

ASSEMBLY, No. 4608

STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED SEPTEMBER 14, 2020

Sponsored by:

Assemblyman RONALD S. DANCER

District 12 (Burlington, Middlesex, Monmouth and Ocean)

SYNOPSIS

Requires electric public utility to reimburse residential or commercial customer for cost of certain spoiled items resulting from service outage more than 48 hours after end of storm.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT concerning residential and commercial customer
2 reimbursement for certain costs resulting from a sustained
3 electric public utility service outage and supplementing Title 48
4 of the Revised Statutes.

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

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9 1. a. Beginning 90 days after the effective date of P.L. , c.
10 (C.) (pending before the Legislature as this bill), an electric
11 public utility shall reimburse a residential or commercial customer
12 who experiences a sustained interruption in electric service for the
13 cost of spoiled food, prescription medicine, or perishable goods, as
14 applicable pursuant to the provisions of P.L. , c. (C.)
15 (pending before the Legislature as this bill), due to lack of
16 refrigeration caused by the sustained interruption.

17 b. A residential customer whose food or prescription medicine
18 has spoiled due to a lack of refrigeration caused by a sustained
19 interruption shall be entitled to a reimbursement for up to \$540 of
20 the actual cost of the spoiled food or prescription medicine, or both.
21 A residential customer who requests a reimbursement, pursuant to
22 subsection d. of this section, shall provide to the electric public
23 utility an itemized list of the spoiled food or prescription medicine,
24 or both, and proof of loss including, but not limited to, a cash
25 register tape, store or credit card receipt, cancelled check, or
26 photograph of the spoiled food item or prescription medicine. For
27 prescription medicine, the residential customer shall provide to the
28 utility a copy of a pharmacy prescription label or pharmacy receipt
29 identifying the medicine.

30 c. A commercial customer whose perishable goods have
31 spoiled due to a lack of refrigeration caused by a sustained
32 interruption shall be entitled to a reimbursement for up to \$10,700
33 of the cost of the perishable goods. A commercial customer who
34 requests a reimbursement, pursuant to subsection d. of this section,
35 shall provide to the electric public utility an itemized list of the
36 spoiled perishable goods and proof of loss including, but not limited
37 to, a cash register tape, store or credit card receipt, cancelled check,
38 invoice, or photograph of the spoiled perishable goods.

39 d. No later than 90 days after the effective date of P.L. , c.
40 (C.) (pending before the Legislature as this bill), each electric
41 public utility in the State shall develop and implement a system for
42 customers of the utility to apply for a reimbursement online via the
43 utility's Internet website. Applications for a reimbursement shall be
44 made in a form and manner as determined by the board.

45 e. Each electric public utility shall provide ice and water at a
46 centralized location, free of charge, to a residential or commercial
47 customer who experiences a sustained interruption in electrical
48 service to mitigate loss of food, prescription drugs, or perishable

1 goods, as applicable pursuant to the provisions of P.L. , c.
2 (C.) (pending before the Legislature as this bill).

3 f. An electric public utility shall not include in its rate base or
4 otherwise recover from ratepayers the amount of the reimbursement
5 or ice and water cost due to a customer pursuant to this section.

6 g. The board shall, pursuant to the “Administrative Procedure
7 Act,” P.L.1968, c.410 (C.52:14B-1 et seq.), adopt rules and
8 regulations necessary for the implementation of this section.

9 h. As used in this section:

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

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

15 “Major event” means an occurrence arising from conditions
16 beyond the control of an electric public utility that affect the
17 operation of an electric public utility’s distribution system,
18 including, but not limited to, a thunderstorm, tornado, hurricane,
19 flood, heat wave, snow storm, ice storm, earthquake, terrorist
20 attack, or any other condition that the board determines, which
21 results in a sustained interruption of utility service.

22 “Perishable goods” means any item that spoils without sustained
23 refrigeration.

24 “Sustained interruption” means the cessation of electric public
25 utility service to one or more customers lasting more than 48
26 consecutive hours after the conclusion of a major event where the
27 electric public utility service cessation was caused by that major
28 event.

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30 2. This act shall take effect immediately.

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STATEMENT

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35 This bill requires an electric public utility (utility) to reimburse a
36 residential or commercial customer who experiences a sustained
37 interruption in electric service lasting more than 48 hours for the
38 cost of spoiled food, prescription medicine, or perishable goods, as
39 applicable pursuant to the bill, due to lack of refrigeration caused
40 by the sustained interruption. Under the bill, a residential customer
41 whose food or prescription medicine spoils due to a lack of
42 refrigeration caused by a sustained power outage would be entitled
43 to a reimbursement of up to \$540 for the cost of the spoiled food or
44 prescription medicine. A residential utility customer would be
45 required to submit to the utility an itemized list of losses, and proof
46 of loss, as specified in the bill.

47 A commercial customer whose perishable goods have spoiled
48 due to a lack of refrigeration caused by a sustained interruption

1 shall be entitled to a reimbursement for up to \$10,700 of the cost of
2 the perishable goods. A commercial customer would be required to
3 submit to the utility an itemized list of losses, and proof of loss, as
4 specified in the bill.

5 No later than 90 days after the effective date of the bill, each
6 utility in the State is required to develop and implement a system
7 for customers of the utility to apply for a reimbursement online via
8 the utility's Internet website. Applications for a reimbursement is to
9 be made in a form and manner as determined by the Board of Public
10 Utilities.

11 Under the bill, each electric public utility is to provide ice and
12 water, free of charge at a centralized location, to a residential or
13 commercial customer who experiences a sustained interruption in
14 electrical service to mitigate loss of food, prescription drugs, or
15 perishable goods, as applicable pursuant to the bill.

16 An electric public utility is not to include in its rate base or
17 otherwise recover from ratepayers the amount of the reimbursement
18 or ice and water cost due to a customer pursuant to the bill.