ASSEMBLY, No. 1914

STATE OF NEW JERSEY

INTRODUCED MAY 6, 1996

By Assemblymen COHEN and WISNIEWSKI

AN ACT concerning certain public utility facility operations, and supplementing Title 48 of the Revised Statutes.

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

1. The provisions of any other law, rule or regulation to the contrary notwithstanding, upon notification by an electric public utility that a nuclear generating facility of the utility is out of service or is anticipated to be out of service for more than 90 consecutive days, pursuant to notification procedures to be developed by the board, the board shall conduct a formal investigation to review the prudence of management actions made relating to the reasons that the nuclear facility is out of service and to determine whether any costs associated with the out-of-service nuclear facility, in determining just and reasonable rates for any electric public utility pursuant to R.S.48:2-21, R.S. 48:2-21.1, section 31 of P.L.1962, c.198 (C.48:2-21.2) or P.L.1995, c. 180 (C.48:2-21.24 et seq.), shall be removed from the utility's rates, including those rates which are part of an off-tariff rate agreement, or as a factor in the rate, or any other charge to the ratepayer, in a plan for alternative form of regulation.

2. The board shall promulgate, in accordance with the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), such rules and regulations as may be necessary to effectuate the purposes of this act.

3. This act shall take effect immediately.

STATEMENT

This bill would provide that upon notification by an electric public utility that a nuclear generating facility of the utility is out of service or is anticipated to be out of service for more than 90 consecutive days, pursuant to notification procedures to be developed by the board, the board shall conduct a formal investigation to review the

prudence of management actions made relating to that nuclear generating facility and to determine whether any costs associated with the out-of-service nuclear generating facility, in determining just and reasonable rates for any electric public utility pursuant to R.S. 48:2-21, R.S. 48:2-21.1, section 31 of P.L.1962, c.198 (C.48:2-21.2) or P.L.1995, c. 180 (C.48:2-21.24 et seq.), shall be removed from the utility's rates, including those rates which are part of an off-tariff rate agreement, or as a factor in the rate, or any other charge to the ratepayer, in a plan for alternative form of regulation.

Requires BPU to conduct a formal investigation whenever a nuclear facility is out of service for more than 90 consecutive days.