CHAPTER 29

ENERGY EMERGENCY

Authority

N.J.S.A. 52:27F-18.

Source and Effective Date

R.1996 d.128, effective February 8, 1996. See: 27 N.J.R. 4852(b), 28 N.J.R. 1398(a).

Executive Order No. 66(1978) Expiration Date

Chapter 29, Energy Emergency, expires on February 8, 2001.

Chapter Historical Note

Chapter 29, Energy Emergency, was adopted as a new rule by R.1991 d.112, effective March 4, 1991. See: 22 N.J.R. 3692(a), 23 N.J.R. 706(a). These rules had formerly been codified at N.J.A.C. 14A:2. Pursuant to Executive Order No. 66(1978), Chapter 29 was readopted as R.1996, d.128, effective March 4, 1996. See: Source and Effective Date. As part of R.1996, d.128, Subchapter 5, State Set-Aside for Petroleum Products, was repealed and a new Subchapter 5, Petroleum Products, was adopted effective March 4, 1996. See, also, section annotations.

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SUBCHAPTER 1. GENERAL PROVISIONS

14:29-1.1 Scope

The following rules, with the exception of N.J.A.C. 14:29–2.2, shall be implemented when the Governor, by Executive Order, has proclaimed a state of energy emergency under N.J.S.A. 52:27F–17. The declaration of an emergency shall be based upon a finding by the Board that there impends or exists a serious shortage of energy which poses a grave threat to the public health, safety or welfare in all or any part of the State. In making such a finding, the Board shall set forth whether the emergency shall be limited to a specific energy form or to any specific area of the State in which such a shortage exists or impends.

14:29–1.2 Definitions

The following words and terms, when used in this chapter, shall have the following meanings unless the context clearly indicates otherwise:

"Alternate fuel capabilities" means a situation where an alternate fuel could have been utilized whether or not the facilities for such use have actually been installed; provided, however, that when the use of natural gas is for plant protection, feedstock, or process uses, and the only alternate fuel is propane or other gaseous fuel, then the consumer will be treated as if he had no alternate fuel capability.

"Ambulatory handicap" means any physical condition which significantly impairs mobility requiring confinement to a wheelchair; or other disability where compliance with the provisions of this chapter would have the likelihood of seriously impairing or harming the health of the person.

"Authorized emergency vehicles" means vehicles of fire departments, utilities, police vehicles, ambulances, and such other vehicles as are approved by the Director of the Division of Motor Vehicles in the Department of Law and Public Safety pursuant to the provisions of Title 39 of the Revised Statutes.

"Board" means the New Jersey Board of Public Utilities.

"Boiler fuel" means natural gas used as a fuel for the generation of steam or electricity, including the utilization of gas turbines for the generation of electricity.

"Commercial" means a classification of service to customers engaged primarily in the sale of goods or services, including institutions and local, State and Federal government agencies for uses other than those involving manufacturing or electrical power generation.

"Commercial vehicle" means motor vehicles not designed for the transportation of passengers and motor vehicles, designed but not used for the transportation of passengers, which either bear commercial plates or bear the name and address of the owner of the vehicle affixed to the exterior of the vehicle in the manner prescribed for commercial vehicles in chapter 4 of Title 39 of the Revised Statutes.

"Covered product" means any petroleum product subject to the State Set-Aside.

"Electric utility" means all public utilities, municipal electric departments and electric cooperatives engaged in the distribution of electricity within the State of New Jersey.

"End-user" means any person who is an ultimate consumer of energy.

"Energy emergency" means a shortage in the supply of a particular source of energy of a dimension which endangers the public health, safety or welfare in all or any part of the State of New Jersey.

"Farm vehicle" means any vehicle registered under the provisions of N.J.S.A. 39:3-24 (self-propelled farm tractors, traction equipment, and farm machinery) and N.J.S.A. 39:3-15 (farm trucks) which bear farmer, farm use, or tractor plates.

"Feedstock gas" means natural gas used as raw material for its chemical properties in creating an end product.

"Firm" means a classification of energy service from schedules or contracts under which seller is expressly obligated to deliver specific energy units within a given time period and which anticipates no interruption, but which may permit unexpected interruption in case the supply to higher priority customers is threatened.

"Gas utility" means all public utilities engaged in the distribution of gas within the State of New Jersey.

