ASSEMBLY, No. 4095

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED MAY 7, 2020

Sponsored by:
Assemblyman RONALD S. DANCER
District 12 (Burlington, Middlesex, Monmouth and Ocean)

SYNOPSIS

Prohibits electric and gas public utilities from disqualifying certain residential customers if enrolled in government energy aggregation program.

CURRENT VERSION OF TEXT

As introduced.

AN ACT concerning government energy aggregation programs and amending P.L.2003, c.24.

BE IT ENACTED *by the Senate and General Assembly of the State of New Jersey:*

1. Section 2 of P.L.2003, c.24 (C.48:3-93.2) is amended to read as follows:

2. a. The provisions of the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.) to the contrary notwithstanding, within 90 days of the effective date of P.L.2003, c.24 (C.48:3-93.1 et al.) the Board of Public Utilities shall adopt rules and regulations authorizing an electric public utility or a gas public utility, upon the request of the governing body of a county or municipality, to assist a government aggregator that is a municipality or a county in establishing a government energy aggregation program. The rules and regulations adopted pursuant to this section shall be effective as rules and regulations immediately upon filing with the Office of Administrative Law and shall be effective for a period not to exceed 18 months, and shall, thereafter, be amended, adopted, or readopted by the board pursuant to the provisions of the "Administrative Procedure **[**Act."**]** Act," P.L.1968, c.410 (C.52:14B-1 et seq.). The rules and regulations adopted pursuant to this section shall set forth a process for the establishment of a government energy aggregation that: (1) requires a government aggregator that is a municipality or a county to establish a government energy aggregation program by ordinance or resolution, as appropriate, and to award a contract for the government energy aggregation program to a licensed electric power supplier or licensed gas supplier pursuant to the "Local Public Contracts Law," P.L.1971, c.198 (C.40A:11-1 et seq.), provided, however, that such an award may be made on the basis of the most advantageous proposal, price, and other factors considered; (2) includes residential customers on an opt-out basis prior to the solicitation of bids from a licensed electric power supplier or licensed gas supplier and non-residential customers on an opt-in basis; (3) requires an electric public utility or gas public utility, as the case may be, to notify utility customers, after the adoption of an ordinance or resolution, of the proposed government energy aggregation program and of the customer's right to decline to participate in the program; (4) requires an electric public utility or a gas public utility, as the case may be, to provide appropriate customer information to a government aggregator that is a municipality or a county after the government aggregator has awarded a contract for a government energy aggregation program to

EXPLANATION – Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

a licensed electric power supplier or licensed gas supplier, as the case may be; (5) provides that an electric public utility or a gas public utility shall exercise reasonable care in the disclosure of customer information pursuant to this section but shall not be responsible for errors or omissions in the preparation or the content of the customer information; (6) provides that an electric public utility or gas public utility shall not disclose to any governing body, licensed electric power supplier, or licensed gas supplier the name, load profile, or any other customer information about a non-residential customer prior to that non-residential customer opting in to the government energy aggregation program; and (7) authorizes an electric public ⟦utilities and⟧ utility or gas public ⟦utilities⟧ utility to prioritize requests made by a governing ⟦bodies⟧ body pursuant to this section.

b. (1) The rules and regulations adopted by the board pursuant to this section shall provide for the recovery by an electric public utility or a gas public utility of all reasonable costs incurred by the electric public utility or gas public utility in implementing ⟦a⟧ government energy aggregation and all reasonable costs incurred in assisting a governing body considering a government energy aggregation program. The rules and regulations shall provide that the costs allowed to be recovered pursuant to this subsection shall be recovered on a timely basis from the governing body or government energy aggregator that is a municipality or a county, as the case may be; provided, however, the board shall require an electric public utility and gas public utility to recover all reasonable costs pertaining to consolidated billing through traditional rate base, rate of return regulation as provided in Title 48 of the Revised Statutes. ⟦No⟧ An electric public utility or gas public utility shall not be required to seek recovery of costs for a government energy aggregation program or costs for assisting a governing body considering a government energy aggregation program from the electric public utility's or gas public utility's shareholders or ratepayers.

(2) The rules and regulations adopted by the board pursuant to this section shall prohibit an electric public utility or a gas public utility from disqualifying a residential customer who is in arrears to the utility, from eligibility for consolidated billing offered by an electric public utility or a gas public utility if that customer participates in a government energy aggregation program offered by a government aggregator that is a municipality or county.

c. As used in this section: “electric public utility,” “gas public utility,” "government aggregator," "government energy aggregation program," "electric power supplier," and "gas supplier" shall have the same ⟦meaning⟧ meanings as set forth in section 3 of P.L.1999, c.23 (C.48:3-51); and “consolidated billing” shall mean a system of billing that includes on a single bill charges related to distribution

services provided by an electric public utility or a gas public utility and charges related to the purchase of electricity or natural gas by an electric power supplier or gas supplier.
(cf: P.L.2003, c.24, s.2)

2. This act shall take effect immediately.

STATEMENT

This bill prohibits an electric public utility or gas public utility (utility) from disqualifying a residential customer who is in arrears to the utility from eligibility for consolidated billing offered by a utility, if that customer participates in a government energy aggregation program offered by a government aggregator that is a municipality or county. A government energy aggregation program is a program and procedure where a municipal or county government, school district, or county college that enters into a written contract with a licensed electric power supplier or a licensed gas supplier for: (1) the provision of electric generation service or gas supply service for its own use or the use of other government aggregators; or (2) if a municipal or county government, the provision of electric generation service or gas supply service on behalf of business or residential customers within its territorial jurisdiction. "Consolidated billing" is defined in the bill to mean a system of billing that includes on a single bill charges related to distribution services provided by a utility and charges related to the purchase of electricity or natural gas by an electric power supplier or gas supplier.

This bill encourages residential customers, especially lower-income customers, to participate in government energy aggregation programs by eliminating a barrier to those customers from receiving lower cost energy bills through the program. It is therefore counterproductive to create difficulties for low-income residential customers to participate in government energy aggregation programs.