

i. Extensive advertising by public media, including newspapers, periodicals, television and radio;

ii. The use of outdoor signs and messages, including posting on utility vehicles and facilities, and common carriers;

iii. By direct mailing, at no direct charge to customers, informational booklets detailing methods for conserving energy resources and any other information pursuant to this subchapter, which the Board may from time to time require; and

5. That no utility may distribute to the public, advertise or otherwise disseminate information for the purpose or with the effect of encouraging or promoting the consumption of energy resources in a manner inconsistent with these rules.

(e) The utility shall make application for any street opening permits that are necessary for installing its service connections and shall not be required to furnish service until after such permits are granted. The municipal charge, if any, for permission to open the street shall be paid by the customer.

Amended by R.1975 d.305, effective October 17, 1975.

See: 7 N.J.R. 277(b), 7 N.J.R. 510(b).

Amended by R.1997 d.39, effective February 3, 1997.

See: 28 N.J.R. 1810(a), 29 N.J.R. 449(a).

In (a), inserted reference to Customer Bill of Rights; in (c), deleted reference to service line tariffs; deleted (d)3, relating to installing ceiling insulation; and recodified former (d)4 through (d)6 as (d)3 through (d)5. Recodified in part from N.J.A.C. 14:3-3.4 and amended by R.2008 d.119, effective May 19, 2008.

See: 39 N.J.R. 4077(b), 40 N.J.R. 2481(a).

Section was "Customer information". In (a), recodified former second and third sentences as (b); recodified former (b) as new (c); deleted former (c); rewrote new (c); in (d)4iii, substituted "subchapter," for "Subchapter" and substituted "; and" for a period at the end; recodified former N.J.A.C. 14:3-3.4 as (e); and in (e), substituted first occurrence of "shall" for "; where necessary, will" and inserted "that are necessary".

#### Case Notes

State regulation preempted local regulation; commercial tenants responsible to pay their own individual bills. In *Re Complaint by Rotella*, 92 N.J.A.R.2d (BRC) 48.

Change in bill format rejected; determination of complex rate increase petition. In re: *Public Service Electric & Gas Co.*, 6 N.J.A.R. 633 (1981).

#### 14:3-3.4 Deposits for service

(a) A utility may require a reasonable deposit as a condition of supplying service, in accordance with this section.

(b) The amount of any deposit required or increased under this section shall meet all of the following requirements:

1. The deposit shall be reasonably related to the probable charge for service, taking into account the customer's history regarding payment of utility bills;

2. The amount of a deposit shall be calculated by adding:

i. The average monthly charge for the service for a 12-month service period; and

ii. One month's average bill; and

3. In determining the average monthly amount of a bill, there shall be excluded from the average bill any amount for which payment is made in advance.

(c) If the customer's actual bills subsequently prove that the deposit is either insufficient or excessive, the utility may change the deposit in accordance with the facts.

(d) A utility may require an existing customer to furnish a deposit or increase their existing deposit if the customer fails to pay a bill within 15 days after the due date printed on the bill. The deposit required shall be in an amount sufficient to secure the payment of future bills.

(e) If a utility requires a customer to furnish or increase a deposit under (c) or (d) above, the utility shall bill the customer for the deposit amount. If the customer fails to pay the required deposit amount within 15 days of the bill, the utility shall not discontinue the customer's service, except in accordance with N.J.A.C. 14:3-3A.2.

(f) If a customer's service has been discontinued for non-payment under N.J.A.C. 14:3-3A.2, and the utility holds a deposit for that customer, the utility may apply the deposit as necessary to liquidate the bill. The utility may also, in accordance with N.J.A.C. 14:3-3A.9(c), require that the customer restore the deposit to its original amount.

(g) If a utility requires a deposit or requires that customers establish a credit record, the utility shall apply the same credit and deposit requirements throughout the utility service area, and, if the utility maintains a website, the utility shall post these requirements on that website. A utility shall not set different credit or deposit requirements for different municipalities or locations.

(h) When a utility requires a customer deposit for service, the utility shall inform the customer of the interest rate that applies to the deposit at the time the deposit is established, determined in accordance with N.J.A.C. 14:3-3.5.

(i) The utility shall furnish a receipt to each customer that makes a deposit. If the deposit is provided by mail, internet or telephone, the utility may comply with this requirement by displaying the amount of the deposit on the customer's next bill.

(j) If a utility, other than a telephone utility, furnishes unmetered service for which payment is made in advance, the utility may not require other guarantees to secure payment for service.

New Rule, R.2008 d.119, effective May 19, 2008.

See: 39 N.J.R. 4077(b), 40 N.J.R. 2481(a).

Former N.J.A.C. 14:3-3.4, Permits, recodified to N.J.A.C. 14:3-3.3(e).