"Heat recovery system" means a system which uses previously wasted heat for useful purposes such as space heating, process heating, and so forth. It may involve the use of heat rejected from motors, processes, or other heat generating equipment which would otherwise be wasted or lost by being vented to the atmosphere or unrecaptured.

"Industrial" means a classification of energy service to customers engaged primarily in a process which creates or changes raw or unfinished materials into another form or product, including the generation of electric power.

"Interruptible" means a classification of energy service from schedules or contracts under which seller is not expressly obligated to deliver specific energy units within a given time period, and which anticipates and permits interruption on short notice, or service under schedules or contracts which expressly or impliedly require installation of alternative fuel capability.

"Motor fuel" means a mixture of volatile hydrocarbons such as gasoline or diesel fuel used in motor vehicles.

"Motor vehicle" means any vehicle propelled other than by muscular power, excepting such vehicles as run only upon rails or tracks.

"Omnibus" means buses, taxicabs and all other motor vehicles used for the transportation of passengers for hire, except school buses if the same are not otherwise used in the transportation of passengers for hire.

"Operating reserve" means electric generating capability and/or equivalent generation in excess of forecast system peak load which must be available within 30 minutes or less to provide for load variations and forecasting errors, frequency regulation, area protection and equipment failure or malfunction.

"Passenger automobile" means any motor vehicle used and designed for transportation of passengers, except omnibus, school bus, and authorized emergency vehicle.

"Person" means and includes natural persons and partnerships, firms, associations, joint stock companies, syndicates and corporations, and any receiver, trustee, conservator, or other officer appointed pursuant to law or by any court, State or Federal; also counties, municipalities, authorities and other political subdivisions of this State, singular or plural, and the State of New Jersey.

"Plant protection gas" means minimum volumes required to prevent physical harm to the plant facilities or danger to plant personnel when such protection cannot be afforded through the use of an alternate fuel. This includes the protection of such material in process as would otherwise be destroyed, but shall not include deliveries required to maintain plant production. For the purpose of this definition propane and other gaseous fuels shall not be considered alternate fuels.

"Prime supplier" means supplier, or producer who makes the first sale of petroleum products into the State distribution system for consumption within the State. "Process gas" means gas use for which alternate fuels are not technically feasible such as in applications requiring precise temperature controls and precise flame characteristics. For the purpose of this definition propane and other gaseous fuels shall not be considered alternate fuels.

"Purchase" means and includes, in addition to its ordinary meaning, any acquisition of ownership or possession.

"Residential" means a classification of energy service to all buildings and structures, or parts thereof, in which families or households live, or in which sleeping accommodations are provided for individuals with or without dining facilities.

"Retail dealer" means any person who engages in the business of selling motor fuel from a fixed location such as a service station, filling station, store, or garage directly to the operator of a motor vehicle by dispensing such motor fuel into the service tank of the motor vehicle.

"Sale" means and includes, in addition to its ordinary meaning, any exchange, gift or other disposition. In every case where motor fuel is exchanged, given, or otherwise disposed of, it shall be deemed to have been sold.

"School bus" means any motor vehicle operated by, or under contract with, a public or governmental agency, or religious or other charitable organization or corporation, or privately operated for compensation for the transportation of children to or from school for secular or religious education which complies with the regulations of the Department of Education affecting school buses.

"Spinning reserve" means that portion of primary reserve synchronized to the system and under unrestricted control of the turbine governor.

"Supplier of motor fuel" means any refiner, importer, marketer, jobber, distributor, terminal operator, firm, corporation, wholesaler, broker, cooperative or other person who supplies, sells, consigns, transfers or otherwise furnishes motor fuel to a retail dealer.

"Truck stop" means any retail dealer who provides service predominantly to trucks and truck tractors, as defined in chapter 1 of Title 39 of the Revised Statutes.

"Wholesale purchaser-consumer" means any person that is an ultimate consumer who, as part of its normal business practices, purchases or obtains a covered product from a supplier and receives delivery of that product into a storage tank substantially under the control of that firm at a fixed location and which purchased or obtained more than 50,000 gallons of that covered product in the completed calendar year prior to the declaration of the emergency.

"Wholesale purchaser-reseller" means any person who purchases, receives through transfer, or otherwise obtains (as by consignment) a covered product and resells or otherwise transfers it to other purchasers without substantially changing its form. They are designated in the trade as distributors, jobbers, resellers, retailers or service station operators.

