

CHAPTER 3

ALL UTILITIES

Authority

N.J.S.A. 48:2-13; 48:2-16, 16.1 through 16.4, 17, 20, 23, 24, 25 and 27; 48:3-2.3, 3, 4 and 7.8; and 48:19-17.

Source and Effective Date

R.2008 d.119, effective April 10, 2008.
See: 39 N.J.R. 4077(b), 40 N.J.R. 2481(a).

Chapter Expiration Date

In accordance with N.J.S.A. 52:14B-5.1b, Chapter 3, All Utilities, expires on April 10, 2015. See: 43 N.J.R. 1203(a).

Chapter Historical Note

All provisions of Chapter 3, All Utilities, became effective prior to September 1, 1969.

1971 Revisions: Subchapter 10, Solid Waste Collection and Solid Waste Disposal, became effective July 8, 1971 as R.1971 d.109. See: 2 N.J.R. 76(f), 3 N.J.R. 160(a).

1973 Revisions: Amendments became effective June 19, 1973 as R.1973 d.157. See: 5 N.J.R. 123(b), 5 N.J.R. 240(a). Further amendments became effective July 11, 1973 as R.1973 d.187. See: 4 N.J.R. 196(e), 5 N.J.R. 292(b).

1975 Revisions: Amendments became effective October 17, 1975 as R.1975 d.305. See: 7 N.J.R. 277(b), 7 N.J.R. 510(b).

1978 Revisions: Amendments became effective May 16, 1978 as R.1978 d.155. See: 9 N.J.R. 290(e), 10 N.J.R. 261(e).

1979 Revisions: Amendments became effective March 16, 1979 as R.1979 d.117. See: 11 N.J.R. 260(a). Further amendments became effective August 1, 1979 as R.1979 d.289. See: 11 N.J.R. 258(b), 11 N.J.R. 467(a). Further amendments became effective October 10, 1979 as R.1979 d.352. See: 11 N.J.R. 522(c).

1980 Revisions: Amendments became effective January 1, 1980 as R.1980 d.474. See: 11 N.J.R. 402(b), 12 N.J.R. 49(b). Further amendments became effective January 24, 1980 as R.1980 d.44. See: 12 N.J.R. 156(d). Further amendments became effective July 1, 1980 as R.1980 d.299. See: 12 N.J.R. 209(f), 12 N.J.R. 495(d). Further amendments became effective December 29, 1980 as R.1980 d.555. See: 12 N.J.R. 552(a), 13 N.J.R. 105(b).

1983 Revisions: Amendments became effective November 21, 1983 as R.1983 d.526. See: 15 N.J.R. 787(a), 15 N.J.R. 1949(a).

1984 Revisions: Amendments became effective February 6, 1984 as R.1983 d.651. See: 15 N.J.R. 1235(a), 16 N.J.R. 250(a). Further amendments became effective April 2, 1984 as R.1984 d.87. See: 15 N.J.R. 1355(a), 16 N.J.R. 744(a). Subchapter 3, Service, and Subchapter 7, Bills and Payments for Service, were readopted effective July 2, 1984 as R.1984 d.259. See: 16 N.J.R. 693(a), 16 N.J.R. 1807(a).

1985 Revisions: Amendments became effective April 15, 1985 as R.1985 d.166. See: 16 N.J.R. 2747(a), 17 N.J.R. 974(a). Further amendments became effective May 6, 1985 as R.1985 d.202. See: 17 N.J.R. 174(a), 17 N.J.R. 1136(a).

1986 Revisions: Amendments became effective July 7, 1986 as R.1986 d.242. See: 18 N.J.R. 463(a), 18 N.J.R. 1401(a).

1987 Revisions: Amendments became effective April 6, 1987 as R.1987 d.163. See: 18 N.J.R. 2425(a), 19 N.J.R. 552(a). N.J.A.C. 14:3-7.12A became effective December 21, 1987 as R.1987 d.516. See: 18 N.J.R. 2315(a), 19 N.J.R. 2405(b).

Pursuant to Executive Order No. 66(1978), Chapter 3, All Utilities, expired on May 6, 1990. Chapter 3, All Utilities, was subsequently adopted as new rules by R.1991 d.221, effective May 6, 1991. See: 22 N.J.R. 1112(a), 23 N.J.R. 1439(b).

1993 Revisions: Subchapter 11, Solid Waste Collection Regulatory Reform, was adopted as R.1993 d.83, effective February 16, 1993. See: 24 N.J.R. 1459(a), 25 N.J.R. 692(a).

Pursuant to Executive Order No. 66(1978), Subchapter 10, Solid Waste Collection and Solid Waste Disposal, and Subchapter 11, Solid Waste Collection Regulatory Reform, were readopted as R.1996 d.253, effective May 6, 1996. As part of R.1996 d.253, Subchapters 10 and 11 were recodified to N.J.A.C. 7:26H-1 and 7:26H-5, respectively, effective June 3, 1996. See: 28 N.J.R. 78(a), 28 N.J.R. 247(a), 28 N.J.R. 1147(a), 28 N.J.R. 2908(a). The remainder of Chapter 3, All Utilities, consisting of Subchapter 1, Definitions; Subchapter 2, Plant; Subchapter 3, Service; Subchapter 4, Meters; Subchapter 5, Offices; Subchapter 6, Records; Subchapter 7, Bills and Payments for Service; Subchapter 8, Suggested Formulae for Extension of Utility Service; and Subchapter 9, General Provisions, expired on May 6, 1996.

Chapter 3, All Utilities, consisting of Subchapters 1 through 9 and 12, was adopted as new rules by R.1997 d.39, effective February 3, 1997. See: 28 N.J.R. 1810(a), 29 N.J.R. 449(a).

Subchapter 13, Interest on Deferred Balances of Levelized Energy Adjustment Clauses, Levelized Gas Adjustment Clauses, Purchased Water Adjustment Clauses and Purchased Sewerage Treatment Adjustment Clauses, was adopted as R.1997 d.351, effective September 2, 1997. See: 28 N.J.R. 4079(a), 29 N.J.R. 3845(a).

Chapter 3, All Utilities, was readopted as R.2002 d.280, effective July 31, 2002. See: 34 N.J.R. 992(a), 34 N.J.R. 3216(b).

Subchapter 8, Suggested Formulae for Extension of Utility Service, was repealed and Subchapter 8, Extensions to Provide Regulated Services, was adopted as new rules, and Subchapter 10, Targeted Revitalization Incentive Program (TRIP), was adopted as new rules by R.2004 d.462, effective December 20, 2004 (operative March 20, 2005). See: 36 N.J.R. 276(a), 36 N.J.R. 5928(a).

Subchapter 13, Interest on Deferred Balances of Levelized Energy Adjustment Clauses, Levelized Gas Adjustment Clauses, Purchased Water Adjustment Clauses and Purchased Sewerage Treatment Adjustment Clauses, was renamed Interest on Deferred Balances of Levelized Energy Adjustment Clauses, Levelized Gas Adjustment Clauses, Purchased Water Adjustment Clauses and Purchased Wastewater Treatment Adjustment Clauses by R.2006 d.367, effective October 16, 2006. See: 38 N.J.R. 1538(a), 38 N.J.R. 4490(b).

In accordance with N.J.S.A. 52:14B-5.1d, the expiration date of Chapter 3, All Utilities, was extended by gubernatorial directive from January 27, 2008 to April 27, 2008. See: 40 N.J.R. 887(a).

Chapter 3, All Utilities, was readopted as R.2008 d.119, effective April 10, 2008. As part of R.2008 d.119, Subchapter 1, Definitions, was renamed General Provisions; Subchapter 3A, Discontinuance and Restoration of Service, was added as new rules; Subchapter 5, Offices, was renamed Contacting the Utility; Subchapter 6, Records, was renamed Records and Reporting; Subchapter 9, General Provisions, was repealed; and Subchapter 13, Interest on Deferred Balances of Levelized Energy Adjustment Clauses, Levelized Gas Adjustment Clauses, Purchased Water Adjustment Clauses and Purchased Wastewater Treatment Adjustment Clauses, was renamed Interest on Over or Under Recovered Cost Balances Under Adjustment Clauses, effective May 19, 2008. See: Source and Effective Date. See, also, section annotations.

CHAPTER TABLE OF CONTENTS

SUBCHAPTER 1. GENERAL PROVISIONS

14:3-1.1	Definitions
14:3-1.2	Applicability and scope
14:3-1.3	Tariffs

SUBCHAPTER 2. PLANT

- 14:3-2.1 Plant construction
- 14:3-2.2 Inspection of work performed by contractors
- 14:3-2.3 Equipment on utility poles
- 14:3-2.4 Identification of buildings and structures
- 14:3-2.5 Identification of utility equipment
- 14:3-2.6 Maintenance of plant, equipment and facilities
- 14:3-2.7 Inspection of property
- 14:3-2.8 Construction work near utility facilities

SUBCHAPTER 3. SERVICE

- 14:3-3.1 Duty to furnish service
- 14:3-3.2 Customer applications for service
- 14:3-3.3 Providing information to customers
- 14:3-3.4 Deposits for service
- 14:3-3.5 Return of deposits, interest on deposits
- 14:3-3.6 Access to customer's premises
- 14:3-3.7 Interruptions of service
- 14:3-3.8 Service call scheduling
- 14:3-3.9 through 14:3-3.10 (Reserved)

SUBCHAPTER 3A. DISCONTINUANCE AND RESTORATION OF SERVICE

- 14:3-3A.1 Basis of discontinuance of service
- 14:3-3A.2 Discontinuance for nonpayment
- 14:3-3A.3 Notice of discontinuance for nonpayment
- 14:3-3A.4 Additional notice requirements for discontinuance of residential and special customers
- 14:3-3A.5 Winter Termination Program for residential electric and gas service
- 14:3-3A.6 Discontinuance of service to tenants
- 14:3-3A.7 Notification to municipalities of discontinuance of residential gas or electric service
- 14:3-3A.8 Discontinuance of a residential customer's telephone service
- 14:3-3A.9 Basis for restoration

SUBCHAPTER 4. METERS

- 14:3-4.1 Ownership of meters and equipment
- 14:3-4.2 Location of meters
- 14:3-4.3 Definitions
- 14:3-4.4 Testing of utility meter testing equipment
- 14:3-4.5 Meter tests at a customer's request
- 14:3-4.6 Adjustment of charges for meter error
- 14:3-4.7 Meter test reports and records
- 14:3-4.8 Meter replacement
- 14:3-4.9 through 14:3-4.10 (Reserved)

SUBCHAPTER 5. CONTACTING THE UTILITY

- 14:3-5.1 Location of offices
- 14:3-5.2 Contacting the utility
- 14:3-5.3 (Reserved)

SUBCHAPTER 6. RECORDS AND REPORTING

- 14:3-6.1 General provisions for records and reporting
- 14:3-6.2 Plant and operating records
- 14:3-6.3 Financial and operations reports
- 14:3-6.4 Accidents—initial reporting
- 14:3-6.5 Accidents - follow-up reporting
- 14:3-6.6 Notice of significant natural gas events
- 14:3-6.7 Reporting suspicious acts
- 14:3-6.8 Customer service telephone system report

SUBCHAPTER 7. BILLS AND PAYMENTS FOR SERVICE

- 14:3-7.1 Billing general provisions
- 14:3-7.2 Form of bill for metered service
- 14:3-7.3 Form of bill for unmetered service
- 14:3-7.4 Method of billing
- 14:3-7.5 Budget billing plans for residential accounts
- 14:3-7.6 Disputes as to bills

- 14:3-7.7 Deferred payment agreements
- 14:3-7.8 Diversion of service
- 14:3-7.9 through 14:3-7.17 (Reserved)

