SENATE, No. 4575

STATE OF NEW JERSEY

221st LEGISLATURE

INTRODUCED JUNE 5, 2025

Sponsored by:
Senator CARMEN F. AMATO, JR.
District 9 (Ocean)

SYNOPSIS

Requires electric public utilities to submit transmission project proposal to BPU for approval.

CURRENT VERSION OF TEXT

As introduced.

AN ACT concerning electric transmission projects in the State and supplementing Title 48 of the Revised Statutes.

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

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

"Board" means the Board of Public Utilities.

"Electric public utility" means a public utility, as that term is defined in R.S.48:2-13, that transmits and distributes electricity to end users within the State.

"Transmission project" means a project undertaken by an electric public utility to construct a new transmission line or modify an existing transmission line.

2. a. Prior to undertaking a transmission project in this State, an electric public utility shall develop and submit to the board, for approval by the board, a transmission project proposal, which shall, at a minimum:

(1) identify the project's potential impact on the environment, scenic sights, historic sites, and public safety;

(2) document all costs associated with undertaking the project;

(3) indicate whether the project meets a demonstrated need, which need may be established by the project's provision of public benefits, which benefits shall include, but not be limited to, improved reliability, increased economic development, reduced consumer costs, and increased energy supply to meet an increased energy demand; and

(4) identify alternative project ideas, if any, that would meet the same demonstrated need but for a lower total project cost.

b. No later than 90 days after receiving an electric public utility's transmission project proposal, the board shall review the proposal and, after providing notice and an opportunity to be heard, the board shall:

(1) determine whether the proposal is reasonable, within the public interest, and cost effective; and

(2) approve the proposal if the board determines that the proposal is reasonable, within the public interest, and cost effective.

3. The Board of Public Utilities shall adopt, pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), rules and regulations as may be necessary for the implementation of P.L. , c. (C.) (pending before the Legislature as this bill), including, but not limited to, the establishment of criteria to guide the board's review of transmission project proposals submitted pursuant to section 2 of P.L. , c. (C.) (pending before the Legislature as this bill).

4. This act shall take effect immediately.

STATEMENT

This bill requires an electric public utility to submit a transmission project proposal (proposal) to the Board of Public Utilities (board) for approval prior to undertaking a transmission project. The proposal is required to, at a minimum: (1) identify the project's potential impact on the environment, scenic sights, historic sites, and public safety; (2) document all costs associated with undertaking the project; (3) indicate whether the project meets a demonstrated need, which need may be established by the project's provision of certain public benefits; and (4) identify alternative project ideas, if any, that meet the same demonstrated need but for a lower total project cost. Within 90 days of the board's receipt of a proposal, the board is required to determine if the proposal is reasonable, within the public interest, and cost effective. In addition, the board is required to approve the proposal if the board determines that the proposal is reasonable, within the public interest, and cost effective.

Under the bill, a "transmission project" is defined to mean a project undertaken by an electric public utility to construct a new transmission line or modify an existing transmission line.

It is the sponsor's intent to require an electric public utility to receive approval from the board prior to undertaking a transmission project in response to the testimony provided by the Director of the Division of Rate Counsel (director) during the October 2, 2024 Assembly Telecommunications and Utilities Committee meeting. The director indicated in his testimony that requiring board review of transmission projects prior to their start could reduce transmission costs by ensuring that each transmission project is needed and is the lowest cost solution.