

ASSEMBLY, No. 4328

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED JUNE 29, 2020

Sponsored by:

Assemblyman RONALD S. DANCER

District 12 (Burlington, Middlesex, Monmouth and Ocean)

Assemblyman DANIEL R. BENSON

District 14 (Mercer and Middlesex)

SYNOPSIS

Prohibits electric public utilities from charging certain customers peak rates under certain circumstances.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 7/9/2020)

1 AN ACT concerning certain electric public utility service rates or
2 charges and supplementing Title 48 of the Revised Statutes.

3
4 BE IT ENACTED *by the Senate and General Assembly of the State*
5 *of New Jersey:*

6
7 1. As used in P.L. , c. (C.) (pending before the
8 Legislature as this bill):

9 “Board” means the Board of Public Utilities or any successor
10 agency.

11 “Electric public utility” or “utility” means a public utility, as that
12 term is defined in R.S.48:2-13, that provides electric distribution
13 service.

14 “Electric-related service” means a service provided by an electric
15 public utility that is directly related to the consumption of
16 electricity by a customer, the provision of energy consumption
17 measurement, and billing services.

18 “Major public health emergency” means a health emergency that
19 has resulted in the Governor declaring a public health emergency,
20 pursuant to section 3 of P.L.2005, c.222 (C.26:13-3), and a state of
21 emergency, pursuant to P.L.1942, c.251 (C.App.A:9-33 et seq.),
22 within this State.

23 “Non-essential business customer” means a business customer of
24 an electric public utility that closes or is not able to conduct its
25 business operations at any time during a major public health
26 emergency, in response to one or more executive orders issued by
27 the Governor during that major public health emergency.

28 “Peak rate” means the highest rate or charge level set by an
29 electric public utility, as published in its tariff for service, during a
30 period of time established by the utility using a time-of-use pricing
31 method.

32 “Time-of-use pricing method” means a method of setting rates
33 and charges of an electric public utility for electric power or
34 electric-related service where the rates or charges are set for a
35 specific time period on an advance or forward basis and the rates
36 and charges paid for electric power consumed during these specific
37 time periods are pre-established and known to customers in
38 advance, allowing customers to vary their electric power usage in
39 response to these rates and charges and manage their electricity
40 costs by shifting usage to a lower cost period or reducing their
41 consumption overall.

42
43 2. An electric public utility shall not charge a non-essential
44 business customer a peak rate for electric power or electric-related
45 service during a major public health emergency. The utility shall
46 provide a credit representing the reduction in the rate or charge to a
47 non-essential business customer due to the removal of a peak rate
48 during a major public health emergency. The credit provided shall

1 represent a period of time beginning upon the declaration and
2 throughout a major public health emergency and shall be included
3 in a periodic bill sent to a non-essential business customer after the
4 effective date of P.L. , c. (C.) (pending before the
5 Legislature as this bill). The board shall not allow a utility to
6 include as an operating expense or otherwise recover from its
7 ratepayers the cost of any reduced revenues incurred by the utility
8 under P.L. , c. (C.) (pending before the Legislature as this
9 bill).

10
11 3. This act shall take effect immediately and shall be
12 retroactive to March 9, 2020.

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14
15 STATEMENT

16
17 This bill prohibits an electric public utility (utility) from
18 charging a non-essential business customer a peak rate for electric
19 power or electric-related service during a major public health
20 emergency. The utility is to provide a credit representing the
21 reduction in the rate or charge to a non-essential business customer
22 due to the removal of a peak rate during a major public health
23 emergency. The credit is to represent a period of time beginning
24 upon the declaration and throughout a major public health
25 emergency and is to be included in a periodic bill sent to a non-
26 essential business customer after the effective date of this bill. The
27 bill prohibits the Board of Public Utilities from allowing a utility to
28 include as an operating expense or otherwise recover from its
29 ratepayers the cost of any reduced revenues incurred by the utility
30 under the bill. The bill defines “non-essential business customer,”
31 “peak rate,” and “major public health emergency.”