SUBCHAPTER 8. EXTENSIONS TO PROVIDE REGULATED SERVICES

- 14:3-8.1 Scope and applicability
- 14:3-8.1A (Reserved)
- 14:3-8.1B (Reserved)
- 14:3-8.2 Definitions
- 14:3-8.3 General requirement to provide extensions
- 14:3-8.4 Requirement to put certain extensions underground
- 14:3-8.5 General provisions regarding costs of extensions
- 14:3-8.6 Costs for extension serving an area not designated for growth
- 14:3-8.7 Costs for extension serving a designated growth area
- 14:3-8.8 Exemptions from cost limits on areas not designated for growth
- 14:3-8.9 Designated growth area suggested formulae—general provisions
- 14:3-8.10 Designated growth area suggested formula—multi-unit or nonresidential development
- 14:3-8.11 Designated growth area suggested formula—single residential customer
- 14:3-8.12 Smart growth infrastructure investment program (SGIIP)
- 14:3-8.13 Enforcement

SUBCHAPTER 9. (RESERVED)**SUBCHAPTER 10. TARGETED REVITALIZATION INCENTIVE PROGRAM (TRIP)**

- 14:3-10.1 Purpose and scope, general provisions
- 14:3-10.2 "TRIP area" defined
- 14:3-10.3 Investments eligible for coverage under a TRIP
- 14:3-10.4 Initial Board approval of a TRIP
- 14:3-10.5 Annual TRIP adjustment petition
- 14:3-10.6 Termination of a TRIP
- 14:3-10.7 Calculating the TRIP charge

SUBCHAPTER 11. (RESERVED)**SUBCHAPTER 12. UTILITY MANAGEMENT AUDITS**

- 14:3-12.1 Applicability
- 14:3-12.2 Initiation of audit
- 14:3-12.3 Results of audit
- 14:3-12.4 Implementation of results
- 14:3-12.5 (Reserved)

SUBCHAPTER 13. INTEREST ON OVER OR UNDER RECOVERED COST BALANCES UNDER ADJUSTMENT CLAUSES

- 14:3-13.1 Scope
- 14:3-13.2 Definitions
- 14:3-13.3 Interest calculation on over or under recoveries
- 14:3-13.4 through 14:3-13.5 (Reserved)

SUBCHAPTER 1. GENERAL PROVISIONS**14:3-1.1 Definitions**

The following words and terms, when used in N.J.A.C. 14:3 through 14:10 and 14:29, shall have the following meanings unless the context clearly indicates otherwise:

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

“Class A water utility” means a public utility that meets the definition of “class A water utility” in the National Association of Regulatory Utility Commissioners’ (NARUC) 1985 “Regulations to Govern the Preservation of Records of Electric, Gas and Water Utilities,” incorporated herein by reference, as amended or supplemented, available at www.naruc.org.

“Customer” means a person that is an end user, a customer of record, or both, as these terms are defined in this section.

“Customer of record” means the person that applies for utility service and is identified in the account records of a public utility as the person responsible for payment of the public utility bill. A customer may or may not be an end user, as defined herein.

“Days” means calendar days unless specified otherwise.

“Electric public utility” means a public utility, as defined in this section, that distributes electricity to end users.

“End user” means a person who receives, uses, or consumes electricity, gas, telephone, water or wastewater service. An end user may or may not be a customer of record, as defined in this section.

“Gas public utility” means a public utility, as defined in this section, that distributes gas to end users.

“Normal business hours” means 9:00 A.M. to 5:00 P.M. weekdays, except for days upon which the Board of Public Utilities is closed for business, including, but not limited to, New Jersey State holidays. A list of New Jersey State holidays can be obtained at <http://www.state.nj.us/nj/about/facts/holidays.html>.

“Person” means an individual, firm, joint venture, partnership, copartnership, corporation, association, State, county, municipality, public agency or authority, bi-state or interstate agency or authority, public utility, regulated entity, cable television company, cooperation association, or joint stock association, trust, limited liability company, governmental entity, or other legal entity, and includes any trustee, receiver, assignee, or personal representative thereof.

“Public utility” has the meaning ascribed to this term at N.J.S.A. 48:2-13.

“Regulated entity” means a person or entity that is subject to the jurisdiction of the Board, or that provides a product or service subject to the jurisdiction of the Board. This term includes a public utility, as defined in this section.

“Regulated service” means a service subject to regulation by the Board.

“Residential customer” means a customer who receives service from a regulated entity for use in a residence.

“Telephone utility” has the meaning assigned to this term in the Board’s telephone rules at N.J.A.C. 14:10-1.2.

“Wastewater utility” has the meaning assigned to this term in the Board’s water and wastewater rules at N.J.A.C. 14:9-1.2.

“Water utility” has the meaning assigned to this term in the Board’s water and wastewater rules at N.J.A.C. 14:9-1.2.

Amended by R.1991 d.221, effective May 6, 1991.

See: 22 N.J.R. 1112(a), 23 N.J.R. 1439(b).

Internal reference cite corrected, “Board” definition updated.

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

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

Added “Residential customer”.

Amended by R.2002 d.280, effective September 16, 2002.

See: 34 N.J.R. 992(a), 34 N.J.R. 3216(b).

Added definition for “Days”.

Amended by R.2004 d.12, effective January 5, 2004.

See: 35 N.J.R. 91(a), 36 N.J.R. 200(b).

Amended “Customer” and “Residential customer”; added “End user” and “Person”.

Amended by R.2004 d.462, effective December 20, 2004.

See: 36 N.J.R. 276(a), 36 N.J.R. 5928(a).

Added “Regulated entity” and “Regulated service”.

Amended by R.2006 d.342, effective September 18, 2006.

See: 37 N.J.R. 4188(a), 38 N.J.R. 3908(a).

In definition “Customer”, substituted “regulated entity” for the first occurrence of “utility”, deleted the second occurrence of “utility” and inserted “of the regulated entity” following “bill”; and in definition “Residential customer”, deleted “utility” preceding “service” and inserted “from a regulated entity”.

Amended by R.2008 d.119, effective May 19, 2008.

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

In the introductory paragraph, inserted “and N.J.A.C. 14:29,” and “the context”, and substituted “indicates” for “indicated”; inserted definitions “Class A water utility”, “Customer of record”, “Electric public utility”, “Gas public utility”, “Normal business hours”, “Public utility”, “Telephone utility”, “Wastewater utility” and “Water utility”; rewrote definition “Customer”; in definition “End user”, inserted “of record” and substituted “of this section” for “herein”; and deleted definition “Utility”.

Amended by R.2009 d.15, effective January 5, 2009.

See: 40 N.J.R. 2414(a), 41 N.J.R. 270(a).

In definition “Normal business hours”, substituted “5:00” for “4:30” and inserted the last sentence.

Amended by R.2010 d.200, effective September 20, 2010.

See: 41 N.J.R. 3204(a), 42 N.J.R. 2271(a).

In the introductory paragraph, deleted a comma following “14:10” and deleted “N.J.A.C.” preceding “14:29”; and in definition “Normal business hours”, inserted “days upon which the Board of Public Utilities is closed for business, including, but not limited to,”

Case Notes

Definition of utility; Board jurisdiction over municipally owned and operated utilities found only by specific statutory grant. *Freehold Boro. v. Freehold Twp.*, 193 N.J.Super. 724, 475 A.2d 691 (App.Div.1984).

14:3-1.2 Applicability and scope

(a) This chapter applies to all public utilities.

(b) Each public utility shall ensure that all applicable requirements of this chapter are met, as to all of the utility’s plant, facilities and services.

(c) Other Board rules apply to each of the utilities listed at (a) above, in addition to this chapter. If there is any conflict between those utility-specific rules and this chapter, the rules that are specific to that particular utility shall govern.

(d) If a dispute arises between a utility and any other person regarding this chapter, an informal complaint may be submitted to the Board in accordance with N.J.A.C. 14:1-5.13, or a petition may be filed under N.J.A.C. 14:1-5.

New Rule, R.2008 d.119, effective May 19, 2008.
See: 39 N.J.R. 4077(b), 40 N.J.R. 2481(a).

14:3-1.3 Tariffs

(a) Each public utility shall, prior to offering a utility service to the public, submit a tariff or tariff amendments to the Board for approval, with an electronic copy to Rate Counsel. The tariff filing shall meet the applicable requirements for pleadings at N.J.A.C. 14:1-4, the applicable requirements for petitions at N.J.A.C. 14:1-5.1 through 5.5, and the applicable requirements for tariff filings at N.J.A.C. 14:1-5.11, 5.12, and/or 5.12A.

(b) The tariff required by this section shall:

1. Clearly identify the public utility, list all relevant contact information, and describe the public utility's service area;
2. Clearly describe all services that the utility offers, and all terms and conditions regarding the services;
3. Include all of the public utility's rates and charges for all services that the utility offers. The rates for each separate and distinct class of service rendered by a utility shall be filed as a separate schedule; and
4. Meet all requirements of this section.

(c) In addition to the requirements for all tariffs under (a) and (b) above, a telephone utility tariff shall also include all of the following:

1. Exchange rate schedules, which shall include:
 - i. Primary rate schedules;
 - ii. Private branch exchange rate schedules;
 - iii. Miscellaneous rate schedules; and
 - iv. Exchange area maps; and
2. Toll service rate schedules, which shall include:
 - i. Basic rate schedules;
 - ii. Supplementary rate schedules; and
 - iii. A list of toll points.

(d) Each utility shall operate in accordance with its tariff at all times, unless specifically authorized in writing by the Board to do otherwise.

(e) If a gas, electric, water or wastewater utility plans to enter into a contract or agreement with a particular customer or group of customers, for service at rates different from those authorized under the utility's Board-approved tariff, the

utility shall file a petition for approval, which shall include four copies of the contract or agreement, at least 30 days prior to the effective date of the agreement or contract. If a telephone utility enters into a contract or agreement with a particular customer or group of customers, for service at rates different from those provided for under the utility's Board-approved tariff, the telephone utility shall make all individual case contracts (ICCs) available for inspection by Board staff upon request.

(f) Each filing requesting Board approval under (e) above shall be accompanied by a detailed statement that includes:

1. The type of service to be provided under the contract or agreement; for example, firm or interruptible service;
2. A detailed list of the costs and expenses to the utility that will result from its performance under the contract or agreement;
3. Rates and other charges that the customer will pay;
4. The effect of the contract or agreement on the utility's revenues and income, in detail;
5. The utility's reasons for entering into the contract or agreement;
6. A complete and detailed list of every way in which the contract or agreement changes or affects the utility's Board-approved tariff;
7. The rate treatment of any change in costs, expenses and/or revenues, and the predicted impact of the change on other ratepayers of the utility; and
8. Any other potential impacts on other ratepayers, not described in (f)1 through 7 above.

(g) Where more than one rate schedule is available to a particular customer, a utility shall assist the customer in selecting the rate schedule most favorable for the customer. Each utility shall include this requirement among the terms and conditions of its tariff.

(h) Each utility shall make its Board-approved tariff available for public inspection in each utility office where applications for service may be made, and on its website, if the utility has a website.

(i) If there is any inconsistency between this chapter and a tariff, these rules shall govern, except if the tariff provides for more favorable treatment of customers than does this chapter, in which case the tariff shall govern.

New Rule, R.2008 d.119, effective May 19, 2008.
See: 39 N.J.R. 4077(b), 40 N.J.R. 2481(a).
Amended by R.2009 d.15, effective January 5, 2009.
See: 40 N.J.R. 2414(a), 41 N.J.R. 270(a).

In (e), inserted "gas, electric, water or wastewater", "a petition for approval, which shall include", and the last sentence; in (f)5, deleted "and" from the end; in (f)6, substituted a semicolon for a period at the end; and added (f)7 and (f)8.

SUBCHAPTER 2. PLANT

14:3-2.1 Plant construction

(a) The construction and installation of plant and facilities of the utilities shall be in accordance with standard utility practice, shall comply with all applicable requirements of this chapter, and shall be conducted so as to enable the utility to provide safe, adequate and proper service.