#### 14:3-3.5 Return of deposits, interest on deposits

(a) Each utility shall review a residential customer's account at least once every year and a nonresidential customer's

account at least once every two years. If this review indicates that the customer has met the utility's standard requirements for establishing credit, the utility shall refund the customer's deposit.

(b) Upon closing an account, a utility shall refund to the customer the balance of any deposit remaining after the closing bill for service has been settled, including any interest required under this chapter.

(c) If the utility refunds a deposit in cash, the utility shall accept either the receipt for the deposit, or proof of the customer's identity, as proof of entitlement to the deposit.

(d) A utility shall pay the customer simple interest on any deposit established under this chapter at a rate equal to the average yields on new six-month Treasury Bills for the 12-month period ending each September 30. Said rate shall become effective on January 1 of the year following the 12-month period.

(e) The Board shall perform an annual calculation to determine the applicable interest rate for each year and shall notify the affected public utilities of the rate. The Board shall provide this rate to each utility, which shall post the rate on the utility's website.

(f) If a public utility holds a customer deposit during time periods during which different interest rates apply under (d) above, the utility shall apportion the interest on the deposit to reflect the amount of time the deposit was held under each rate.

(g) Interest payments on customer deposits held to secure residential accounts shall be made to the customer at least once during each 12-month period in which a deposit is held.

(h) When a utility refunds a deposit or pays a customer interest on a deposit under this section, the utility shall offer the customer the option of a credit to the customer's account or a separate check. In either case, the utility shall provide the full refund or payment within one billing period after the review required under (a) above is completed (in the case of a deposit under (a) above) or after the interest payment is due under (g) above, as applicable, unless other reasonable arrangements are made between the customer and the utility.

Repeal and New Rule, R.2008 d.119, effective May 19, 2008.

See: 39 N.J.R. 4077(b), 40 N.J.R. 2481(a).

Section was "Refusal to connect".

Public Notice: Notice of applicable interest rate on customer deposits effective for calendar year 2009.

See: 41 N.J.R. 322(a).

Public Notice: Notice of applicable interest rate on customer deposits effective for calendar year 2010.

See: 41 N.J.R. 4570(a).

Public Notice: Notice of applicable interest rate on customer deposits effective for calendar year 2011.

See: 42 N.J.R. 2999(b).

#### Case Notes

Utility lost right to setoff security deposit against utility debts. In re Village Craftsman, Inc., Bkrcty.D.N.J.1993, 160 B.R. 740.

#### 14:3-3.6 Access to customer's premises

(a) The utility shall have the right of reasonable access to customer's premises, and to all property on the customer's premises, which is furnished by the utility, at all reasonable times for the purpose of inspection of customer's premises incident to the rendering of service including reading meters; inspecting, testing, or repairing its facilities used in connection with supplying the service; or the removal of its property.

(b) The customer shall obtain, or cause to be obtained at the customer's cost, all permits needed by the utility for access to any of the utility's facilities that are located on the customer's premises.

(c) Access to the utility's facilities shall not be given except to authorized employees of the utility or duly authorized governmental officials.

New Rule, R.2008 d.119, effective May 19, 2008.

See: 39 N.J.R. 4077(b), 40 N.J.R. 2481(a).

Former N.J.A.C. 14:3-3.6, Basis of discontinuance of service, re-codified to N.J.A.C. 14:3-3A.1 and 14:3-3A.2.

#### 14:3-3.7 Interruptions of service

(a) Each utility shall exercise reasonable diligence to avoid interruptions, curtailments or deficiencies (hereinafter referred to as "interruptions") of service and, when such interruptions occur, service shall be restored as promptly as possible consistent with safe practice. Utilities shall make reasonable efforts to be aware of all service interruptions and to comply with all reporting deadlines in this section. If a utility fails to meet the deadlines in this section, the burden of proof shall be upon the utility to show good cause for the failure.

(b) This section applies to service interruptions for any reason, including, but not limited to, an act of God, weather condition, natural disaster, attack, catastrophic occurrence, accident, strike, legal process, or governmental interference. However, this section shall not apply to service interruptions made in accordance with provisions in interruptible service contracts between the utility and its customers.

(c) Telecommunications utilities shall not be subject to (d) through (f) below, but shall instead comply with the service interruption provisions in the Board's telephone rules at N.J.A.C. 14:10-1A.14.

(d) Thirty-minute interruptions. If a service interruption meets one or more of the criteria at (d)1 through 4 below, the utility shall report the interruption to the Board no later than 30 minutes from the time that the utility becomes aware that service has been interrupted for 30 minutes. This subsection shall apply if service is interrupted for 30 minutes to one or more of the following:

1. A group of 10,000 or more customers;
2. A hospital, as defined at N.J.A.C. 8:43G-1.2;