

ASSEMBLY, No. 2850

STATE OF NEW JERSEY

INTRODUCED MARCH 24, 1997

By Assemblywoman POU and Assemblyman WISNIEWSKI

1 AN ACT concerning consumer protection for electricity customers 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. This act shall be known and may be cited as the "Electric Power
8 Consumer Protection Act."

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10 2. As used in this act:

11 "Customer" means a retail consumer of electricity;

12 "Electric distribution company" means the public utility providing
13 facilities for the transmission or distribution of electricity to
14 customers; and

15 "Electricity supplier" means a person or corporation, including
16 municipal corporations which provide service outside their municipal
17 boundaries, brokers and marketers, aggregators or any other entities,
18 that sell to customers electricity or related services using the
19 transmission or distribution facilities of an electric distribution
20 company, or that purchases, brokers, arranges or markets electricity
21 or related services for sale to customers using the transmission and
22 distribution facilities of an electric distribution company. "Electricity
23 supplier" includes an electric distribution company that sells electricity
24 or related services to customers.

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26 3. a. No electricity supplier shall provide electricity or related
27 services or related services to customers in this State unless the
28 electricity supplier applies for and receives a license from the Board of
29 Public Utilities.

30 b. To receive a license pursuant to subsection a. of this section, an
31 electricity supplier must:

32 (1) Maintain an office within the State of New Jersey for the
33 purpose of accepting service and processing customer complaints;

34 (2) Provide assurance of the supplier's financial viability, including,
35 but not necessarily limited to, the provision of a bond or other security
36 approved by the board, in form and amount to ensure the financial
37 responsibility of the electricity supplier and the supply of electricity at

1 the retail level in accordance with customer contracts;

2 (3) Maintain written credit, collection and disconnection policies
3 that are filed with the board and made available, upon request, to
4 customers;

5 (4) Enter into a written agreement with the board to conform with
6 the requirements established pursuant to section 4 of this act; and

7 (5) Provide the board with any other information the board
8 requires.

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10 4. a. The board shall require all electricity suppliers that provide
11 electricity or related services to meet the following requirements:

12 (1) Provide electricity customers with understandable and accurate
13 information, in a standardized format, to enable electricity customers
14 to make informed choices regarding the purchase of all electricity
15 services offered by that electricity supplier, and to compare prices and
16 services on a uniform basis;

17 (2) Maintain and administer a program that receives, processes and
18 resolves customer complaints; and

19 (3) Maintain the confidentiality of a customer's payment history.

20 b. The board shall ensure that all residential, commercial and
21 industrial customers, regardless of sex, race, age, ethnic origin, family
22 status, receipt of public assistance, or past credit history for non-
23 electric service related bills, shall have an opportunity to obtain
24 electricity and related services from a reasonable number of competing
25 electricity suppliers.

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27 5. a. The board shall, prior to the implementation of retail electric
28 industry competition in the State, require each electric distribution
29 company, in consultation with the board, to implement a multi-lingual
30 consumer education program informing customers of the changes in
31 the electric utility industry as a result of the restructuring of the
32 electricity industry. The program shall provide customers with
33 information necessary to assist them to make appropriate choices
34 concerning their electric service. The education program shall be
35 subject to the approval of the board.

36 b. The board shall establish rules and regulations to ensure that an
37 electric distribution company does not change a customer's electricity
38 supplier without written evidence of the customer's consent to a
39 change of supplier.

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41 6. The board shall revoke or suspend a license issued pursuant to
42 section 3 of this act upon the failure of the license holder to comply
43 with any of the provisions of this act.

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45 7. The board shall adopt, pursuant to the "Administrative
46 Procedure Act," P.L. 1968, c.410 (C.52:14B-1 et seq.), any rules and

1 regulations necessary to effectuate the purposes of this act.

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3 8. This act shall take effect immediately.

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STATEMENT

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8 This bill would require each electricity supplier that provides
9 electric power service or related services at the retail level to be
10 licensed by the Board of Public Utilities (BPU). To be licensed, an
11 electricity supplier would be required to maintain an office within the
12 State of New Jersey, provide assurance of financial viability, maintain
13 written credit, collection and disconnection policies that are filed with
14 the board and made available, upon request, to customers, and to
15 generally comply with the other requirements of the bill.

16 The bill also requires electricity suppliers to provide customers with
17 understandable and accurate information on rates and services on a
18 uniform basis, a customer complaint resolution process, and
19 confidentiality concerning a customer's payment history. The bill also
20 requires the BPU to ensure that all residential, commercial and
21 industrial customers, regardless of sex, race, age, ethnic origin, family
22 status, receipt of public assistance, or past credit history for non-
23 electric service related bills, have an opportunity to obtain electricity
24 and related services from a reasonable number of competing electricity
25 suppliers.

26 The bill requires each electric distribution company, in consultation
27 with the BPU, to implement a multi-lingual consumer education
28 program informing customers of the changes in the electric utility
29 industry as a result of electric restructuring. The program would be
30 required to provide customers with information necessary to assist
31 them to make appropriate choices concerning their electric service.

32 The bill also requires the BPU to establish rules and regulations to
33 ensure that an electric distribution company does not change a
34 customer's electricity supplier without written evidence of the
35 customer's consent to a change of supplier (also known as
36 "slamming"). An electricity supplier's failure to comply with the
37 provisions of the bill would result in the revocation or suspension of
38 the supplier's license to sell electricity or related services in this State.

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43 Provides protection for electricity customers.