

# SENATE, No. 3914

## STATE OF NEW JERSEY 220th LEGISLATURE

INTRODUCED JUNE 1, 2023

**Sponsored by:**

**Senator BOB SMITH**

**District 17 (Middlesex and Somerset)**

### **SYNOPSIS**

Requires electric public utilities to submit new tariffs for commercial customers for BPU approval; regulates non-volumetric electricity fees charged to operators of fast charging electric vehicle chargers.

### **CURRENT VERSION OF TEXT**

As introduced.



1 AN ACT concerning the provision of electric power to electric  
2 vehicle charging stations and supplementing Title 48 of the  
3 Revised Statutes.

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

7  
8 1. a. As used in this section:

9 "Board" means the Board of Public Utilities.

10 "Direct current fast charging facility" means a location that  
11 provides commercial access to a DC fast charger, as that term is  
12 defined in section 2 of P.L.2019, c.362 (C.48:25-2).

13 "Electric public utility" means the same as the term is defined in  
14 section 3 of P.L.1999, c.23 (C.48:3-51).

15 "Load factor" means the quotient of the electrical energy  
16 consumed in a designated time period and the hypothetical  
17 maximum energy use in that time period, determined by multiplying  
18 the peak demand rate by the duration of the time period.

19 b. No later than 180 days after the effective date of this section,  
20 each electric public utility shall file an application with the Board of  
21 Public Utilities to establish a tariff for the provision of electricity to  
22 commercial customers. The tariff shall be designed to:

23 (1) utilize alternatives to both traditional demand-based rate  
24 structures and capacity demand charges;

25 (2) establish cost equity between commercial electric vehicle  
26 tariffs and residential tariffs;

27 (3) remain neutral with respect to the various types of electric  
28 vehicle charging technology;

29 (4) accelerate third-party investment in electric vehicle charging  
30 infrastructure for light-, medium-, and heavy-duty vehicles; and

31 (5) promote electric vehicle adoption in the State.

32 c. A tariff developed pursuant to this section shall include an  
33 alternative rate structure, which does not utilize demand charges,  
34 for commercial customers who own or operate electric vehicle  
35 charging systems. The tariff shall not obligate a customer to furnish  
36 additional data collection as a condition of service beyond what can  
37 be obtained from the customer's electric meter. Each tariff shall  
38 provide predictable effective cost per kilowatt-hour delivered over a  
39 range of load factors. Rates for electric distribution in the tariff  
40 shall be designed to encourage investment in faster, higher-powered  
41 electric vehicle charging facilities and shall include comparable  
42 costs per megawatt hour for both higher-power and lower-powered  
43 direct current fast charging facilities.

44 d. The board shall expeditiously review, pursuant to the  
45 provisions of section 7 of P.L.1999, c.23 (C.48:3-55) and the rules  
46 or regulations adopted pursuant thereto, each application submitted  
47 pursuant to this section , and shall approve the application if the

1 board determines that it complies with the requirements of this  
2 section and all other applicable laws, rules, and regulations.

3 e. Notwithstanding the provisions of a tariff in effect on the  
4 effective date of this section, commencing 60 days after the  
5 effective date of this section, an electric public utility shall not  
6 assess a demand charge, subscription charge, or other non-  
7 volumetric tariff structure on a direct current fast charging facility,  
8 unless the board has approved the utility's tariff application  
9 submitted pursuant to this section, and only to the extent that the  
10 approved tariff utilizes such a non-volumetric structure.

11  
12 2. This act shall take effect immediately.  
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15 STATEMENT  
16

17 This bill would require each electric utility in the State to submit  
18 a tariff for commercial customers to the Board of Public Utilities  
19 (BPU) for approval.

20 The bill would require the tariffs to be submitted no later than  
21 180 days after the bill's enactment, and to be designed to: (1)  
22 utilize alternatives to both traditional demand-based rate structures  
23 and capacity demand charges; (2) establish cost equity between  
24 commercial electric vehicle tariffs and residential tariffs; (3) remain  
25 neutral with respect to the various types of electric vehicle charging  
26 technology; (4) accelerate third-party investment in electric vehicle  
27 charging infrastructure for light-, medium-, and heavy-duty  
28 vehicles; and (5) promote electric vehicle adoption in the State.  
29 The tariffs would also be required to include an alternative rate  
30 structure, which does not utilize demand charges, for commercial  
31 customers who own or operate electric vehicle charging systems,  
32 and to satisfy other requirements enumerated in the bill. The BPU  
33 would be required to expeditiously review and approve each tariff  
34 submitted under the bill, in accordance with the provisions of the  
35 "Energy Discount and Energy Competition Act," P.L.1999, c.23  
36 (C.48:3-49 et al.).

37 The bill would also prohibit an electric utility from charging  
38 certain fees to the operators of certain electric vehicle charging  
39 stations until the utility receives approval of its tariff from the BPU,  
40 pursuant to the bill's provisions. Specifically, beginning 60 days  
41 after the bill's enactment, the bill would prohibit an electric utility  
42 from imposing a demand charge, subscription charge, or other non-  
43 volumetric tariff structure on a direct current fast charging facility,  
44 unless the BPU has approved the utility's tariff application under  
45 the bill, and only to the extent that the approved tariff utilizes such  
46 a rate structure. A "direct current fast charging facility" is defined,

1 by the bill, as a location that provides commercial access to a type  
2 of electric vehicle charging station known as a “direct current fast  
3 charger,” a “DCFC,” or “Level 3 charger,” which provides at least  
4 50 kilowatts of direct electrical current to a vehicle's battery.