(b) Each utility shall make reasonable efforts to protect its property from injury, vandalism or damage of any kind, and shall exercise due care to reduce hazards to which employees, customers, and the general public may be subjected by the utility's equipment and facilities.

(c) All public utilities shall cooperate to the greatest extent practicable to reduce or eliminate interference among the different utility systems.

(d) When an extension, as defined at N.J.A.C. 14:3-8.2, is constructed underground, the responsibility for construction of the portion of the extension located on the property to be served shall be as follows:

1. For an extension of gas service, the utility shall construct the entire extension;

2. For an extension of water or wastewater treatment service, the applicant for the extension shall construct the entire extension, except for the water meter and any of the following that are located on the roadside utility right-of-way of the property:

i. The shutoff valve;

ii. A fire hydrant; and/or

iii. Any piping, branches or other infrastructure that will serve properties other than the property of the applicant for an extension, either at the time of application or in the foreseeable future;

3. For an extension of telecommunications service, either the applicant or the utility shall construct the extension, at the applicant's discretion; and

4. For an extension of electric service, either the applicant or the utility shall construct the extension, at the applicant's discretion.

(e) If a person other than the utility or its designee constructs an extension in accordance with (d) above, the person shall construct the extension in accordance with the utility's standard specifications.

(f) Once an underground extension has been constructed, the ownership and maintenance of the portion of the extension that is located on the property to be served shall be as follows:

1. For an extension of gas service, the utility shall own and maintain the entire extension;

2. For an extension of water or wastewater treatment service, as defined at N.J.A.C. 14:9-1.2, the applicant for the extension shall own and maintain the entire extension, except that the utility shall own and maintain:

i. The water meter;

ii. Any portion of the extension that was installed prior to May 19, 2008, and which is owned and maintained by the utility as of May 19, 2008; and

iii. Any of the following that are located on the roadside utility right-of-way of the property:

(A) The shutoff valve;

(B) A fire hydrant, if the municipality agrees to add the hydrant to its inventory of public fire hydrants. If the municipality does not agree, the applicant remains the owner of the hydrant, responsible for paying the Board-approved tariff rates for private fire protection service to the utility; and/or

(C) Any piping, branches or other infrastructure that will serve structures or properties other than those of the applicant for an extension, either at the time of application or in the foreseeable future;

3. For an extension of telecommunications service, the utility shall own and maintain the extension up to the demarcation point; and

4. For an extension of electric service to a one- or two-family residence, the utility shall own and maintain the extension.

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 "utility" following "accordance with standard".

Amended by R.2008 d.119, effective May 19, 2008.

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

In (a), substituted the first occurrence of "shall" for "must", inserted "shall comply with all applicable requirements of this chapter, and shall be conducted so as to enable the utility to provide safe, adequate and proper service" and recodified the former last sentence as (b); recodified former (b) as (c); in (b), deleted "the public and" preceding "its", inserted "vandalism" and "of any kind," and substituted "the utility's" for "reason of its"; in (c), substituted "All public" for "The various" and "shall" for "should" and inserted "utility"; and added (d) through (f).

Amended by R.2009 d.15, effective January 5, 2009.

See: 40 N.J.R. 2414(a), 41 N.J.R. 270(a).

In (f)4, substituted "one- or two-family" for "one-, two-, or three-family".

Case Notes

Electric utility practiced prudent field management in choosing site for proposed distribution substation. In *Matter of Appeal of Atlantic City Electric Company*, 93 N.J.A.R.2d (BRC) 75.

Proposed transmission line necessary for service, convenience and welfare of public; transmission line exempt from municipal regulation. In *Matter of Application of Jersey Central Power & Light Company*, 92 N.J.A.R.2d (BRC) 43.

14:3-2.2 Inspection of work performed by contractors

To the extent necessary to assure compliance with safe practices, any construction work performed for a utility by contractors shall be inspected by a qualified representative of the utility before being placed in active service.

14:3-2.3 Equipment on utility poles

(a) Each utility owning poles shall ensure that any equipment or facilities placed on the poles, including any wire serving a fire alarm, electric distribution or transmission system, trolley, light rail, telecommunications, or cable television system; or any other facilities, private or otherwise, are located and attached in accordance with standard industry practice.

(b) When existing poles or facilities, and/or equipment placed on the pole or facilities, is repaired, replaced or changed, the utility shall ensure that the affected pole or facilities, and all equipment or facilities then in place, comply with the New Jersey Uniform Construction Code, N.J.A.C. 5:23 and with standard industry practice.

(c) In the event of disagreement between a utility and a municipality or other utility as to the necessity of repair, replacement or modification of a utility pole, facilities or attached equipment, the matter shall be submitted to the Board for determination.

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

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

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 "Foreign construction on utility poles". Rewrote the section.

14:3-2.4 Identification of buildings and structures

Each group of buildings or structures shall be provided with a sign displaying the name of the operating utility. This rule shall not apply to buildings or structures located on railroad rights-of-way.

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

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

14:3-2.5 Identification of utility equipment

(a) This section shall apply to each utility that owns, solely or jointly, a fire hydrant, or a pole or other structure that supports wires or cables that run along or over a public roadway. The utility shall mark each such hydrant, pole, and structure as follows:

1. The utility shall mark the equipment with the initials of its name, abbreviation of its name, corporate symbol or other distinguishing mark or code by which ownership may be readily and definitely ascertained;

2. The utility shall mark the equipment with a number or symbol, or both, by which the location of each piece of equipment may be determined on utility office records;

3. The markings may be made with paint, brand or with a soft metal plate; and

4. The marks shall be of such size and so spaced and maintained as to be easily read.

(b) Compliance with 49 CFR 192.707 by a gas utility constitutes compliance with the marking requirements of this section.

(c) In the case of two or more utilities jointly owning any structures or equipment, the distinguishing mark or number of each utility shall be placed on such structures and equipment, but not necessarily more than one number shall be placed thereon. The numbering may be in accordance with a code which will indicate joint ownership.

(d) In the case of structures erected upon private rights-of-way or on public highways of such character that the construction may be deemed to be a through or trunk line, such mark need be affixed only to every fifth structure; provided, however, that each and every structure situated within the limits of any built-up community shall be marked, except as otherwise provided in (c) above. This subsection shall not be deemed to require the marking of railroad structures located on railroad rights-of-way.

(e) The requirements in this section shall apply to all existing and future structures erected and to all changes in ownership and name.

(f) Each utility shall have available to Board staff a statement showing:

1. The initials, abbreviations of name, corporate symbol or distinguishing mark;

2. The means of marking employed; and

3. The method followed in numbering structures within the limits of cities, towns or other built-up communities, and upon through or trunk lines.

(g) Each utility shall make reasonable efforts to prevent the placing upon its pole of any marks, signs, placards, bulletins, notices, or any other foreign object other than as provided in N.J.S.A. 27:5-9, Requirements for a permit, and as prescribed in this chapter.

(h) In the case of structures carrying or supporting overhead trolley wires, where there is a double line of such structures, one on each side of the track, such mark need be affixed to but one line of such structures.

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

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

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 "Identification of poles or structures supporting wires; fire hydrants". Rewrote(a); added new (b); recodified former (b) as (c); recodified former (c) as (h); in (c), inserted "or equipment" and "equipment," and inserted a comma following "code"; in (d) and (h), deleted "such" preceding the first occurrence of "structures"; in (d), substituted "rights-of-way" for "rights of way"; in (e), substituted

provide a meter, and such other equipment and service appliances as are specified in the utility's Board-approved tariff.

(b) The determination of whether the customer or the utility bears the cost of purchase and installation of meters, equipment and service appliances provided by the utility under (a) above shall be governed by the Board's main extension rules at N.J.A.C. 14:3-8 and the utility's Board-approved tariff.

(c) Regardless of who provides or pays for a meter, service appliance, hardware or other equipment, the determination of whether the customer or the utility owns and maintains the equipment after its installation shall be governed by N.J.A.C. 14:3-8.

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), deleted provision that meters and appliances be provided without charge; and added (a)1 and (b).

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 "Ownership". Rewrote the introductory paragraph of (a); deleted (a)1 and former (b); and added new (b) and (c).

Case Notes

Record established that confusing billing procedures and malfunctioning remote register warranted elimination of adjusted bill. *Magley v. New Jersey—American Water Company*. 93 N.J.A.R.2d (BRC) 13.

14:3-4.2 Location of meters

(a) The installation of meters and connections shall be in accordance with N.J.A.C. 14:5, Electric Service; 14:6, Gas Service; and 14:9, Water and Wastewater; and standard practice.

(b) Meters installed indoors shall be located in a clean, dry, safe place not subject to great variations in temperature and on a support, which is free from appreciable vibration. Meters installed outdoors shall be protected from the weather and from vehicular traffic, and shall be designed for outdoor use.

(c) Meters shall be so located as to be easily accessible for reading, testing and making necessary adjustments and repairs. Meters shall be placed in a location where the visits of the meter reader or tester will cause minimum inconvenience to the customer or to the utility.

Amended by R.2002 d.280, effective September 16, 2002.

See: 34 N.J.R. 992(a), 34 N.J.R. 3216(b).

Rewrote (a).

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 "Location". In (a), deleted "applicable 'Codes,' as set forth in" preceding "N.J.A.C.", substituted a semicolon for a comma following both occurrences of "Service", substituted "; and" for a comma following "Wastewater" and deleted "and the standard terms and conditions contained in the tariff of the utility on file with the Board" from the end; in (b), inserted a comma following "support" and substituted the second occurrence of "shall" for "should" and "and free from vehicular traffic, and shall" for "or"; and in (c), substituted the second occurrence of "shall" for "should".

14:3-4.3 Definitions

The following words and terms, when used in this subchapter, shall have the following meanings, unless the context clearly indicates otherwise. Additional definitions that apply to this subchapter can be found at N.J.A.C. 14:3-1.1.

"Bell prover" means a device that measures the volume of a gas using a calibrated bell placed in a bath of oil or water.

"Meter testing equipment" means equipment and facilities used to test the accuracy of meters that measure a utility customer's utility usage. This term includes equipment and facilities used to test customer meters directly, as well as equipment and facilities used to test equipment that is then used to test customer meters.

"NJ Weights and Measures" means the Office of Weights and Measures in the Division of Consumer Affairs in the New Jersey Department of Law and Public Safety.

"Portable meter testing equipment" means meter testing equipment that is designed to, and can be, moved from location to location without the need to be calibrated to ensure accuracy each time it is moved.

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 "Access".

14:3-4.4 Testing of utility meter testing equipment

(a) A utility shall ensure that its meter testing equipment is tested and either sealed or certified in accordance with this section at each of the following events or time intervals:

1. Each time the equipment is moved, except if the equipment is portable meter testing equipment;
2. Each time the security seal on the equipment is broken;
3. Each time the equipment is cleaned, handled or maintained in any way that could affect its accuracy; and
4. At the following time intervals:
 - i. For all meter testing equipment, except bell provers used for ensuring accuracy of gas meters, every 12 months; and
 - ii. For bell provers, every five years.

(b) To comply with this section, a utility shall do either of the following:

1. Have its meter testing equipment tested and sealed by NJ Weights and Measures; or
2. Meet both of the following requirements:
 - i. Have its meter testing equipment tested and certified by a laboratory approved and recognized by the National Institute of Standards and Technology (NIST) with testing equipment traceable to NIST; and

ii. Prior to utilizing the equipment for compliance with this subchapter, submit to the Board a written approval, issued by the Superintendent of NJ Weights and Measures, accepting the laboratory that performed the certification for purposes of compliance with this subchapter.

(c) The cost of complying with this section shall be borne by the utility.

(d) A utility shall make its meter testing equipment available at all reasonable times for inspection and/or use by Board staff or its designees.

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 "Equipment for testing".

