

ASSEMBLY, No. 2010

STATE OF NEW JERSEY

INTRODUCED MAY 13, 1996

By Assemblymen WISNIEWSKI and COHEN

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

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

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7 1. The provisions of any other law, rule or regulation to the
8 contrary notwithstanding, upon notification by an electric public utility
9 that a generating facility of the utility is out-of-service indefinitely, the
10 board shall conduct a formal investigation and shall require the utility
11 to: (1) document any estimated savings to the utility as a result of
12 closing the facility; (2) rebate those savings to all ratepayers; and (3)
13 determine whether any costs associated with the out-of-service facility,
14 including closing costs and maintenance of the facility pending final
15 disposition, in determining just and reasonable rates for any electric
16 public utility pursuant to R.S.48:2-21, R.S.48:2-21.1, section 31 of
17 P.L.1962, c.198 (C.48:2-21.2) or P.L.1995, c. 180 (C.48:2-21.24 et
18 seq.), shall be removed from the utility's rates, including those rates
19 which are part of an off-tariff rate agreement, or as a factor in the rate,
20 or any other charge to the ratepayer, in a plan for alternative form of
21 regulation.

22 The provisions of this section shall not apply to a generating facility
23 of the utility which is not operating due to: (1) retrofitting; (2)
24 preparation for replacement of that facility for a recently constructed
25 facility; or (3) an operating casualty in which the utility plans to have
26 the facility operating within one year of the date of the casualty.

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

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33 3. This act shall take effect immediately.

STATEMENT

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This bill would provide that upon notification by an electric public utility that a generating facility of the utility is out-of-service indefinitely, the board shall conduct a formal investigation and shall require the utility to: (1) document any estimated savings to the utility as a result of closing the facility; (2) rebate those savings to all ratepayers; and (3) determine whether any costs associated with the out-of-service facility, including closing costs and maintenance of the facility pending final disposition, 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.

The bill would not apply to a generating facility of the utility which is not operating due to: (1) retrofitting; (2) preparation for replacement of that facility for a recently constructed facility; or (3) an operating casualty in which the utility plans to have the facility operating within one year of the date of the casualty.

Requires electric public utilities to pass through savings to ratepayers resulting from closing of generating plants.