

**ASSEMBLY CONCURRENT
RESOLUTION No. 124**

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED FEBRUARY 20, 2020

Sponsored by:

Assemblyman JOHN J. BURZICHELLI

District 3 (Cumberland, Gloucester and Salem)

SYNOPSIS

Urges BPU to coordinate with state public utility commissions to petition Federal Energy Regulatory Commission for public utility commission voting rights within regional transmission organizations.

CURRENT VERSION OF TEXT

As introduced.



1 **A CONCURRENT RESOLUTION** urging the New Jersey Board of
2 Public Utilities to coordinate with state public utility
3 commissions to petition the Federal Energy Regulatory
4 Commission for public utility commission voting rights within
5 regional transmission organizations.
6

7 **WHEREAS**, PJM Interconnection L.L.C. (PJM) is a regional
8 transmission organization (RTO) that consists of 897 companies,
9 which serve 61 million customers; and
10 **WHEREAS**, As a RTO, PJM coordinates, controls, and monitors the
11 transmission and generation of electricity in all or parts of 13 states,
12 including New Jersey; and
13 **WHEREAS**, Recently, electric transmission companies belonging to
14 PJM have allowed congestion to occur within the electric
15 transmission system, creating electricity shortages which electric
16 transmission companies take advantage of to sell electricity at
17 artificially higher prices, negatively impacting New Jersey's
18 residents and businesses; and
19 **WHEREAS**, Electric transmission companies' monopoly over the
20 electric transmission system has prevented competition in the
21 electric transmission market and has kept the price of electricity
22 artificially high; and
23 **WHEREAS**, While state public utility commissions are authorized to
24 regulate the distribution of electricity, the commissions lack the
25 authority to regulate the transmission of electricity, which leaves
26 the commissions powerless to counter the congestion of the electric
27 transmission system; and
28 **WHEREAS**, State public utility commissions lack voting rights within
29 RTOs which also leaves the commissions powerless to counter the
30 artificially high price of electricity caused by the congestion of the
31 electric transmission system; and
32 **WHEREAS**, State consumer advocate agencies such as the New Jersey
33 Division of Rate Counsel are voting members within PJM; and
34 **WHEREAS**, As voting members within PJM, state public utility
35 commissions would bolster the voting power of consumer advocate
36 agencies; and
37 **WHEREAS**, State public utility commissions require voting rights
38 within RTOs to ensure that the interests of the states' citizens and
39 businesses are being represented in the RTO's decision-making;
40 and
41 **WHEREAS**, The New Jersey Board of Public Utilities is respectfully
42 urged to coordinate with other state public utility commissions and
43 petition the Federal Energy Regulatory Commission, the federal
44 body which regulates RTOs, for public utility commission voting
45 rights within RTOs; now, therefore,
46

47 **BE IT RESOLVED** *by the General Assembly of the State of New*
48 *Jersey (the Senate concurring):*

1 1. The New Jersey Board of Public Utilities is respectfully
2 urged to coordinate with state public utility commissions to petition
3 the Federal Energy Regulatory Commission for public utility
4 commission voting rights within regional transmission
5 organizations.

7 2. Copies of this resolution, as filed with the Secretary of State,
8 shall be transmitted by the Clerk of the General Assembly or the
9 Secretary of the Senate to each Commissioner of the Board of
10 Public Utilities.

STATEMENT

15 This concurrent resolution urges the New Jersey Board of Public
16 Utilities (BPU) to coordinate with other state public utility
17 commissions and petition the Federal Energy Regulatory
18 Commission for voting rights within regional transmission
19 organizations (RTOs).

PJM Interconnection, L.L.C. (PJM) is a RTO that consists of 897 companies, which serve 61 million customers. As a RTO, PJM coordinates, controls, and monitors the transmission and generation of electricity in all or parts of 13 states, including New Jersey.

24 Recently, electric transmission companies belonging to PJM
25 have allowed congestion to occur within the electric transmission
26 system, creating electricity shortages which electric transmission
27 companies take advantage of to sell electricity at artificially higher
28 prices, negatively impacting New Jersey's residents and businesses.

29 State consumer advocate agencies such as the New Jersey
30 Division of Rate Counsel are voting members within PJM. As
31 voting members within PJM, state public utility commissions would
32 bolster the voting power of consumer advocate agencies.

State public utility commissions lack voting rights within RTOs which leaves the commissions powerless to counter the artificially high price of electricity caused by the congestion of the electric transmission system. State public utility commissions require voting rights within RTOs to ensure that the interests of the states' citizens and businesses are being represented in the RTO's decision-making.