14:3-4.5 Meter tests at a customer's request

(a) Each utility shall, without charge, make a test of the accuracy of a meter upon request of a customer, provided such customer does not make a request for test more frequently than once in 12 months.

(b) A report giving results of such tests shall be made to the customer, and a complete record of such tests shall be kept on file at the office of the utility in accordance with N.J.A.C. 14:3-4.9 Meter records.

(c) When a billing dispute is known to exist, the electric, gas or water utility shall, prior to removing the meter, advise the customer that the customer may have the meter tested by the utility or may have the Board witness a testing of the meter by the utility, and that in any event the customer may have the test witnessed by a third party.

(d) A meter test arising from a billing dispute may be appropriate in instances which include, but are not limited to, unexplained increased consumption, crossed meters, consumption while account is vacant or any other instance where the meter's accuracy might be an issue in a bill dispute.

(e) Upon application by any customer to the Board, a Board inspector shall test the customer's meter. Such test shall be made as soon as practicable after receipt of the application for the test, and Board staff shall notify the customer and the utility as to the time and place of such test.

(f) The Board shall charge a fee of \$5.00 for a meter test, payable at the time application is made for the test. This fee is to be retained by the Board if the meter is found to be slow or correct within the allowable limits. If the meter is found to be fast beyond the allowable limits, that is, more than two percent, or in the case of water meters, more than one and one half percent, the utility shall reimburse the customer for the test fee paid.

Amended by R.1991 d.146, effective May 6, 1991.

See: 22 N.J.R. 617(a), 23 N.J.R. 1448(a).

New provisions at (c) and (d) require utility to inform customer of the option of a Board witnessed or conducted test of the customer's meter.

Recodified in part from N.J.A.C. 14:3-4.6 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 "Tests by utility on request". In (c), deleted "either conduct a test of the meter or" following "Board"; recodified former N.J.A.C. 14:3-4.6 as (e) and (f); in (e), substituted "Board inspector shall test" for "test shall be made of", deleted "by the inspector of the Board" following "meter" and substituted "for the test, and Board staff shall notify" for "and upon notice to"; and in (f), substituted "The Board shall charge a fee of \$5.00 for a meter test, payable" for "For such test a fee, in accordance with N.J.S.A. 48:2-56, shall be paid by the customer" and inserted "by the Board".

Cross References

Billing disputes, see N.J.A.C. 14:3-7.6.

14:3-4.6 Adjustment of charges for meter error

(a) Whenever a meter is found to be registering fast by more than two percent, or in the case of water meters, more than one and one half percent, an adjustment of charges shall be made in accordance with this section. No adjustment shall be made if a meter is found to be registering less than 100 percent of the service provided, except under (d) below.

(b) If the date when the meter first became inaccurate is known, the adjustment shall be determined as follows:

1. Determine the percentage by which the meter was in error at the time of the test, adjusted to 100 percent. This figure is not the amount in excess of the tolerance allowed under (a) above, but is the difference between 100 percent accuracy and the actual accuracy of the meter. For example, if the meter was found to be three percent fast, this percentage is three percent;

2. Determine the total charges for metered service that accrued during the entire period that the meter was in error; and

3. The amount of the adjustment shall be the percentage determined under (b)1 above, applied to the charges determined under (b)2 above.

(c) If the date when the meter first became inaccurate is not known, the adjustment shall be determined as follows:

1. Determine the percentage by which the meter was inaccurate at the time of the test adjusted to 100 percent. This figure is not the amount in excess of the tolerance allowed under (a) above, but is the difference between 100 percent accuracy and the actual accuracy of the meter. For example, if the meter was found to be three percent fast, this percentage is three percent;

2. Determine the applicable time period as follows:

- i. Determine the period of inaccuracy; that is, the period between the test that found the meter inaccuracy and the earlier of the events at (c)2i(1) or (2) below (Note: The period of inaccuracy may be longer than the time the meter has served the existing customer):

- (1) The most recent previous test of the meter; or

(2) The date upon which the meter was taken out of service at the customer's premises;

ii. Perform the following calculation:

(1) If the period of inaccuracy determined under (c)2i is shorter than the maximum permitted time between meter tests, as determined under N.J.A.C. 14:5-3.2, 14:6-4.2, or 14:9-4.1(b), divide the period of inaccuracy in half; or

(2) If the period of inaccuracy is longer than the maximum permitted time between meter tests, divide the permitted maximum time between meter tests in half; then add the difference between the maximum permitted time between meter tests and the period of inaccuracy;

iii. If the time determined under (c)2ii above is longer than the time the meter has served the existing customer, the applicable time period is the time the meter has served the existing customer;

iv. If the time determined under (c)2ii above is shorter than the time the meter has served the existing customer, the applicable time period is the time determined under (c)2ii above;

3. Determine the total charges that accrued during the applicable time period determined under (c)2 above; and

4. The amount of the adjustment shall be the percentage determined under (c)1 above, applied to the charges determined under (c)3 above.

(d) If a meter is found to be registering less than 100 percent of the service provided, the utility shall not adjust the charges retrospectively or require the customer to repay the amount undercharged, except if:

1. The meter was tampered with, or other theft of the utility service has been proven;
2. The meter failed to register at all; or
3. The circumstances are such that the customer should reasonably have known that the bill did not reflect the actual usage.

(e) If a meter is found to be registering less than 100 percent of the service provided because of theft or tampering under (d)1 above, the utility may require immediate payment of the amount the customer was undercharged.

(f) In cases of a charge to a customer's account under (d)2 or 3 above, the customer shall be allowed to amortize the payments for a period of time equal to that period of time during which the customer was undercharged.

Amended by R.1991 d.221, effective May 6, 1991.
See: 22 N.J.R. 1112(a), 23 N.J.R. 1439(b).

Reference to gas as well as electric meters added.
Amended by R.1991 d.147, effective May 6, 1991.
See: 22 N.J.R. 618(a), 23 N.J.R. 1449(a).

Reduced the measurement of accuracy for water meters from two percent to one and one half percent, thereby conforming the standard of accuracy in these rules to the uniform standards of the American Water Works Association; also prohibited a utility from re-billing a customer for consumption previously not billed for due to a slow meter.

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)2, inserted reference to water meters; and added (c)1.

Recodified from N.J.A.C. 14:3-4.7 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 "Adjustment of charges". Rewrote the introductory paragraph of (a); recodified (a)1 and (a)2 as (b) and (c); deleted former (b); recodified former (c) as (d); recodified former (c)1 as (f); rewrote (b), (c) and (d); added (e); and rewrote (f).

Former N.J.A.C. 14:3-4.6, Tests by Board on request, recodified in part to N.J.A.C. 14:3-4.5.

Amended by R.2009 d.15, effective January 5, 2009.

See: 40 N.J.R. 2414(a), 41 N.J.R. 270(a).

Rewrote (c)2i and (c)2ii; and in (d)1, inserted "or other theft of the utility service has been proven".

Case Notes

Gas company was entitled to recoup the value of the gas supplied to a residential customer during a 35-month period when the meter was not functioning; the customer reasonably should have known that the \$7-\$9 monthly bill did not reflect actual usage (adopting in part, and modifying in part 2008 N.J. AGEN LEXIS 336). *Phillips v. South Jersey Gas Co.*, OAL Dkt. No. PUC 4596-07, 2008 N.J. PUC LEXIS 45, Final Decision (July 16, 2008).

No latches defense to avoid delinquent fire sprinkler tariffs despite water company's failure to bill landowner for five years. *Rank v. Trenton Water Works*, 97 N.J.A.R.2d (BRC) 1.

Customers not entitled to be billed on basis of 1,136 ccf of gas usage, rather than 11,136 ccf, for eight year period. *Thomas v. New Jersey Natural Gas Company*, 93 N.J.A.R.2d (BRC) 145.

Homeowner not entitled to credit to sewerage bill for water utilized in swimming pool and sprinkler system; no application for water diversion meter. *Perelman v. Atlantic City Sewerage Company*, 93 N.J.A.R.2d (BRC) 138.

No showing of water meter defect; no refund for overbilling. *Aabdollah v. New Jersey American Water Company*, 93 N.J.A.R.2d (BRC) 73.

Record established that meter readings and billings reflected water consumption; no overcharges. *Presidential Apartments v. Hackensack Water Company*, 93 N.J.A.R.2d (BRC) 68.

Record established that confusing billing procedures and malfunctioning remote register warranted elimination of adjusted bill. *Magley v. New Jersey—American Water Company*, 93 N.J.A.R.2d (BRC) 13.

14:3-4.7 Meter test reports and records

(a) Each utility shall provide the Board with summaries of all meter tests. Each utility having 500 or more meters shall report quarterly. Utilities having less than 500 meters shall report annually. Blank forms on which reports are to be made will be furnished by the Board on its website at <http://nj.gov/bpu/>.

(b) If a utility uses a laboratory other than NJ Weights and Measures to certify its meter testing equipment in accordance with N.J.A.C. 14:3-4.4(b), the utility shall include in its annual report a copy of the letter required under N.J.A.C. 14:3-4.4(b)2.

(c) Complete records on all utility meters shall be kept in the utility's office and shall be available for examination at any time by inspectors of the Board. Such records shall include the following information:

1. The name of the meter's manufacturer, and the meter's unique ID or serial number, assigned by either the utility or the manufacturer;
2. Type, size, and so forth;
3. Date and location of each installation, and dates of removal;
4. The accuracy of the meter at each test;
5. A record of the tests of each meter, the date and results of the tests, and any action taken based on test results; and
6. The results of the last test of the meter, performed after the meter's final use and prior to its retirement from service.

(d) All the records and reports required in this section shall be kept for a period of six years, or for a period beginning on the date of the last test, whichever period is the longer.

Recodified in part from N.J.A.C. 14:3-4.8 and N.J.A.C. 14:3-4.9 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 "Meter test reports". Inserted designation (a); in (a), substituted "Each utility shall provide the Board with summaries " for "A report shall be made to the Board giving a summary" and inserted "on the website at <http://nj.gov/bpu/>"; recodified former N.J.A.C. 14:3-4.9(a) and (b) as (c) and (d); rewrote (c)1; in (c)3, deleted "and test" from the end; in (c)4, inserted "at each test"; rewrote (c)5; added (c)6; and rewrote (d).

Former N.J.A.C. 14:3-4.7, Adjustment of charges, recodified to N.J.A.C. 14:3-4.6.

14:3-4.8 Meter replacement

(a) A utility shall not charge for replacing a meter where such replacement is requested by a customer, unless the meter has been in use for less than two years. If the meter has been in use for less than two years, the utility may assess a charge, which shall not exceed the cost of making the replacement.

(b) A utility shall not charge a customer for replacing a meter for any of the following reasons:

1. Testing purposes;
2. Replacement that is necessitated by a change in service characteristics; or
3. Replacement of a defective meter, unless the defect is due to the negligence of the customer, in which case a utility may charge the customer for the cost of making the replacement.

(c) If a customer has a complaint filed with the Board reflecting on the accuracy or performance of the meter, the utility shall not remove the customer's meter from service during

the pendency of said complaint, or during the 30 days following the Board's decision on the complaint, unless otherwise authorized by the Board's staff.

Recodified from N.J.A.C. 14:3-4.10 and amended by R.2008 d.119, effective May 19, 2008.

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

Rewrote (a); recodified the former last sentence of (a) as (b); rewrote (b); recodified former (b) as (c); and rewrote (c).

Former N.J.A.C. 14:3-4.8, Meter test reports, recodified in part to N.J.A.C. 14:3-4.7.

14:3-4.9 (Reserved)

Recodified to N.J.A.C. 14:3-4.7 by R.2008 d.119, effective May 19, 2008.

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

Section was "Meter records".

14:3-4.10 (Reserved)

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

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

Recodified to N.J.A.C. 14:3-4.8 by R.2008 d.119, effective May 19, 2008.

