

[First Reprint]

SENATE, No. 3192

STATE OF NEW JERSEY
219th LEGISLATURE

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Sponsored by:

Senator TROY SINGLETON

District 7 (Burlington)

SYNOPSIS

Requires electric public utility to install and operate smart meter infrastructure and technology at certain customers' premises; provides employment protections for certain electric public utility employees.

CURRENT VERSION OF TEXT

As reported by the Senate Economic Growth Committee on January 14, 2021, with amendments.



1 AN ACT concerning certain electric public utility meter
2 infrastructure and technology and employment protections and
3 supplementing Title 48 of the Revised Statutes.

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

7
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 “Customer” means any person that is an end user and is
13 connected to any part of the transmission and distribution system
14 within an electric public utility's service territory within this State.

15 “Electric power supplier” shall have the same meaning as
16 provided in section 3 of P.L.1999, c.23 (C.48:3-51).

17 “Electric public utility” or “utility” means a public utility, as that
18 term is defined in R.S.48:2-13, that provides electric distribution
19 service to customers in this State.

20 “Electric related service” shall have the same meaning as
21 provided in section 3 of P.L.1999, c.23 (C.48:3-51).

22 “Smart meter” means an electric metering device that employs
23 smart meter technology to measure and record electricity usage data
24 to both an electric public utility and a customer for billing and other
25 purposes. “Smart meter” shall include a basic hourly interval
26 meter, a meter with one-way communication, and a real-time meter
27 with built-in two-way communication capable of recording and
28 transmitting instantaneous electric usage data.

29 “Smart meter infrastructure” means a system consisting of the
30 following components including, but not limited to:

31 a. a smart meter at the customer’s premises;
32 b. a communications network between the smart meter and the
33 electric public utility and electric power supplier serving the
34 customer; and

35 c. a smart meter data management application at the premises
36 of the electric public utility and electric power supplier.

37 “Smart meter technology” means technology, including metering
38 technology and network communications technology capable of
39 bidirectional communication between a customer and an electric
40 public utility and electric power supplier serving the customer, that
41 records electricity usage on at least an hourly basis, including
42 related electric distribution system upgrades to enable the
43 technology. “Smart meter technology” shall include technology
44 that provides utility customers with direct access to, and use of,

EXPLANATION – Matter enclosed in bold-faced brackets **[thus]** in the above bill is
not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹Senate SEG committee amendments adopted January 14, 2021.

1 electricity price and consumption information. “Smart meter
2 technology” shall also include technology that:

3 a. directly provides utility customers with information on their
4 hourly electricity usage;

5 b. enables time-of-use electric rates and real-time price plans;

6 c. effectively supports the automatic control of the customer’s
7 electricity consumption by one or more of the following, as selected
8 by the customer:

9 (1) the customer;

10 (2) the customer’s utility; or

11 (3) a third party engaged by the customer or the customer’s
12 utility.

13
14 2. a. ¹【Within 90 days after the effective date of P.L. ,
15 c. (C.) (pending before the Legislature as this bill), an】 An¹
16 electric public utility shall ¹【submit to】 file with¹ the Board of
17 Public Utilities, in a form and manner determined by the board, a
18 proposed plan ¹or, as applicable, an updated plan as ordered by the
19 board.¹ for the procurement and installation of smart meter
20 infrastructure and smart meter technology. ¹A utility shall include
21 in its filing with the board an independent analysis that estimates
22 the costs and benefits of the procurement and installation of smart
23 meter infrastructure and smart meter technology.¹ The board shall
24 approve or modify a proposed smart meter plan within 180 days of
25 plan submittal. A proposed smart meter plan shall describe the
26 smart meter infrastructure and smart meter technology the utility
27 intends to furnish and shall require the utility to furnish smart meter
28 infrastructure and smart meter technology, as follows:

29 (1) upon a request from a customer that agrees to pay the cost of
30 the smart meter infrastructure and smart meter technology at the
31 time of the request; or

32 (2) in new building construction.

33 b. A plan filed with the board, pursuant to subsection a. of this
34 section, shall include a provision that an electric public utility shall
35 make available, with customer consent, direct smart meter access
36 and electronic access to customer smart meter data to third parties,
37 including electric power suppliers and providers of an electric-
38 related service.

39
40 3. ¹【Within 24 months after the effective date of P.L. ,
41 c. (C.) (pending before the Legislature as this bill), an】 After
42 the implementation of its smart meter plan, an¹ electric public
43 utility shall submit to the board ¹, as a component of the utility’s
44 next rate base proceeding filed under R.S.48:2-21 or R.S.48:2-
45 21.1,¹ one or more proposed time-of-use electric rates and real-time
46 price plans for customers provided with smart meter infrastructure
47 and smart meter technology. The board shall approve or modify the

1 time-of-use rates and real-time price plan within 180 days of plan
2 submittal. A utility shall offer the time-of-use rates and real-time
3 price plan to all customers that have been provided with smart
4 meter infrastructure and smart meter technology pursuant to P.L. ,
5 c. (C.) (pending before the Legislature as this bill). A
6 residential or commercial customer may elect to participate in a
7 time-of-use rates or real-time price plan.

8
9 4. a. An electric public utility may recover reasonable and
10 prudent costs of providing smart meter infrastructure and smart
11 meter technology, pursuant to P.L. , c. (C.) (pending before
12 the Legislature as this bill), under a 'proposed smart meter' plan
13 approved by the board. Eligible cost recovery shall include annual
14 depreciation and capital costs over the life of the smart meter
15 infrastructure and smart meter technology, in accordance with a
16 depreciation schedule not to exceed ¹~~15~~ 25 years, and the cost of
17 any electric distribution system upgrades that the utility may require
18 to enable the use of smart meter infrastructure and smart meter
19 technology that are incurred after the effective date of P.L. ,
20 c. (C.) (pending before the Legislature as this bill), less
21 operating and capital cost savings realized by the utility from the
22 installation and use of smart meter infrastructure and smart meter
23 technology.

24 b. An electric public utility may recover smart meter
25 infrastructure and smart meter technology costs ¹~~as follows~~:

26 (1) through base rates, including a deferral for future base rate
27 recovery of current basis with a carrying charge as determined by
28 the board; or

29 (2) on a full and current basis through a reconcilable automatic
30 adjustment clause as determined by the board ~~through a petition~~
31 or, as appropriate, an updated petition, filed with and approved by
32 the board, under any applicable rules and regulations promulgated
33 by the board¹.

34 c. In no event shall lost or decreased revenues by an electric
35 public utility, due to reduced electricity consumption or shifting
36 electricity demand, be considered any of the following:

37 (1) a cost of smart meter infrastructure and smart meter
38 technology recoverable under any reconcilable automatic
39 adjustment clause allowed by the board, except that decreased
40 revenues and reduced electricity usage may be reflected in the
41 revenue and sales data used to calculate rates in a utility rate base
42 rate proceeding filed under R.S.48:2-21 or R.S.48:2-21.1; or

43 (2) a recoverable cost.

44
45 5. An electric public utility shall offer any employee whose
46 position has been eliminated due to the utility's installation and
47 operation of smart meter infrastructure and smart meter technology

1 pursuant to P.L. , c. (C.) (pending before the Legislature as
2 this bill) a one-time right of first refusal for any available position
3 with the utility for which the employee may qualify.

4

5 6. This act shall take effect immediately, but shall remain
6 inoperative for 60 days following the date of enactment.