14:29-1.3 **Exemptions**

- (a) Any person who is aggrieved by the implementation of any provisions of this chapter may apply for and shall be granted a review of whether compliance places an unreasonable burden upon that person in light of the prevailing conditions of emergency.
- (b) Such application shall contain, as a minimum, the name, address and telephone number of the aggrieved party and a concise statement of the grievance.

14:29-1.4 Reservation

The Board reserves the right to modify any of the various emergency measures set out in this chapter and to implement said measures in whole or in part.

SUBCHAPTER 2. END-USE ENERGY REDUCTION

14:29-2.1 Scope

The provisions of this subchapter shall apply to all energy end-users within the State of New Jersey.

14:29-2.2 Public appeal

In the event of an impending supply shortage, the Board may make public appeals or require electric and gas utilities to make public appeals through appropriate news media requesting end-users to reduce their use of electricity, natural gas, and petroleum products.

Cross References

Additional restrictions, see N.J.A.C. 14:29–2.4. Exemptions, see N.J.A.C. 14:29–2.5. Involuntary curtailment, see N.J.A.C. 14:29–3.2.

Residential curtailment, see N.J.A.C. 14:29-3.4.

Waiver, see N.J.A.C. 14:29-6.8.

14:29-2.3 Energy reduction measures

- (a) Upon declaration of an energy emergency, the Board may require energy users to implement in whole or in part various energy reduction measures or limitations of energy uses and reductions of hours of operation described in this subsection.
 - 1. Measures for all energy users are as follows:
 - i. Heating energy sources shall not be used to maintain all temperatures within public buildings of State, county, local governments and school boards, including

educational institutions, all industrial and commercial establishments, warmer than 65 degrees Fahrenheit during business hours, including start-up and preparation time, and not more than 55 degrees Fahrenheit during non-business hours.

- ii. Where separate thermostats for heating and cooling are in use, air conditioning thermostats shall be at 80 degrees Fahrenheit or at some other level such that cooling energy is not used to achieve prescribed heating levels.
- iii. Temperatures within all single and multiple family dwellings shall be set at 65 degrees Fahrenheit from 6:00 A.M. to 11:00 P.M. and 60 degrees Fahrenheit from 11:00 P.M. to 6:00 A.M.
- iv. Portable space heaters and threshold heaters used as supplementary heating sources shall be prohibited.
- v. Where applicable, window draperies and blinds shall be used to cut down heat losses by setting them to the closed position during the nighttime hours and on cold, cloudy days, and setting them to the open position during periods of sunshine.
- vi. Thermostat control devices for hot water shall be set to maintain a maximum temperature of no more than 110 degrees Fahrenheit.
- vii. Steps shall be taken to eliminate heating in all unused and seldom used areas, such as stairwells, where economically feasible.
- viii. Work schedules for building cleaning, maintenance, restocking, and so forth, which would require offices or industrial facilities to be open beyond normal working hours, shall be minimized.
- ix. Nighttime sports, entertainment and recreational activities shall be curtailed.
- x. All public museums, art galleries and historic buildings shall be closed.
- xi. Retail establishments shall be closed on Sunday except for those providing essential services to the public.
- xii. Retail establishments shall be closed from 7:00 P.M. to 9:00 A.M., except those essential services to the public.
 - xiii. Swimming pool water heating is prohibited.
 - xiv. All nonessential energy uses shall be prohibited.
- 2. Measures for electricity users are as follows:
- i. All outdoor flood and advertising lighting shall be eliminated, except for the minimum level to protect life and property and, where feasible, a single illuminated sign identifying commercial facilities that are open after dark.

- ii. General lighting levels in stores and offices shall be reduced as close to minimum safety levels as possible.
- iii. Show window and display lighting shall be eliminated.
- iv. The number of elevators operating in office buildings during non-peak hours shall be reduced by at least 50 percent.
- v. All aesthetic, ornamental lights shall be extinguished.
- 3. Measures for natural gas users are as follows:
- i. All aesthetic, ornamental gas lights shall be extinguished.
- ii. All exterior gas lighting, except for essential safety and security purposes, shall be eliminated.

Cross References

Additional restrictions, see N.J.A.C. 14:29-2.4.

Exemptions, see N.J.A.C. 14:29-2.5.

Involuntary curtailment, see N.J.A.C. 14:29-3.2.

Residential curtailment, see N.J.A.C. 14:29-3.4.

