

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

[First Reprint]

ASSEMBLY, No. 3967

with committee amendments

STATE OF NEW JERSEY

DATED: OCTOBER 22, 2026

The Assembly Appropriations Committee reports favorably and with committee amendments Assembly Bill No. 3967 (1R).

As amended, this bill requires the Board of Public Utilities (board) to work collaboratively with neighboring states to research and recommend collective action to: (1) require any electric load serving entity in New Jersey to demonstrate to the board that it has contracted for at least 80 percent of the capacity needed to serve its load on a bilateral basis for at least five years into the future; (2) withdraw from PJM Interconnection, L.L.C.'s (PJM) capacity market and develop a multi-state compact to engage in the fixed resource requirement alternative to secure electric capacity through contracts with private entities, competitive capacity auctions, or some combination thereof; or (3) withdraw from the regional, high-voltage electric transmission grid operated and managed by PJM and, instead, either establish an independent electric transmission grid or join an existing electric transmission grid. Within one year of the bill's effective date, the board is to submit a report to the Governor and the Legislature containing the board's findings and recommendations.

COMMITTEE AMENDMENTS:

The committee amended the bill to make a technical change to the bill's effective date.

FISCAL IMPACT:

The Office of Legislative Services (OLS) estimates that the bill may result in an indeterminate expenditure increase incurred by the Board of Public Utilities from collaborating with neighboring states to conduct the necessary research to prepare the report required under the bill. However, these costs would likely be one-time costs as the bill requires a single report due within one year of the bill's effective date and does not establish a recurring reporting requirement.

The magnitude of the expenditure increase will likely depend on the scope and depth of the board's analysis under the bill and the board's ability to conduct its analysis using existing resources.