

# SENATE, No. 1300

## STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED FEBRUARY 10, 2020

**Sponsored by:**

**Senator SHIRLEY K. TURNER**

**District 15 (Hunterdon and Mercer)**

**Senator LINDA R. GREENSTEIN**

**District 14 (Mercer and Middlesex)**

**Co-Sponsored by:**

**Senator Pou**

**SYNOPSIS**

Requires certain electric public utilities to file emergency response plan with BPU.

**CURRENT VERSION OF TEXT**

As introduced.



**(Sponsorship Updated As Of: 10/29/2020)**

1    **AN ACT** requiring investor-owned electric public utilities to file an  
2       emergency response plan with the New Jersey Board of Public  
3       Utilities and supplementing Title 48 of the Revised Statutes.

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

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

10       “Board” means the New Jersey Board of Public Utilities or any  
11       successor agency;

12       “Electric public utility” or “utility” means a public utility, as that  
13       term is defined in R.S.48:2-13, that transmits and distributes  
14       electricity to end users within this State.

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16       2. a. The board shall establish standards of acceptable  
17       performance for emergency preparation and restoration of service  
18       for investor-owned electric public utilities doing business in the  
19       State. These standards shall replicate national best practices for  
20       service restoration, subject to adjustment as appropriate to  
21       accommodate any factors unique to the State.

22       b. The board shall open a full investigation of any alleged  
23       failure of an investor-owned electric public utility to meet the  
24       standards established pursuant to subsection a. of this section, upon  
25       its own initiative, upon petition of the Governor, or by the board of  
26       chosen freeholders of an affected county, or by petition from an  
27       affected municipality. The investigation shall seek to determine  
28       whether an investor-owned electric public utility has committed a  
29       violation of the board’s standards of acceptable performance;  
30       provided, however, that the petition to open an investigation shall  
31       be filed with the board not more than 90 days after the violation has  
32       been remedied.

33       c. The board shall impose a penalty not to exceed \$10,000 for  
34       each violation for each day that the violation of the board’s  
35       standards persists; provided, however, that the maximum penalty  
36       shall not exceed \$1,000,000 for any related series of violations.

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38       3. a. Each investor-owned electric public utility conducting  
39       business in the State shall annually, on or before May 15, submit to  
40       the board an emergency response plan for review and approval.  
41       The emergency response plan shall be designed for the reasonably  
42       prompt restoration of service in the event of a widespread outage in  
43       the service area of the utility due to storms or other causes beyond  
44       the control of the utility, and the provisions of the plan shall reflect  
45       the standards established pursuant to subsection a. of section 2 of  
46       this act. The emergency response plan shall include but not be  
47       limited to the following:

1 (1) The identification of management staff responsible for utility  
2 operations during an emergency;

3 (2) An explanation of the utility's system for communicating  
4 with customers during an emergency that extends beyond normal  
5 business hours and business conditions;

6 (3) A history, for the year ending April 30, of contacts with  
7 customers that document a need of essential electricity for medical  
8 reasons;

9 (4) Designation of utility staff to communicate with local  
10 officials and relevant regulatory agencies;

11 (5) Provisions regarding how the utility will assure the safety of  
12 its employees and contractors;

13 (6) Procedures for deploying utility and mutual aid crews to  
14 work assignment areas; and

15 (7) Identification of supplies and equipment reasonably  
16 anticipated by the utility to be needed during an emergency and the  
17 means of obtaining additional supplies and equipment.

18 b. After review of an investor-owned electric public utility's  
19 emergency response plan, the board may request that the utility  
20 amend the plan. If the board finds a material deficiency in the plan,  
21 the board may order the utility to make such modifications as it  
22 deems reasonably necessary to remedy the deficiency.

23 c. Any investor-owned electric public utility failing to file its  
24 emergency response plan by May 15, may be fined \$1,000 per day  
25 until an emergency response plan is filed.

26 d. The board shall also have the authority to open an  
27 investigation to review the performance of any investor-owned  
28 electric public utility in restoring service during a widespread  
29 outage in the utility's service area. If, after evidentiary hearings or  
30 other investigatory proceedings, the board finds that, as a result of  
31 the failure of the utility to implement its emergency response plan,  
32 the length of the outages were materially longer than they would  
33 have been but for the utility's failure, the board may impose a fine  
34 commensurate with the length and severity of the damage caused by  
35 that failure.

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37 4. Any fines imposed under this act shall be deposited into a  
38 non-lapsing account to be administered by the board. The account  
39 shall be used to award grants to municipalities affected by major  
40 service outages for the purpose of maintaining public rights of way  
41 located near public utility service infrastructure. Qualified  
42 maintenance activities include tree trimming and removing hazards  
43 that could lead to future outages.

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45 5. The board shall promulgate any rules and regulations  
46 pursuant to the "Administrative Procedure Act" P.L.1968, c.410  
47 (C.52:14B-1 et seq.) necessary to effectuate the provisions of this  
48 act.

1       6. This act shall take effect 12 months following enactment.

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STATEMENT

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6       This bill requires the New Jersey Board of Public Utilities  
7 (“board”) to establish a set of standards for emergency preparation  
8 and restoration of service after an outage that every investor-owned  
9 electric public utility (“utility”) in the State must follow. The  
10 standards are intended to serve as a minimum set of best practices  
11 that every utility in the State should follow with regard to power  
12 outages. The bill establishes that a utility which fails to meet these  
13 standards shall be fined \$10,000 per violation, per day. The total  
14 amount of the fine is limited to \$1 million for a series of related  
15 events. The board can investigate a violation on its own initiative  
16 or upon request from the Governor, from county freeholders  
17 affected by an outage, or from a municipality affected by an outage.

18       The bill also requires every utility to file an emergency response  
19 plan with the board. This plan would serve as an official plan of  
20 action for each utility in the event of a major power outage and  
21 must include: the identification of management staff responsible for  
22 utility operations during an emergency; an explanation of the  
23 utility’s system of communication with customers during an  
24 emergency that extends beyond normal business hours and business  
25 conditions; a history of contacts with customers that document a  
26 need of essential electricity for medical reasons; designation of  
27 utility staff to communicate with local officials and relevant  
28 regulatory agencies; provisions regarding how the utility will assure  
29 the safety of its employees and contractors; procedures for  
30 deploying utility and mutual aid crews to work assignment areas;  
31 and identification of supplies and equipment anticipated to be  
32 needed by the utility during an emergency and the means of  
33 obtaining additional supplies and equipment.

34       If a utility fails to file an emergency response plan, the board can  
35 fine the utility \$1,000 per day until a plan is filed. If the board  
36 investigates a utility after an outage and finds that the utility failed  
37 to follow its emergency response plan, the board is directed to  
38 impose a fine that reflects the severity of the damage caused by  
39 failing to follow the plan.

40       Any fines imposed by the board under this bill are to be placed in  
41 a non-lapsing account administered by the board. Monies in the  
42 account are to be distributed as grant funds to municipalities  
43 affected by power outages for maintenance costs along rights of  
44 way near utility infrastructure, such as tree trimming near power  
45 lines or removing hazards that could potentially cause a future  
46 outage.