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

Section was "Meter replacement".

SUBCHAPTER 5. CONTACTING THE UTILITY

14:3-5.1 Location of offices

(a) Each utility shall maintain an office in its New Jersey service area, the current location of which shall be furnished to the Board's Division of Customer Assistance, where applications for service, complaints, service inquiries, bill payments, and so forth, will be received.

(b) Each utility shall annually provide the Board with a list of its in-person business offices, setting forth the location of and functions performed at each office.

(c) The utility shall file written notice with the Board of any proposed change in the functions of one or more of these offices at least 14 business days prior to the change being made.

(d) Each utility shall furnish the Board with the current location of the offices where any information that the utility is legally required to provide to customers, governmental bodies, other utilities and contractors is available.

(e) In the event that a utility desires to close or relocate an office, the utility shall comply with the following procedures:

1. At least 60 days prior to the closing or relocation of an office described in (a) or (b) above, a utility shall apply for approval with the Board, demonstrating that such closure or relocation is not unreasonable and will not unduly prejudice the public interest, and setting forth the means, upon Board approval of the application, by which customers and other interested parties will be adequately notified

of the closing or relocation and alternatives available in the case of a closed office.

2. The utility shall simultaneously notify its customers and the clerk of each affected municipality of the pending application for permission to relocate or close the subject office by means of posting notice at the office location and, within three days of application, by placing notice of the office closing or relocation in the newspaper(s) serving the affected area.

i. The notice shall inform customers of their right to present to the Board, in writing, any objections they may have to the office closure or relocation; and

ii. The notice shall specify a date certain for submission of comments which date shall not be less than 20 nor more than 30 days after publication and posting.

3. An office shall not be closed or relocated until the utility has been informed, in writing, that the Board has approved such request.

(f) Utilities shall maintain and provide toll free or local exchange telephone numbers for use by the general public and customers affected by an office closing or relocation for billing, service and sales inquiries. This toll free number or local exchange number shall be posted on any notice at the office location, as well as in the notice placed in the newspaper(s), pursuant to (e) above, serving the affected area.

(g) Each utility shall advise the Board's Division of Customer Assistance at (973) 648-4436 not less than 60 days prior to the relocation of any of its customer call center(s) located in New Jersey. If the utility wishes to relocate a call center outside of New Jersey, the utility shall first demonstrate to Board staff that all customer service representatives at the new location have a thorough understanding of:

1. The Board's rules and any other State or Federal rules that are relevant to consumer protection in New Jersey; and

2. Conditions that affect utility service in New Jersey, including, but not limited to, New Jersey geography, population, ethnic diversity, weather and climate.

Amended by R.1993 d.298, effective June 21, 1993.

See: 24 N.J.R. 2132(a), 25 N.J.R. 2699(a).

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), deleted "or within reasonable proximity of" following "shall maintain in".

Amended by R.2002 d.280, effective September 16, 2002.

See: 34 N.J.R. 992(a), 34 N.J.R. 3216(b).

Rewrote (a); added (e).

Amended by R.2004 d.12, effective January 5, 2004.

See: 35 N.J.R. 91(a), 36 N.J.R. 200(b).

Rewrote (a).

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 "Location". Recodified former (a)1 and (a)2 as (b) and (c); in (b), deleted a comma following "Board" and substituted a period for "; and" at the end; recodified former (b) through (e) as (d) through (g); in (d), substituted "any information that the utility is legally required to provide" for "maps and records covering the various service areas are available to supply, upon reasonable request, information"; in (f), inserted a comma following "location" and substituted "(e)" for "(c)"; in the introductory paragraph of (g), inserted "Board's", "of Customer Assistance at (973) 648-4436" and "any of" and added the last sentence; and added (g)1 and (g)2.

14:3-5.2 Contacting the utility

(a) Each utility shall make itself accessible to customers and Board staff by maintaining the following:

1. A toll free emergency telephone number at which a customer service representative can be reached quickly at any time of day or night, seven days per week;

2. A toll-free non-emergency telephone number at which a customer service representative can be reached during normal business hours;

3. A utility emergency contact, who is available to Board staff by telephone at any time of day or night, seven days per week. The contact information for this person

shall be submitted along with the utility's annual financial and operations report under N.J.A.C. 14:3-6.3;

4. A control room emergency contact telephone number, through which Board staff can speak directly with the utility operating personnel who monitor, supervise and control the function of the utility's facilities and personnel on a minute-by-minute basis;

5. A regulatory affairs representative, who is available to Board staff by telephone during normal business hours, and who will do the following:

- i. Assist staff in pursuing investigations on behalf of the Board and/or the Division of Consumer Affairs in the New Jersey Department of Law and Public Safety; and

- ii. Facilitate the resolution of billing complaints and other problems; and

6. An internet website and e-mail address through which Board staff and customers can contact the utility for non-emergency matters.

(b) An automated telephone answering system shall not, by itself, satisfy the requirements in (a)1 through 4 above.

(c) If a utility uses an automated telephone answering system, the system shall:

1. Inform the caller that it is an automatic answering system; and

2. Provide an escape option to allow a caller to speak to an individual.

(d) Each utility shall furnish to the Board and keep current a list of the names, addresses and telephone numbers of all of the representatives required under (a)1 through 4 above.

(e) Each public utility shall prominently display on all customer bills the emergency telephone number required under (a)1 above.

(f) Each public utility shall list the emergency telephone number required under (a)1 above in appropriate telephone directories, and file same with police departments, fire departments, municipal clerks and other appropriate governmental agencies.

(g) Each utility shall respond to an emergency or shut-off complaint from the Board's Division of Customer Assistance within one hour of receiving such complaints, by acknowledging receipt of the complaint by e-mail or facsimile to the member of the Board staff who forwarded the complaint. The purpose of the acknowledgement is to inform staff that the complaint has been received and that the process for the implementation of any appropriate corrective action has been initiated.

R.1973 d.187, effective July 11, 1973.

See: 4 N.J.R. 196(e), 5 N.J.R. 292(b).

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

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

Added (d).

Amended by R.2002 d.280, effective September 16, 2002.

See: 34 N.J.R. 992(a), 34 N.J.R. 3216(b).

Added (e).

Recodified in part from N.J.A.C. 14:3-5.3 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 "Personnel to be contacted". Added new (a) through (c); recodified former (a) as (d); deleted former (b); and in (d), inserted "the" preceding "names" and substituted "all of the representatives required under (a)1 through 4 above" for "responsible officials to be contacted in connection with routine matters during normal working hours"; recodified former N.J.A.C. 14:3-5.3(a) and (b) as (e) and (f); rewrote (e); in (f), substituted "Each" for "In addition, each" and "list the" for "maintain a listed" and inserted "telephone" and "required under (a)1 above"; deleted former N.J.A.C. 14:3-5.3(c) and (d); and recodified former N.J.A.C. 14:3-5.3(e) as (g).

14:3-5.3 (Reserved)

Recodified in part to N.J.A.C. 14:3-5.2 by R.2008 d.119, effective May 19, 2008.

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

Section was "Emergency telephone numbers".

SUBCHAPTER 6. RECORDS AND REPORTING

14:3-6.1 General provisions for records and reporting

(a) Each public utility shall notify the Board, upon request, of the office or offices at which the records required by this chapter are kept. These records shall be open for examination by the Board's inspectors upon reasonable notice during normal business hours.

(b) Each utility shall keep a record of each customer's account in a manner that will permit computation of the customer's bill for any billing period occurring within six years, except that telephone utilities shall keep customer account records in accordance with the Board's telecommunications rules at N.J.A.C. 14:10. A utility may choose to keep records longer than six years in order to facilitate compliance with the rules regarding adjustment of charges for meter error at N.J.A.C. 14:3-4.3.

(c) The following provisions in this chapter require a utility to report to the Board or another entity:

1. N.J.A.C. 14:3-3.7 requires reporting to the Board regarding service interruptions;
2. N.J.A.C. 14:3-3A.7 requires reporting to the Board regarding notice to municipalities of residential service discontinuances;
3. N.J.A.C. 14:3-4.5 requires reporting to the customer;
4. N.J.A.C. 14:3-4.6 requires reporting to the Board regarding meter testing and results;
5. N.J.A.C. 14:3-6.3 requires reporting to the Board regarding finances and operations;

6. N.J.A.C. 14:3-6.4 and 6.5 require reporting to the Board regarding accidents;

7. N.J.A.C. 14:3-6.6 requires reporting to the Board regarding the telephone systems operated by the utility;

8. N.J.A.C. 14:3-6.7 requires reporting to the Board regarding suspicious actions relating to utility functions and equipment;

9. N.J.A.C. 14:3-7.8 requires reporting to tenant-customers, landlords, beneficiaries and the Board regarding diversions of service; and

10. N.J.A.C. 14:3-10.1 requires reporting to the Board regarding expenditures under a Targeted Revitalization Incentive Program (TRIP).

(d) In accordance with N.J.A.C. 14:3-1.4, all reports and records required under this subchapter shall be provided in the format provided by Board staff or posted on the Board's website at <http://nj.gov/bpu/>, unless otherwise specifically stated in this chapter, or unless format requirements are waived in accordance with N.J.A.C. 14:3-1.4.

Amended by R.2006 d.342, effective September 18, 2006.

See: 37 N.J.R. 4188(a), 38 N.J.R. 3908(a).

Substituted "regulated entity" for "utility".

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 "Location and examination". Inserted designation (a); rewrote (a); and added (b) through (d).

14:3-6.2 Plant and operating records

(a) Each regulated entity shall maintain, readily available to Board staff, adequate maps and/or records reflecting the latest available information and data concerning the size, type, location and date of installation of its major units of property.

(b) Each regulated entity owning or operating pumping, treatment facilities or power stations or other production facilities for the purpose of furnishing service to customers shall keep for a period of one year a record of the time of starting and shutting down of all principal units of such equipment, as well as a record of pertinent related operating statistics. Each such utility shall maintain and keep in operating condition one or more graphic recording devices at central points where continuous records shall be made of the pressure or voltage at that point.

(c) Each utility shall keep for a period of one year, a record of complaints it has received in regard to service, including complaints regarding diversions of service, which shall include the name and address of the customer, the date, the nature of complaint and the disposition or resolution of the complaint.

(d) Each regulated entity shall keep detailed records of all contributions, deposits, refunds, and expenditures on extensions, as defined at N.J.A.C. 14:3-8.2, with sufficient

detail to enable the regulated entity to demonstrate compliance with this chapter to the Board.

(e) The regulated entity shall submit the records required under this section to Board staff upon request.

(f) Each regulated entity shall maintain, for each calendar year, records of the amount of trench, which it has shared with other regulated entity lines or cables.

(g) Except for cable television companies, including telecommunications companies that have obtained a system-wide franchise from the Board in accordance with N.J.A.C. 14:18-14, each public utility shall maintain, for each calendar year, records of the number of lots, and the number of residential housing units and nonresidential buildings for which extensions were provided. The regulated entity shall identify whether these are in designated growth areas or areas not designated for growth.

(h) Except for cable television companies, including telecommunications companies that have obtained a system-wide franchise from the Board in accordance with N.J.A.C. 14:18-14, each public utility shall determine whether an application for an extension, as defined at N.J.A.C. 14:3-8.2, will serve an area designated for growth or an area not designated for growth.

Amended by R.2004 d.462, effective December 20, 2004.

See: 36 N.J.R. 276(a), 36 N.J.R. 5928(a).

Added (d) through (g).

Amended by R.2006 d.342, effective September 18, 2006.

See: 37 N.J.R. 4188(a), 38 N.J.R. 3908(a).

In (a) and (b), substituted "regulated entity" for "utility", in the first sentence; in (d), substituted "extension" for "service", following "application for"; in (d), (e) and (g)2, deleted the last sentence; and added (h) and (i).

