

ASSEMBLY, No. 5696

STATE OF NEW JERSEY 222nd LEGISLATURE

INTRODUCED OCTOBER 19, 2026

Sponsored by:

Assemblyman VINCENT M. "VINNIE" KEARNEY
District 21 (Middlesex, Morris, Somerset and Union)

SYNOPSIS

Establishes requirements for electric public utility power restoration practices after major events.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT concerning electric public utility power restoration
2 performance and supplementing Title 48 of the Revised Statutes.

3
4 **BE IT ENACTED** *by the Senate and General Assembly of the State*
5 *of New Jersey:*

6
7 1. This act shall be known and may be cited as the “Electric
8 Public Utility Service Area Accountability Act.”

9
10 2. As used in P.L. , c. (C.) (pending before the
11 Legislature as this bill):

12 “Annual system performance report” means the report submitted
13 by an electric public utility to the board pursuant to the provisions
14 of subchapter 8 of chapter 5 of Title 14 of the New Jersey
15 Administrative Code.

16 “Board” means the New Jersey Board of Public Utilities or a
17 successor agency.

18 “Documented costs” means the cost, borne by counties and
19 municipalities, of any excess burden created by an electric public
20 utility’s failure to meet benchmarks established by the board
21 pursuant to subsection a. of section 3 of P.L. , c. (C.)
22 (pending before the Legislature as this bill) during a major event.

23 “Documented costs” includes, but is not limited to: (1) law
24 enforcement and fire personnel overtime for static posts, road
25 closures, or traffic control at sites affected by the utility’s
26 infrastructure; (2) equipment, barricades, and related material costs
27 for performing such law enforcement and fire response work; and
28 (3) emergency operations center staffing costs.

29 “Electric public utility” or “utility” means a public utility, as that
30 term is defined pursuant to R.S.48:2-13, that transmits and
31 distributes electricity to end users within the State.

32 “Major event” means a sustained interruption of electric public
33 utility service that: (1) results from conditions beyond the control
34 of an electric public utility, including, but not limited to,
35 thunderstorms, tornadoes, hurricanes, heat waves, or snow and ice
36 storms; (2) affects at least 10 percent of the customers in an
37 operating area within a 48-hour period; and (3) begins with the
38 conditions initiating the event and concludes when the final
39 customer outage due to the initiating conditions is restored.

40 “Operating area” means a geographical subdivision of an electric
41 public utility’s service area, as determined by an electric public
42 utility.

43
44 3. a. Within 30 days of the effective date of P.L. ,
45 c. (C.) (pending before the Legislature as this bill), the board
46 shall establish benchmarks to evaluate an electric public utility’s
47 power restoration performance during a major event at the operating
48 area level compared to the power restoration performance of other

1 electric public utilities during a major event at the operating area
2 level. At a minimum, the benchmarks shall include a threshold for
3 acceptable power restoration periods.

4 b. During a major event, the board shall provide notice to an
5 electric public utility if the board deems an operating area to be
6 chronically underperforming. An operating area shall be deemed
7 chronically underperforming if:

8 (1) the utility fails to meet the benchmarks established by the
9 board pursuant to subsection a. of this section for the operating
10 area; and

11 (2) the operating area is located within the service area of an
12 electric public utility that is, or has been, subject to a board order
13 concerning the utility's power restoration deficiencies, or other
14 deficiencies related to the utility's service reliability, in the five
15 years preceding the major event.

16 c. (1) Within 60 days of receiving notice that an operating area
17 has been designated as chronically underperforming pursuant to
18 subsection b. of this section, an electric public utility shall submit a
19 corrective action plan to the board for approval. To address the
20 utility's power restoration deficiencies, the action plan shall
21 include:

22 (a) specific capital investments;

23 (b) staffing changes;

24 (c) communication protocol updates;

25 (d) a proposal to administer bill credits to affected customers
26 within the chronically-underperforming operating area; and

27 (e) any other information deemed appropriate by the board.

28 (2) Upon approval of a corrective action plan pursuant to
29 paragraph (1) of this subsection, an electric public utility shall
30 administer automatic bill credits to affected customers within the
31 chronically-underperforming operating area subject to the
32 corrective action plan.

