

SENATE, No. 3218

STATE OF NEW JERSEY

221st LEGISLATURE

INTRODUCED MAY 13, 2024

Sponsored by:

Senator KRISTIN M. CORRADO

District 40 (Bergen, Essex and Passaic)

Senator NILSA I. CRUZ-PEREZ

District 5 (Camden and Gloucester)

SYNOPSIS

Prohibits electric and gas public utilities from collecting payment from residential budget billing plan customers whose service was interrupted as a result of major emergency event.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT concerning certain customer billing practices of electric
2 and gas public utilities and supplementing Title 48 of the
3 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 Board of Public Utilities or any successor
11 agency.

12 “Budget billing plan” means a public utility service payment
13 plan that allows a customer to pay a predetermined monthly rate for
14 a set time period, based on the customer's average usage.

15 “Customer” means a residential customer receiving service from
16 a public utility and participating in a budget billing plan offered by
17 the public utility, as provided by any board rule, regulation, or
18 order.

19 “Major emergency event” means a natural or humanly caused
20 occurrence arising from conditions beyond the control of the public
21 utility, including but not limited to, a thunderstorm, earthquake,
22 tornado, hurricane, flood, heat wave, snowstorm, or ice storm,
23 which results in:

24 a. a sustained service interruption to at least five percent of the
25 customers within an operating area or at least five percent of the
26 utility’s customers within a municipality or county located in an
27 operating area; or

28 b. the declaration of a state of emergency or disaster by the
29 State or by the federal government.

30 “Operating area” means a defined geographical service territory
31 where a public utility distributes electricity or natural gas, or both,
32 to end users as approved by the board.

33 “Public utility” means a public utility as that term is defined in
34 R.S.48:2-13, that transmits and distributes electricity or natural gas,
35 or both, to end users within this State.

36 “Service interruption” means the cessation of electric or natural
37 gas service by one or more customers of a public utility.

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39 2. Notwithstanding the provisions of any other law, rule,
40 regulation, or order to the contrary, the board shall prohibit a public
41 utility from charging a customer for service by that public utility
42 during any time the customer incurred a service interruption due to
43 the customer having sustained damage to the customer’s residence
44 from the effects of a major emergency event and until such time as
45 service is restored; provided, however, that the board may allow a
46 public utility to collect payment from a customer after the billing

1 due date, pursuant to law, if the customer owes the public utility
2 any charge for service rendered prior to the date of a major
3 emergency event.

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5 3. This act shall take effect immediately.

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STATEMENT

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10 This bill directs the Board of Public Utilities (BPU) to prohibit
11 any electric or gas public utility (utility) from charging a residential
12 customer (customer) for electric or gas utility service who
13 participates in a budget billing plan offered by the utility, as
14 provided by any BPU rule or regulation, if the customer incurred a
15 service interruption due to the customer having sustained damage to
16 the customer's residence from the effects of a "major emergency
17 event," as that term is defined in the bill, until such time service is
18 restored. This prohibition does not extend to any utility collecting
19 from a customer, pursuant to law, payment for utility service
20 rendered prior to the date of the major emergency event.