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 "Plant and operating". In (a), inserted "by Board staff"; in (c), inserted "it has received" and "or resolution of the complaint", substituted ", including complaints regarding diversions of service," for "received at its office or offices," and deleted the former last sentence; deleted former (d); recodified former (e) through (g) as (d) through (f); in (d), inserted "contributions,"; in (e), substituted "submit" for "make" and deleted "available" following "section" and "for inspection during regular business hours" following "staff"; rewrote the introductory paragraph of (f); deleted (f)1; recodified (f)2 as (g); rewrote (g) and (h); and deleted (i).

14:3-6.3 Financial and operations reports

(a) Every utility shall file with the Board on or before March 31 of each year, or on or before the due date noted on the report form, a summary of its finances and operations for the preceding calendar year. The summary shall be submitted on forms available from the Board's Division of Audits at (973) 648-4450 and shall include the emergency utility contact information required under N.J.A.C. 14:3-5.2(a)3.

(b) In special instances utilities may be required to submit reports quarterly and/or monthly as directed by Board staff.

(c) A utility may request the Board's Secretary for an extension of up to 30 days for the filing of the report required in (a) above. The request shall state the reason for the extension.

(d) Each additional 30-day extension, after an initial extension granted under (c) above, shall require the submission of a separate request under (c) above.

(e) Should the Board Secretary deem it appropriate to deny a request for the extension of time for filing the report, the utility may petition for the request to be brought before the Board for final consideration.

Amended by R.1991 d.221, effective May 6, 1991.

See: 22 N.J.R. 1112(a), 23 N.J.R. 1439(b).

Reference to due dates noted on report forms, added.

Amended by R.2002 d.280, effective September 16, 2002.

See: 34 N.J.R. 992(a), 34 N.J.R. 3216(b).

Designated existing paragraph as (a) and added (b) through (d).

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 "Periodic reports". Rewrote (a); recodified the former last two sentences of (a) as new (b); recodified former (b) through (d) as (c) through (e); in (b), inserted "/or", deleted "the" preceding "Board", inserted "staff" and deleted the second sentence; rewrote (d); and in (e), inserted "utility may petition for the" and substituted "shall" for "to" following "request".

14:3-6.4 Accidents—initial reporting

(a) Each utility shall notify the Board's Division of Reliability and Security of any reportable accident immediately, and in no event later than two hours after the utility learns of the accident.

(b) A reportable accident is an accident that is related to utility equipment or operations, other than a motor vehicle accident that does not create a service interruption, which accident results in one or more of the following circumstances:

1. Death of a person;
2. Serious disabling or incapacitating injuries to persons, including employees of the utility or its contractors;
3. Damage to the property of the utility, which materially affects its service to the public;
4. Damage to the property of others amounting to more than \$5,000; and/or
5. Any accidental ignition of natural gas.

(c) The initial notice required under (a) above shall include all relevant facts that are known to the utility about the location and cause of the accident, and the extent of damage and/or injuries, if any.

(d) The initial notice required under (a) above shall be followed by additional notices providing any further information about the accident that the utility obtains. These additional notices shall be provided to Board staff as soon as practicable after the information becomes available, by any

feasible means, and shall contain all available information that may enable Board staff to assist the utility in minimizing the impact of the accident.

(e) If the initial notification required under (a) above is not given because the utility does not consider the accident reportable, and it subsequently develops that the accident is reportable, the utility shall notify the Board's Division of Reliability and Security immediately after it has ascertained that such accident is reportable. Failure to demonstrate that it was not possible to have provided timely, complete and accurate notice to the Board may subject the utility to enforcement action by the Board.

As amended, R.1975 d.8, eff. January 17, 1975.

See: 6 N.J.R. 451(c), 7 N.J.R. 62(a).

Amended by R.1998 d.84, effective February 2, 1998.

See: 29 N.J.R. 4250(b), 30 N.J.R. 563(a).

N.J.A.C. 14:11-5.4(a) through (c) recodified as (a) through (c); N.J.A.C. 14:11-5.5 recodified as (d); 14:11-5.6 recodified as (e), 14:11-5.7 recodified as (f).

Amended by R.2000 d.1, effective January 3, 2000.

See: 30 N.J.R. 4130(a), 32 N.J.R. 63(a).

Rewrote (c); inserted new (d) and (e); and recodified former (d) through (f) as (f) through (h).

Amended by R.2002 d.280, effective September 16, 2002.

See: 34 N.J.R. 992(a), 34 N.J.R. 3216(b).

In (b), substituted "\$5,000" for "\$2,000 in 4 and added 5; in (c), inserted "In addition, accidents resulting in damage to the property of others amounting to more than \$2,000 but less than \$5,000 must be reported within 48 hours of their occurrence."

Recodified in part to N.J.A.C. 14:3-6.5 and amended by R.2008 d.119, effective May 19, 2008.

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

Rewrote (a); rewrote the introductory paragraph of (b); in (b)2, substituted "utility or its contractors" for "company"; in (b)3, substituted "utility," for "company"; rewrote (c) through (e); and recodified (f) through (h) to N.J.A.C. 14:3-6.5.

Case Notes

Plaintiffs in civil action entitled to examine accident reports made by Board and submitted by gas company, either under the Right to Know Law or the common law right of citizens to inspect public records. *Irval Realty, Inc. v. Bd. of Public Utility Commissioners*, 61 N.J. 366, 294 A.2d 425 (1972).

14:3-6.5 Accidents - follow-up reporting

(a) After the initial accident reporting required under N.J.A.C. 14:3-6.4, a utility shall provide a follow-up report of each reportable accident within 15 days after the accident.

(b) The follow-up accident report shall include all of the information required by the sample accident reporting form available on the Board's website at <http://www.state.nj.us/bpu/divisions/reliability>. The form shall require basic identifying and descriptive information concerning the accident, its causes and consequences, the extent of damage and/or injuries, if any, and persons involved; and shall also include corrective measures the utility plans or has taken and preventive measures the utility has taken or will take to avoid similar accidents in the future.

(c) If at the time of the submission of the follow-up accident report the utility is unable to state the corrective

measures taken or make recommendations to avoid a recurrence of the accident, the utility shall within 30 days of the date of the accident file an amended report, which shall set forth the aforementioned corrective measures and recommendations.

(d) Accident reports may be used by the Board in determining what safety practices should be recommended. In a proceeding before the Board, accident reports shall be admitted in evidence at the discretion of the Board.

Amended by R.1991 d.221, effective May 6, 1991.

See: 22 N.J.R. 1112(a), 23 N.J.R. 1439(b).

Corrected internal citation formats.

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

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

In (b), inserted exception for records of ongoing investigations.

Repealed by R.2003 d.290, effective July 21, 2003.

See: 34 N.J.R. 2271(b), 35 N.J.R. 3368(b).

Section was "Public records".

Recodified in part from N.J.A.C. 14:3-6.4 and amended by R.2008 d.119, effective May 19, 2008.

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

Added new (a) and (b); recodified former (f) as (c); in (c), substituted "follow-up" for "written" and "an amended" for "a" preceding "report" and inserted a comma following "report"; deleted former (g); recodified former (h) as (d); in (d), substituted "admitted in evidence" for "evidential only"; and deleted the "Sample Accident Report Form".

Former N.J.A.C. 14:3-6.5 was reserved.

Case Notes

Plaintiffs in civil action entitled to examine accident reports made by Board and submitted by gas company, under either the Right to Know Law or the common law right of citizens to inspect public records. *Irval Realty, Inc. v. Bd. of Public Utility Commissioners*, 61 N.J. 366, 294 A.2d 425 (1972).

14:3-6.6 Notice of significant natural gas events

(a) In addition to all other applicable reporting requirements in this subchapter, each gas utility shall notify the Board's Division of Reliability and Security immediately, and in no event later than two hours after the utility learns of any significant natural gas event, as defined at (b) below, occurring in connection with the operation of the gas utility's plant, property or facilities within the State.

(b) A "significant natural gas event," as used in this section, means any occurrence that:

1. Meets the definition of an "incident" under the regulations of the United States Department of Transportation at 49 CFR §191.3, which is incorporated herein by reference, as amended and supplemented; and

2. Is related to equipment owned by, or operations conducted by, a public utility that is subject to this chapter.

(c) The notice required under this section shall include all relevant facts that are known to the utility about the location and cause of the event, and the extent of its impact.

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. 14:3-6.6, Telephone system information, recodified to N.J.A.C. 14:3-6.8.

14:3-6.7 Reporting suspicious acts

(a) Each public utility shall report to the Board within six hours of becoming aware of the occurrence of any of the following incidents:

1. Theft of a marked public utility vehicle, identification document, badge or uniform(s) bearing the public utility's logo;
2. Forced entry to any utility facility, or entry achieved by deception;
3. Unauthorized photography or videotaping of any utility facility;
4. Extensive note-taking, or audio recording, regarding any utility facility; and
5. Intentional damage to any utility facilities or equipment. This does not include vehicle accidents, automobile collisions with utility poles, damage to underground facilities by an excavator or other third party, which is reported in accordance with other Board rules, or routine vandalism, such as graffiti or vandalism to utility vehicles.

(b) Each public utility shall keep a record of any incident described under (a) above for 10 years after the incident, which shall be made available to Board staff upon request.

New Rule, R.2008 d.119, effective May 19, 2008.
See: 39 N.J.R. 4077(b), 40 N.J.R. 2481(a).

14:3-6.8 Customer service telephone system report

(a) On January 1 and July 1 of each year, each public utility shall provide the Board with the following information concerning the operation of the utility's telephone system for accepting customer complaints and inquiries:

1. The location of each office from which telephone calls from customers and the general public are normally received and the number of customers served by that office;
2. The days of the week and the hours in which the office is open to conduct business with the public and receive telephone calls;
3. The telephone number(s) by which customers may call the utility;
4. The method by which customers are informed of the telephone number(s) to be used to contact the utility;
5. Whether or not the customers are requested to dial a single telephone number or a separate number depending on the nature of their inquiry;
6. Whether or not inward telephone traffic is grouped to individual departments, such as service or billing, along

with the total number of such departments and the identification of each department;

7. The total number of inward telephone trunk lines assigned to each telephone number used by the utility;

8. A brief description of the type of telephone system used in the office and the manufacturer and model number of the equipment used;

9. Whether or not the office has on-premises private branch exchange (PBX) or other private switching device and whether or not the device handles all telephone traffic for the office;

10. The total number of functional lines on the line aide (telephone extension/customer service representative side) of the PBX or other private switching device and, if segregated by department, the number of functional lines assigned to each department;

11. The total number of customer service representatives (CSRs) normally available to answer calls. If CSRs are segregated by department, the total of CSRs available for each department;

12. If the assignments of CSRs varies by hour, day or other time period, the utility shall describe the variation in the assignment;

13. A brief description of the initial and ongoing training provided to the CSRs;

14. A brief description of the billing cycle including dates on which bills are mailed;

15. Whether or not the CSRs have access to computer terminals for billing or service information and, if so, a brief description of the information available to the CSRs;

16. Whether or not the telephone system serving the office has automated call distribution capability for the entire office or for specific departments. If so, the utility shall supply a brief description of the method of call distribution;

17. Whether or not the telephone system places incoming calls in queue, and, if so, the maximum number of callers that can be placed in queue;

18. Whether or not the telephone system has an automated response unit (ARU) and, if so, a brief description of the routing options available to callers through the ARU;

19. Whether or not the telephone system provides recorded messages to callers and a description of the message provided;

20. Whether or not telephone answering machines or devices are used and, if so, the hours in which they are used and the departments in which they are used; and

21. If a telephone answering service is used:

- i. The name and address of the answering service and the hours during which said service is used. In addition

tion, the utility shall indicate whether or not the answering service receives all incoming calls or for specific departments; and

ii. The information required pursuant to (i) above shall be provided to the Board within 90 days of the effective date of this rule and annually thereafter.

