineering, and construction of electric distribution system hosting capacity and load capacity and sufficient preordering of transformers and other needed equipment so that electric public utility customers can be energized and interconnected without substantial delay; and (2) upgrade the electric public utility's distribution system as needed and in time to allow for the achievement of federal, State, regional, and local air quality and decarbonization standards, plans, and regulations, including vehicle emissions standards.

To effectuate this requirement, the substitute further requires an electric public utility to: (1) file certain information with the Board of Public Utilities (board) concerning improvements to the electric public utility's distribution infrastructure within 240 days of the substitute's enactment and publish certain information reported to the board on an electric public utility's Internet website for public transparency purposes; (2) report to the board and the Department of Labor and Workforce Development in the electric public utility's base rate case or petition for an Infrastructure Investment Program (IIP) the electric public utility's personnel needs to effectuate certain requirements outlined in the substitute; (3) report to the board, at least annually, certain information outlined in the substitute related to the electric public utility's process for connecting a customer to the electric public utility's distribution grid; and (4) include infrastructure investments necessary to meet the substitute's requirements within the electric public utility's IIP. The substitute also authorizes the board to establish performance incentives or penalties and to require an electric public utility to take remedial actions to achieve certain requirements outlined in the substitute. However, the substitute requires the board to establish penalties for repeated violations of the substitute's requirements and certain other requirements adopted by the board.

In addition, the substitute codifies the board's IIP established pursuant to regulations adopted in the New Jersey Administrative Code. However, the substitute expands the scope of the board's IIP to include cost recovery for projects undertaken by an electric public utility attempting to comply with the substitute's provisions. The substitute also modifies the board's IIP to provide that a public utility's rates approved by the board for recovery of expenditures under an IIP are not to exceed five percent of the amount billed to the public utility's customers under the public utility's applicable delivery rates. However, the substitute authorizes the board to waive this restriction if the board determines that the waiver is necessary for the provisions of adequate, efficient, safe, reliable, and reasonable public utility service.