

ASSEMBLY TELECOMMUNICATIONS AND UTILITIES
COMMITTEE

STATEMENT TO

ASSEMBLY, No. 5562

STATE OF NEW JERSEY

DATED: JUNE 5, 2023

The Assembly Telecommunications and Utilities Committee reports favorably Assembly Bill No. 5562.

As reported, this bill would require each electric public utility in the State to submit a tariff for commercial customers to the Board of Public Utilities (BPU) for approval.

The bill would require the tariffs to be submitted no later than 180 days after the bill's enactment, and to be designed to: (1) utilize alternatives to both traditional demand-based rate structures and capacity demand charges; (2) establish cost equity between commercial electric vehicle tariffs and residential tariffs; (3) remain neutral with respect to the various types of electric vehicle charging technology; (4) accelerate third-party investment in electric vehicle charging infrastructure for light-, medium-, and heavy-duty vehicles; and (5) promote electric vehicle adoption in the State. The tariffs would also be required to include an alternative rate structure, which does not utilize demand charges, for commercial customers who own or operate electric vehicle charging systems, and to satisfy other requirements enumerated in the bill. The BPU would be required to expeditiously review and approve each tariff submitted under the bill, in accordance with the provisions of the "Electric Discount and Energy Competition Act."

The bill would also prohibit an electric public utility from charging certain fees to the operators of certain electric vehicle charging stations until the utility receives approval of its tariff from the BPU, pursuant to the bill's provisions. Specifically, beginning 60 days after the bill's enactment, the bill would prohibit an electric public utility from imposing a demand charge, subscription charge, or other non-volumetric tariff structure on a direct current fast charging facility, unless the BPU has approved the utility's tariff application under the bill, and only to the extent that the approved tariff utilizes such a rate structure. A "direct current fast charging facility" is defined by the bill as a location that provides commercial access to a type of electric vehicle charging station known as a "direct current fast charger," a "DCFC," or a "Level 3 charger," which provides at least 50 kilowatts of direct electrical current to a vehicle's battery.