(b) Within 30 days after making any substantive change in the information filed pursuant to this section, a utility shall inform the Board of the change.

(c) If a utility uses a telephone answering service instead of its own employees, the utility shall ensure that the service informs each customer that they are speaking to an answering service and not to the utility's employees.

New Rule, R.1997 d.39, effective February 3, 1997.

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

Amended by R.2002 d.280, effective September 16, 2002.

See: 34 N.J.R. 992(a), 34 N.J.R. 3216(b).

In (a), substituted "On January 1 and July 1 of each year, each" for "Each" and inserted "and Class A wastewater".

Amended by R.2004 d.12, effective January 5, 2004.

See: 35 N.J.R. 91(a), 36 N.J.R. 200(b).

In (a), recodified former 21iii as (b); added (c).

Recodified from N.J.A.C. 14:3-6.6 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 "Telephone system information". In the introductory paragraph of (a), substituted "public" for "electric, gas, local exchange carrier telephone, Class A water and Class A wastewater" and inserted "for accepting customer complaints and inquiries"; in (b), substituted "Within" for "Each utility shall, within" and "after making" for "in, inform the Board of" and inserted ", a utility shall inform the Board of the change"; in (c), inserted "instead of its own employees", substituted "shall" for "must" preceding "ensure", "informs" for "shall inform" and "utility's employees" for "utility".

SUBCHAPTER 7. BILLS AND PAYMENTS FOR SERVICE

14:3-7.1 Billing general provisions

(a) The customer(s) of record, as defined at N.J.A.C. 14:3-1.1, shall be responsible for payment for all utility service rendered.

(b) Except pursuant to (c) below, each utility shall provide an option for discontinuance notices in Spanish, by including on each bill a statement, written in Spanish, informing the customer that they may request that any notice of discontinuance be provided to them in Spanish. The bill shall provide a toll free telephone number for the customer to call in order to make such a request. Once the utility receives a request to provide a written notice of discontinuance in Spanish, all subsequent written notices of discontinuance to the requesting customer shall be provided in both Spanish and English.

(c) A utility that provides all written notices of discontinuance in both Spanish and English shall not be required to provide the option and toll free telephone numbers for Spanish discontinuance notices, required under (b) above. Such a

utility shall instead demonstrate to the Board that it provides all discontinuance notices in Spanish, as well as English. The utility shall submit copies of the notices, and shall certify that the utility's notice practices provide Spanish speaking customers with a notice of discontinuance that is equivalent to or better than that which would be provided through compliance with (b) above. If such a utility stops providing all written notices of discontinuance in both Spanish and English, the utility shall provide the option and toll free telephone number in accordance with (b) above.

(d) A public utility shall pay or credit interest at the rate prescribed by the Board in N.J.A.C. 14:3-3.5, Return of deposits, on any overpayment made by a residential customer due to a billing error, unless the overpayment is fully refunded or credited to the customer's account within two billing cycles after the customer notifies the utility in writing, identifying, describing and documenting the error in detail. The following shall apply to this provision:

1. For purposes of this subsection, "billing error" shall mean a charge to a residential customer in excess of that approved by the Board for the type of service supplied to that customer or in excess of the charge due for the service supplied to that customer as measured or recorded by a meter or other device; except that neither the amount of any estimated bill in and of itself, nor the amount due on a budget account installment shall constitute a billing error;

2. The period of time constituting "two billing cycles" shall be determined by the billing practices of the public utility in place at the time of receipt by the utility of the written notification by the customer of the error. In no event shall such period be considered to be less than 60 days; and

3. Each public utility shall annually provide written notice of the requirements in this subsection to each of its residential customers.

(e) A utility shall not assess a late payment charge on a residential customer, or on a State, county or municipal government entity. In addition, a utility shall not apply a late payment charge sooner than 25 days after a bill is rendered.

(f) (Reserved)

(g) If a notice of discontinuance is not in Spanish, the notice shall include a statement in Spanish, in boldface type, identifying the notice as a discontinuance notice, and providing the toll-free number required under N.J.A.C. 14:3-7.1(b).

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 "Deposits for metered and telephone service".

Amended by R.2009 d.15, effective January 5, 2009.

See: 40 N.J.R. 2414(a), 41 N.J.R. 270(a).

In (f), substituted "Arial bold font, at least 18 points in size" for "type no less than one-half inch in height (36 points)"; and added (g).

Amended by R.2010 d.200, effective September 20, 2010.

See: 41 N.J.R. 3204(a), 42 N.J.R. 2271(a).

Reserved (f).

14:3-7.2 Form of bill for metered service

(a) This section applies only to a utility that provides metered service.

(b) Unless a utility has been specifically relieved of so doing by order of the Board, a bill for metered service shall show the following:

1. The meter readings at the beginning and end of the billing period;
2. The dates on which the meter is read;
3. The number and kind of units measured;
4. Identification of the applicable rate schedule. If the applicable rates are not shown, the bill shall carry a statement to the effect that the applicable rate will be furnished upon request;
5. The gross and/or net amount of the bill;
6. If the utility uses gross and net billing, the date on which payment must be made to qualify for the net billing or discount;
7. A distinctive marking to indicate the method used to calculate the bill; for example, electronic readings, estimated billing, budget billing, or the index of a remote reading device. In addition, the utility may also provide a web address and telephone number where the customer can obtain a description of the method used;
8. An explanation or statement of any conversion from meter reading to billing units or any other calculations or factors used in determining the bill;
9. For each Class A water utility and each wastewater utility that meets the revenue threshold of a Class A water utility subject to the Board's jurisdiction, sufficient information to reflect the estimated amount of money in that individual bill, which is collected for the gross receipts and franchise taxes pursuant to N.J.S.A. 54:30A-54. The following language is suggested as a model statement to be indicated on the bill: "Approximately 13% of \$_____ of your current period charges reflect the average gross receipts and franchises taxes which are paid to the State of New Jersey and distributed to New Jersey municipalities."; and
10. For each electric and gas utility, a statement of all applicable taxes imposed upon and included in the cost of the energy provided to the customer. The following language is suggested as a model statement to be included on the bill: "Under applicable tax law, the State sales and use tax, corporate business tax, and Transitional Energy Facility Assessment are imposed upon the energy which you have used. To obtain the exact amount of tax included in your billing, please contact the utility at the telephone number listed on your bill."

(c) If for any reason a utility cannot read a customer's meter, the utility may use estimated billing in accordance with (e) below.

(d) (Reserved)

(e) Rules concerning estimated bills for all customers are as follows:

1. Utility companies shall maintain a regular meter reading schedule and make a reasonable effort to read all meters;

2. Utility companies, upon request, shall make available to all customers a postage paid business reply card on which the customer may mark the meter reading as follows:

- i. The business reply card shall have appropriate explanation. The utility shall permit the customer to telephone the meter reading to the utility. The customer reading is to be used in lieu of an estimated reading, provided the reading is received in time for billing;

3. When a utility estimates an account for four consecutive billing periods (monthly accounts), or two consecutive billing periods (bimonthly and quarterly accounts), the utility shall mail a notice marked "Important Notice" to the customer on the fifth and seventh months, respectively, explaining that a meter reading must be obtained and said notice shall explain the penalty for failure to complete an actual meter reading. After all reasonable means to obtain a meter reading have been exhausted, including, but not limited to, offering to schedule meter readings for evenings and on weekends, the utility may discontinue service provided at least eight months have passed since the last meter reading was obtained, the Board has been so notified and the customer has been properly notified by prior mailing. If service is discontinued and subsequently restored, the utility may charge a reconnection charge equal to the reconnection charge for restoring service after discontinuance for nonpayment;

4. Utility companies shall submit to the Board of Public Utilities a statement detailing their estimating procedures;

5. If low estimates result in a customer receiving an actual bill that is at least 25 percent greater than the prior estimated bill, the utility shall allow the customer to amortize the excess amount. The amortization will be in equal installments over a period of time equal to the period when no actual reading was taken by the customer or the utility; and

6. Annually, the utility shall notify all customers of their rights to amortize as set forth in (e)5 above.

(f) Prior to the implementation of any plan, automated or otherwise, which would replace or modify a utility's current method of taking actual meter readings for any class of customers, said plan shall be submitted to the Board for

approval. The plan shall be accompanied by all of the following:

1. A justification for the new or modified plan;
2. A list of all associated costs and/or savings;
3. The impact, if any, upon safety; and
4. The potential for the diversion of service.

As amended, R.1979 d.474, effective January 1, 1980.

See: 11 N.J.R. 402(b), 12 N.J.R. 49(b).

As amended, R.1980 d.44, effective January 24, 1980.

See: 12 N.J.R. 156(d).

As amended, R.1980 d.299, effective July 1, 1980.

See: 12 N.J.R. 209(f), 12 N.J.R. 495(d).

As amended by R.1987 d.163, effective April 6, 1987.

See: 18 N.J.R. 2425(a), 19 N.J.R. 552(a).

Substituted "and sewerage" for "sewage".

Amended by R.1991 d.221, effective May 6, 1991.

See: 22 N.J.R. 1112(a), 23 N.J.R. 1439(b).

Deleted archaic "Board of Public Utility Commissioners".

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

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

Added (a)10; in (b)3, inserted provision on offering evening and weekend readings; in (b)5, inserted reference to averaged bills and bills based upon remote reading device index; and added (c).

Amended by R.2002 d.280, effective September 16, 2002.

See: 34 N.J.R. 992(a), 34 N.J.R. 3216(b).

In (a), rewrote 9 and 10.

Recodified from N.J.A.C. 14:3-7.9 and amended by R.2008 d.119, effective May 19, 2008.

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

Added new (a); recodified former (a) as (b); added new (c), recodified former (b) and (c) as (e) and (f); in the introductory paragraph of (b), substituted "a bill for metered service" for "the bill"; rewrote (b)7: in (b)9, inserted "and" at the end; in (b)10, substituted "utility, a statement of" for "company subject to the Board's jurisdiction, sufficient information to adequately reflect that the payment of" and "the energy provided to the customer" for "each kilowatt hour of electricity and therm of gas consumed by an electric and gas company", deleted "pursuant to P.L. 1997, c.162 and other applicable laws of this State" from the end of the first sentence and substituted the last occurrence of "utility" for "company"; in the introductory paragraph of (e), substituted "all" for "residential"; in (e)1, substituted a semicolon for a period at the end; in (e)2, substituted "shall" for "must", substituted "as follows:" for a period at the end and recodified the second through fourth sentences as (e)2i: in (e)2i, substituted "The business reply" for "Said", the second occurrence of "shall" for "must" and a semicolon for a period at the end; in (e)3, deleted "company" following the first occurrence of "utility", substituted "utility shall" for "the company must initiate a program to", substituted the second occurrence of "shall" for "must", substituted the third occurrence of "utility" for "company" and substituted a semicolon for a period at the end; in (e)4, substituted "shall" for "may" and substituted a semicolon for a period at the end; deleted former (e)5; recodified (e)6 and (e)7 as (e)5 and (e)6; in (e)5, substituted the first occurrence of "utility" for "company" and "utility; and" for "company."; in (e)6, substituted "utility" for "company" and "set forth in (e)5" for "outlined in (b)6"; and rewrote (f).

Former N.J.A.C. 14:3-7.2, Deposits to insure credit of new customers, was repealed.

Case Notes

Implementation of 1991 amendments to Gross Receipts and Franchise Tax statutes. In Matter of Implementation of P.L. 1991, C. 184, 92 N.J.A.R.2d (BRC) 53.

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).

14:3-7.3 Form of bill for unmetered service

(a) A bill for unmetered service shall show the following:

1. The time period covered by the bill;
2. Identification of the applicable rate schedule. If the applicable rates are not shown, the bill shall carry a statement to the effect that the applicable rate will be furnished upon request;
3. The gross and/or net amount of the bill; and
4. If the utility uses gross and net billing, the date by which payment must be made to qualify for the net billing or discount.

