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.

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

WHEREAS, PJM Interconnection L.L.C. (PJM) is a regional transmission organization (RTO) that consists of 897 companies, which serve 61 million customers; and

WHEREAS, As a RTO, PJM coordinates, controls, and monitors the transmission and generation of electricity in all or parts of 13 states, including New Jersey; and

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

WHEREAS, Electric transmission companies' monopoly over the electric transmission system has prevented competition in the electric transmission market and has kept the price of electricity artificially high; and

WHEREAS, While state public utility commissions are authorized to regulate the distribution of electricity, the commissions lack the authority to regulate the transmission of electricity, which leaves the commissions powerless to counter the congestion of the electric transmission system; and

WHEREAS, State public utility commissions lack voting rights within RTOs which also leaves the commissions powerless to counter the artificially high price of electricity caused by the congestion of the electric transmission system; and

WHEREAS, State consumer advocate agencies such as the New Jersey Division of Rate Counsel are voting members within PJM; and

WHEREAS, As voting members within PJM, state public utility commissions would bolster the voting power of consumer advocate agencies; and

WHEREAS, 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; and

WHEREAS, The New Jersey Board of Public Utilities is respectfully urged to coordinate with other state public utility commissions and petition the Federal Energy Regulatory Commission, the federal body which regulates RTOs, for public utility commission voting rights within RTOs; now, therefore,

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

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

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

STATEMENT

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

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

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