

ASSEMBLY, No. 5384

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED FEBRUARY 23, 2021

Sponsored by:

Assemblywoman ANGELA V. MCKNIGHT

District 31 (Hudson)

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District 37 (Bergen)

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SYNOPSIS

Requires electric public utility to reimburse customers for up to \$500 for spoiled food and full cost of spoiled medicine resulting from lengthy service outage following major event.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 2/24/2021)

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

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

7
8 1. a. Beginning 90 days after the effective date of
9 P.L. , c. (C.) (pending before the Legislature as this bill),
10 an electric public utility shall reimburse a residential customer who
11 experienced a sustained interruption in electric service for any food
12 or medication that spoiled or was compromised due to lack of
13 refrigeration caused by the sustained interruption.

14 b. The reimbursement, pursuant to subsection a. of this section,
15 shall be of an amount:

16 (1) up to \$500 for the amount paid for the food that spoiled. For
17 any reimbursement request over \$250, a customer shall provide to
18 the utility an itemized list of the spoiled food and proof of purchase,
19 including an itemized receipt; and

20 (2) equal to the full cost of the amount paid for the medication
21 that was compromised. For any reimbursement request over \$500,
22 a customer shall provide to the utility an itemized list of the
23 compromised medication and proof of purchase, including an
24 itemized receipt.

25 c. No later than 90 days after the effective date of
26 P.L. , c. (C.) (pending before the Legislature as this bill),
27 each electric public utility in the State shall develop and implement
28 a system for customers of the utility to apply for a reimbursement
29 online through the utility's Internet website. Applications for
30 reimbursement shall be made in a form and manner as determined
31 by the board. An electric public utility shall reimburse a customer
32 no later 30 days after receipt of a customer's request.

33 d. Any costs incurred by an electric public utility pursuant to
34 P.L. , c. (C.) (pending before the Legislature as this bill)
35 shall not be recoverable from ratepayers of the utility.

36 e. The board shall, pursuant to the "Administrative Procedure
37 Act," P.L.1968, c.410 (C.52:14B-1 et seq.), adopt rules and
38 regulations necessary for the implementation of this section.

39 f. As used in P.L. , c. (C.) (pending before the
40 Legislature as this bill):

41 "Board" means the Board of Public Utilities or any successor
42 agency.

43 "Electric public utility" or "utility" means a public utility, as that
44 term is defined in R.S.48:2-13, that provides electric distribution
45 service in this State.

46 "Major event" means an occurrence arising from conditions
47 beyond the control of an electric public utility that affect the
48 operation of an electric public utility's distribution system,

1 including, but not limited to, a thunderstorm, tornado, hurricane,
2 flood, heat wave, snow storm, ice storm, earthquake, terrorist
3 attack, or any other condition that the board determines, which
4 results in a sustained interruption of utility service.

5 “Sustained interruption” means the cessation of electric public
6 utility service to one or more customers lasting more than 72
7 consecutive hours after the conclusion of a major event where the
8 electric public utility service cessation was caused by that major
9 event.

10
11 2. This act shall take effect immediately.

12
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14 STATEMENT

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16 This bill requires an electric public utility (utility) to reimburse a
17 residential customer (customer) who experienced a “sustained
18 interruption” caused by a “major event,” as those terms are defined
19 in the bill, for certain costs of spoiled food and medication, due to
20 the lack of refrigeration during the sustained interruption, upon the
21 customer filing a claim for the loss in a form and manner
22 established by the Board of Public Utilities (BPU). Under the bill, a
23 customer that experiences a sustained interruption may be
24 reimbursed for up to \$500 for the amount paid for the food that
25 spoiled. For any reimbursement request over \$250, a customer is to
26 provide to the utility an itemized list of the spoiled food and proof
27 of purchase, including an itemized receipt. A customer that
28 experiences a sustained interruption may be reimbursed for the full
29 cost of the amount paid for the medication that was compromised.
30 For any reimbursement request over \$500, a customer is to provide
31 to the utility an itemized list of the compromised medication and
32 proof of purchase, including an itemized receipt.

33 No later than 90 days after the effective date of the bill, each
34 utility in the State is required to develop and implement a system
35 for customers of the utility to apply for a reimbursement online via
36 the utility’s Internet website. Applications for a reimbursement are
37 to be made in a form and manner as determined by the BPU and
38 customers are to be reimbursed no later than 30 days after a utility’s
39 receipt of a reimbursement request.

40 The bill prohibits any costs incurred by a utility pursuant to the
41 bill to be recoverable from ratepayers of the utility.