Waiver, see N.J.A.C. 14:29-6.8.

14:29-2.4 Hour limitations

In the event that the provisions of N.J.A.C. 14:29–2.2 and 2.3 fail to provide adequate relief, the Board may impose further hour restrictions upon industrial and commercial operations.

Cross References

Involuntary curtailment, see N.J.A.C. 14:29–3.2. Residential curtailment, see N.J.A.C. 14:29–3.4.

Waiver, see N.J.A.C. 14:29-6.8.

14:29-2.5 **Exemptions**

- (a) Notwithstanding the provisions of N.J.A.C. 14:29–2.2 and 2.3, the Board hereby exempts the following from all or a portion of the above requirements, so long as steps have been taken to reduce all non-essential energy use or unless so directed by order of the Board:
 - 1. Railroads;
 - 2. Local and suburban transit;
 - 3. Interstate transportation by air;
 - 4. Pipeline transportation;
 - 5. Communications (telephone, radio, television and cable television);
 - 6. Electric, gas and sanitary services;
 - 7. Petroleum refining;
 - 8. Hospitals;
 - 9. Electric sales for resale under FERC jurisdiction;

- 10. Prisons:
- 11. Police and fire-fighting facilities;
- 12. Water supply;
- 13. Federal activities essential to national defense; and
- 14. Life support systems: Consideration should be given to advance notification of customers with life support systems such as iron lungs, shaker beds, and kidney machines.

SUBCHAPTER 3. NATURAL GAS

14:29-3.1 Scope

The provisions of this subchapter shall apply to all gas utilities within the State of New Jersey.

14:29-3.2 Priority plan for involuntary curtailment

- (a) In the event that N.J.A.C. 14:29–2.2, 2.3 and 2.4 do not provide sufficient relief, the following sequence of involuntary curtailment shall be implemented:
 - 1. Reduce gas service to a minimum at company facilities;
 - 2. Curtail all interruptible gas service other than for plant protection, process, or feedstock usage;
 - 3. Curtail all interruptible gas service for plant protection, process, or feedstock usage;
 - 4. Curtail all firm industrial service of 50 Mcfd or more, other than for plant protection, process, or feed-stock usage;
 - 5. Curtail all firm commercial boiler service of 50 Mcfd or more;
 - 6. Curtail all firm industrial service for process and feedstock of 50 Mcfd or more and large commercial service of 50 Mcfd or more;
 - 7. Curtail all firm industrial service of 50 Mcfd or less;
 - 8. Curtail all firm industrial plant protection service;
 - Curtail all residential and small commercial service (50 Mcfd or less).
- (b) Consecutive categories may be curtailed simultaneously to provide sufficient relief in a timely manner. However, higher priorities will not be curtailed prior to the curtailment of lower priorities.

14:29-3.3 Inter-gas utility allocations

Pursuant to the provisions of section 15(b)(3), P.L. 1977, c.146, the Board may order the allocation of specific quanti-

ties of natural gas from one gas utility to another to prevent the curtailment of residential end-users.

14:29-3.4 Residential curtailment

- (a) Where all possible means of carrying system load have been taken and load reduction is still required, a gas utility shall curtail residential end-users.
 - 1. The gas utility shall notify the Board as soon as is reasonably feasible and seek authority to implement sectional curtailment of residential end-users pursuant to section 15(b)(3), P.L. 1977, c.146.
 - 2. In the event operating conditions are of such a critical nature that a system emergency is imminent and the implementation of N.J.A.C. 14:29–2.2, 2.3 and 2.4 or the notification procedure pursuant to (a)1 above will cause a delay that could unduly jeopardize the integrity and proper operation of the system, the gas utility may implement N.J.A.C. 14A:2–3.2, including the curtailment of residential end-users. Under such conditions, the provisions of (a)1 above and N.J.A.C. 14:29–2.2, 2.3 and 2.4 are deemed waived.

SUBCHAPTER 4. ELECTRIC

14:29-4.1 Scope

The provisions of this subchapter shall apply to all electric utilities within the State of New Jersey.