33 d. If an electric public utility fails to meet the benchmarks
34 established by the board pursuant to subsection a. of this section
35 during a subsequent major event for an operating area deemed to be
36 chronically underperforming pursuant to subsection b. of this
37 section, the board shall hold a proceeding to determine the
38 feasibility of transferring jurisdiction over the chronically-
39 underperforming operating area to an alternative electric public
40 utility with a service area located adjacent to the chronically-
41 underperforming operating area. At a minimum, in the proceeding,
42 in consultation with the affected electric public utilities, the board
43 shall:

44 (1) develop a detailed plan and a timeline for the transfer;

45 (2) evaluate the stranded costs associated with the loss of the
46 chronically-underperforming operating area and develop a proposal
47 to address such stranded costs;

1 (3) determine the impact of the transfer and its associated costs
2 on the State's electric public utility customers; and

3 (4) evaluate the general transition costs for the affected electric
4 public utilities.

5
6 4. a. If an electric public utility fails to meet the benchmarks
7 established by the board pursuant to subsection a. of section 3 of
8 P.L. , c. (C.) (pending before the Legislature as this bill)
9 during a subsequent major event for an operating area deemed to be
10 chronically underperforming pursuant to subsection b. of section 3
11 of P.L. , c. (C.) (pending before the Legislature as this
12 bill), the electric public utility with jurisdiction over the
13 chronically-underperforming operating area shall, upon request,
14 reimburse counties and municipalities for documented costs
15 incurred in maintaining public safety during the period of power
16 restoration that exceeded the threshold established by the board
17 pursuant to subsection a. of section 3 of P.L. , c. (C.)
18 (pending before the Legislature as this bill).

19 b. Within 90 days of the conclusion of a major event, counties
20 and municipalities may submit to the board for approval itemized
21 claims for reimbursement pursuant to subsection a. of this section
22 and any additional information deemed appropriate by the board to
23 facilitate such reimbursement. However, an electric public utility
24 may petition the board to contest any reimbursement claim
25 submitted by a county or municipality pursuant to this subsection.

26 c. An electric public utility may not pass through to its
27 customers the cost to reimburse counties and municipalities for
28 documented costs pursuant to subsection a. of this section.

29
30 5. a. During a major event, an electric public utility shall
31 submit to municipal emergency management coordinators within a
32 municipality located in the utility's service area:

33 (1) information regarding the estimated time of restoration for
34 any outages reported by the municipality, which information shall
35 be submitted at least every 12 hours through the duration of the
36 major event; and

37 (2) for any outage in excess of 24 hours, a written explanation
38 for the delayed power restoration.

39 b. An electric public utility who fails to comply with the
40 reporting requirements outlined in subsection a. of this section shall
41 be liable for a civil penalty of up to: for a first offense, \$5,000 for
42 each day the utility fails to comply with the reporting requirements
43 of subsection a. of this section with a maximum penalty amount of
44 \$25,000; and \$250,000 for a subsequent offense. However, an
45 electric public utility may petition the board for a time extension on
46 the reporting requirements outlined in subsection a. of this section,
47 which extension may be granted at the board's discretion.

1 certain civil penalties outlined in the bill. In addition, within 30
2 days of receiving an annual system performance report from an
3 electric public utility, the bill requires the board to publish on its
4 Internet website in a user-friendly format and in an easily-
5 accessible location certain performance data for the utility.

6 Over the weekend of July 4, 2026, New Jersey experienced
7 several severe storms that caused power outages affecting hundreds
8 of thousands of electric public utility customers across the State. It
9 is the sponsor's belief that the failure of electric public utilities to
10 provide safe and reliable service is detrimental to New Jersey
11 residents and that the costs associated with this failure are often
12 borne by ratepayers and municipalities through lost wages, spoiled
13 property, public safety risk, and displaced transit service. With this
14 legislation, the sponsor hopes to create an additional mechanism to
15 regulate the State's electric public utility industry and thereby
16 safeguard the interests of New Jersey ratepayers.