14:29-4.2 Programs to reduce energy consumption

- (a) In the event that N.J.A.C. 14:29-2.2, 2.3 and 2.4 do not provide sufficient relief, the following actions shall be instituted:
 - 1. The electric utilities, insofar as is feasible, shall operate on a one-system basis, utilizing available fuel resources to produce electrical energy to supply the load of all electric utilities of the power pool to which they belong.
 - 2. Departures from normal operating procedures, which have an acceptable impact on reliability and economy, shall be made. These include, but are not limited to, the following. These steps may be used in any sequence as judged necessary by an electric utility, the PJM Interconnection Dispatcher or the New York Power Pool Dispatcher.
 - i. Rescheduling of maintenance, to permit best use of the available fuel supply;
 - ii. Maximum practicable use of generation having the more abundant fuel supply from other areas, even when this is not in accord with economic dispatch;

- iii. After careful analysis, opening of limiting transmission lines to avoid operation of capacity with limited fuel availability that would otherwise be required to control line loading;
- iv. Reduction of the spinning component of the systems' operating reserve requirement, to avoid operation of capacity with limited fuel availability so long as quick-start units are available for operation;
- v. Reliance on manual tripping of pumped storage hydro units, operating as pumps, to limit use of capacity with limited fuel availability that otherwise would be required to control line loadings following a contingency;
- vi. Voluntary customer energy reduction programs, as agreed upon from time to time by an electric utility and its customers, shall be placed in effect; and
- vii. A five percent voltage reduction is to be made effective on a continuous basis.
- 3. Loads are to be interrupted on a rotating basis every two hours, as determined by each electric utility. Where particular manufacturing or processing operations do not permit interruptions of service, or where such interruptions would cause severe hardship or would have an unacceptable impact on continuous operations, the electric utility shall, if reasonably feasible, secure the equivalent reduction in use from the customers that might otherwise be interrupted by some method other than the prescribed rotating interruptions.

14:29-4.3 Implementation

The electric utilities shall inform the Board as soon as reasonably feasible and, if possible, prior to implementation of N.J.A.C. 14:29–4.2, consistent with the interconnection agreements to which they are signatories.

SUBCHAPTER 5. PETROLEUM PRODUCTS

14:29-5.1 Scope and purpose

Upon declaration of an energy emergency, in order to facilitate relief of any hardship and meet the emergency requirements of wholesale purchaser-consumers and end users, the Board may, as necessary, require prime suppliers to redirect up to three percent of available supplies to alleviate shortages for the following products: gasoline; aviation gasoline; kerosene; diesel fuel; distillate fuel; number 4 fuel oil; residual fuel oil; and propane.

14:29-5.2 Responsibilities of prime suppliers

(a) Each prime supplier shall continuously maintain and designate a representative to act on behalf of the prime supplier with respect to available supplies. Each prime supplier shall notify the Board in writing of such designation. In the event of a redesignation, the prime supplier shall notify the Board of such redesignation within one day of its occurrence.

(b) The representative shall provide information to the Board identifying available supplies on a daily basis during a declared energy emergency.

SUBCHAPTER 6. REGULATION AND CONTROL OF SALE OF MOTOR FUEL

14:29-6.1 Scope

In the event that the Board determines there is a significant shortage of motor fuel, this subchapter shall apply to the sale of all motor fuel made by retail dealers to operators of motor vehicles.

14:29-6.2 Days of access to retail dealers—odd/even measure

- (a) No retail dealer shall sell any motor fuel for use in a service tank in a passenger automobile except as set forth in the following schedule:
 - 1. Operators of passenger automobiles bearing license plates the last number of which is an even number shall be permitted to purchase motor fuel for use in the service tank of said passenger automobile on even numbered days of each month.
 - 2. Operators of passenger automobiles bearing license plates the last number of which is an odd number or containing no number shall be permitted to purchase motor fuel for use in the service tank of said passenger automobile on odd numbered days of each month.
 - 3. Operators of passenger automobiles bearing license plates from any other state or foreign nation shall be permitted to purchase motor fuel on the same basis as any regulation in effect in their state.
 - 4. For the purpose of determining the last number of the license plate, any number preceded by a hyphen or dash shall not be used in determining the right to purchase motor fuel described in this section.
 - 5. The provisions of this section shall not be applicable on the 31st day of any month.

Cross References

Exemptions, see N.J.A.C. 14:29-6.5.

Exceptions, see N.J.A.C. 14:29-6.7.

14:29-6.3 Quantity of motor fuel

The Board may establish minimum or maximum quantities of motor fuel to be sold to any purchaser including limitations on the number of gallons to be sold and/or limitations on the number of dollars of motor fuel to be sold.