Recodified from N.J.A.C. 14:3-7.10 and amended by R.2008 d.119, effective May 19, 2008.

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

Rewrote the introductory paragraph of (a) and (a)1; and in (a)3, inserted "and" at the end.

Former N.J.A.C. 14:3-7.3, Customers in default, was repealed.

14:3-7.4 Method of billing

(a) Bills for metered service and telephone service, except for seasonal service, shall be rendered monthly, bimonthly or quarterly and shall be prorated upon establishment and discontinuance of service. In unusual credit situations, bills may be rendered at shorter intervals.

(b) Seasonal metered service and seasonal telephone service may be billed in accordance with reasonable terms and conditions of service set forth in the utility's tariff filed with and approved by the Board.

(c) A utility furnishing unmetered service, including a telephone utility, may, under uniform nondiscriminatory terms and conditions, require payment in advance for one billing period, as specified in its applicable tariff.

(d) A utility offering electronic billing to its customers shall provide the same billing information as required in (a) through (c) above and in N.J.A.C. 14:3-7.10. The utility shall advise those customers who opt to receive electronic billing of their right to also receive a paper bill upon request.

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

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

Amended by R.2002 d.280, effective September 16, 2002.

See: 34 N.J.R. 992(a), 34 N.J.R. 3216(b).

Added (d).

Recodified from N.J.A.C. 14:3-7.11 and amended by R.2008 d.119, effective May 19, 2008.

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

In (a), inserted "service" following "metered", inserted "except for seasonal service," and substituted "discontinuance" for "termination"; in (b), substituted "Seasonal metered service and seasonal telephone" for "Metered and telephone seasonal"; and in (c), inserted "including a telephone utility", substituted "one billing period," for "a period not to exceed that for which bills are regularly rendered" and deleted "filed with and approved by the Board. Initial and final bills shall be prorated as of the date of the initial establishment and final termination of service" from the end.

Former N.J.A.C. 14:3-7.4, Receipts and records, was repealed.

14:3-7.5 Budget billing plans for residential accounts

(a) This section applies only to gas, electric, water and wastewater utilities. It does not apply to telecommunications utilities.

(b) Each gas, electric, water and wastewater utility, which does not bill on a flat rate basis shall file with the Board as part of its tariff, and have available to the public on request, a budget billing plan program description for residential accounts. The budget billing plan program shall allow a customer to pay a predetermined monthly rate for a set time period (known as the budget plan year), based on the customer's average usage. At the end of the budget plan year, the public utility shall "true up" the customer's account, in accordance with (g) below, and will adjust the customer's charges to reflect the actual usage over the budget plan year.

(c) The budget billing plan required by this section shall be optional, except the utility shall ensure that residential electric or gas customers who apply for and are eligible for the Winter Termination Program under N.J.A.C. 14:3-3A.5 participate in a budget billing plan.

(d) The projected monthly budget amount that a customer owes under a budget billing plan shall be determined by the following factors:

1. Monthly usage on the customer's account for the past season;
2. Actual weather conditions encountered during the past season, adjusted to normal year;
3. Base rate increases and levelized energy or levelized gas adjustment charges actually granted by the Board; and
4. Projected changes in the levelized energy or levelized gas adjustment charges.

(e) The utility shall offer all customers the same budget plan year, which will last 10, 11 or 12 months, except that the budget plan year for all residential electric or gas customers who seek the protection of the Winter Termination Program shall be 12 months.

(f) If a customer is a new customer with little or no prior history of utility use, the monthly budget amount shall be determined using a reasonable estimate of likely usage.

(g) For each customer on a budget billing plan, the utility shall "true up," or compare the actual cost of service rendered, as determined by actual meter readings, and the monthly budget amount as follows:

1. The comparison shall be made at the beginning of the budget plan year, and at least once during the budget plan year;
2. The comparison shall take into account the customer's usage and any rate increases or decreases that have been granted by the Board, including increases or

decreases in the levelized energy or levelized gas adjustment charges;

3. If a comparison performed during a customer's budget plan year reveals an increase or decrease of 25 percent or more in the monthly budget amount, the monthly budget amount shall be adjusted for the balance of the budget plan year to minimize the adjustment required at the end of the budget plan year. There shall be no more than one such adjustment during the budget plan year;

4. A final bill for a budget plan year shall be issued at the end of the budget plan year and shall contain that month's monthly budget amount plus an adjustment of any difference between said amount and the actual cost of the service rendered during the budget plan year; and

5. A utility shall notify budget billing plan customers in writing of a revised monthly budget amount at least 10 working days before the due date of the initial bill of the next budget plan year.

(h) The budget billing plan shall be offered by a bill insert or bill message to eligible customers at least twice in each 12-month period.

(i) The budget billing plan bill shall contain the information required by N.J.A.C. 14:3-7.2, Form of bill for metered service, N.J.A.C. 14:3-7.3 Form of bill for unmetered service and N.J.A.C. 14:3-7.4 Method of billing. In addition, the budget billing plan bill shall show the monthly budget amount, budget balance and, when feasible, the budget billing to date and the actual cost of service rendered billing to date.

(j) Except for Winter Termination Program customers, a customer may go off a budget billing plan at any time, in which event the customer shall pay the amount owed for service rendered or, in the alternative, agree to a stipulated payment agreement according to N.J.A.C. 14:3-7.6.

(k) Any change in a utility's budget billing plan program, including a change in the time frame for its budget plan year, shall be filed and approved by the Board through a tariff amendment prior to its implementation.

R.1983 d.651, eff. February 6, 1984.

See: 15 N.J.R. 1235(a), 16 N.J.R. 250(a), 16 N.J.R. 1807(b).

Section expires on February 6, 1989.

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), amended characteristics of budget billing and payment plan.

Amended by R.2002 d.280, effective September 16, 2002.

See: 34 N.J.R. 992(a), 34 N.J.R. 3216(a).

In (a), rewrote the introductory paragraph.

Recodified from N.J.A.C. 14:3-7.11A 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 "Requirement for budget billing and payment plans of gas, electric, water and wastewater utilities for residential accounts". Added new (a); recodified former introductory paragraph of (a) as (b); recodified former (a)1 through (a)8 as (c) through (j); recodified former (a)2i and (a)2ii as (d)1 and (d)2; recodified former (a)5i through (a)5v as (g)1 through (g)5; deleted former (b) and (c); rewrote (b) through (e); in (f), inserted "history of utility" and substituted "using" for "by"; in the introductory paragraph of (g), substituted "For each customer on a

budget billing plan, the utility shall 'true up' or compare" for "A comparison shall be made between"; rewrote (g)1; in (g)2, substituted "the customer's usage" for "consumption"; rewrote (g)3; in (g)5 and (h), inserted "budget billing"; in (i), inserted "budget billing" twice, updated the N.J.A.C. references and deleted the parenthesis surrounding "Form of bill for metered service", "Form of bill for unmetered service" and "Method of billing"; in (j), substituted "Except for Winter Termination Program customers, a" for "A", inserted "budget billing" and updated the N.J.A.C. reference; and added (k).

Former N.J.A.C. 14:3-7.5, Return of deposits, was repealed.

Cross References

Billing disputes, see N.J.A.C. 14:3-7.6.

14:3-7.6 Disputes as to bills

(a) A customer that disputes a charge shall so notify the utility, and shall pay all undisputed charges.

(b) If the utility and the customer do not resolve the dispute, the utility shall notify the customer that:

1. The customer may make a request to the Board for an investigation of the disputed charge;
2. The request for investigation shall be made within five business days after the customer contacts the utility to dispute the charges; and
3. If the customer does not make a request for investigation within five days, the customer's service will be discontinued for nonpayment in accordance with N.J.A.C. 14:3-3A.

(c) Once a formal or informal dispute is before the Board, all collection activity on the charge in dispute shall cease until Board staff notify the utility and the customer that the dispute has been resolved in accordance with (e) below.

(d) Each utility shall provide the Board's Division of Customer Assistance with responses to written complaints within five days of receipt of the complaint, and within three days of receipt of verbal complaints.

(e) When Board staff have determined that a formal or informal dispute has been resolved, Board staff shall notify the utility. If the resolution of the dispute results in discontinuance of the customer's service, the utility shall provide notice to the customer in accordance with N.J.A.C. 14:3-3A.3 before service may be discontinued.

(f) In appropriate cases the Board may require that the customer place all or a portion of disputed charges in escrow pending the resolution of the dispute.

(g) When the amount of an electric, gas, water or wastewater bill is significantly higher than the customer's established consumption history, and there is no apparent explanation for the increase (for example, severe weather conditions; changes in the make-up or the lifestyles of the members of the household), the customer's established consumption shall be given consideration, in addition to the

results of any tests on the customer's meter, in the evaluation of whether the bill is correct and appropriate.

Recodified in part from N.J.A.C. 14:3-7.13 and amended by R.2008 d.119, effective May 19, 2008.

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

Recodified former (a) as (a) through (e); rewrote (a); added introductory paragraph of (b); rewrote (b)1; added (b)2 and (b)3; rewrote (c); rewrote (e); recodified former (b) as (f); rewrote (f); added (g); and recodified former N.J.A.C. 14:3-7.13(c) through (g) as N.J.A.C. 14:3-7.7.

Former N.J.A.C. 14:3-7.6, Unmetered service, was repealed.

Case Notes

Service discontinuance by gas and electric utility; appropriate notice given and discontinuance not on basis of non-payment of contested charges. *Buczek v. Public Service Electric & Gas*, 92 N.J.A.R.2d (BRC) 13.

Customer's electric bills were shown to be consistent with size of dwelling and number of appliances used. *Elco v. Public Service Electric and Gas Company*, 96 N.J.A.R.2d (BRC) 39.

14:3-7.7 Deferred payment agreements

(a) Whenever a residential customer advises the utility that the customer wishes to discuss a deferred payment agreement because said customer is presently unable to pay a total outstanding bill and/or deposit, the utility shall make a good faith effort to provide the customer with an opportunity to enter into a fair and reasonable deferred payment agreement(s), which takes into consideration the customer's financial circumstances.

(b) The following shall apply to a deferred payment agreement(s) under this section:

1. The utility shall not require a residential customer to pay, as a down-payment, more than 25 percent of the total outstanding bill due at the time the agreement(s) is made or executed;
2. In the case of a residential customer who received more than one utility service from the same utility, if the amount, which is in arrears is a combination of those services, the utility shall offer a separate deferred payment agreement for each service based on the outstanding balance for that service;
3. The utility shall not require a customer described under (b)2 above to accept two or more deferred agreements that extend over the same time period;
4. A customer described under (b)2 above shall have the option to enter into a deferred payment agreement(s) for one service and have the remaining service(s) disconnected until satisfactory arrangements for payment can be made;
5. A utility shall renegotiate and/or amend the deferred payment agreement of a residential customer if said customer demonstrates that his or her financial circumstances have changed significantly because of factors beyond his or her control;

6. A non-residential electric, gas, water and/or wastewater customer shall be allowed to enter into a deferred payment agreement for a period of no more than three months; and

7. A utility shall not require a non-residential electric, gas or Class A water utility customer or a customer of a wastewater utility that meets the Class A water utility revenue threshold, to pay a down payment of more than one half of the amount past due and owing at the time of entering into a deferred payment agreement.

(c) Any deferred payment agreements, which extend for more than two months shall be in writing and shall provide that a customer who is presently unable to pay an outstanding debt for utility services may make reasonable periodic payments until the debt is liquidated while continuing payment of current bills.

(d) While a deferred payment agreement for each separate service need not be entered into more than once a year, the utility may offer more than one such agreement in a year.

(e) The Board may order a utility to accept more than one deferred payment agreement in a year if said action is reasonable.

(f) If the customer defaults on any of the terms of the agreement, the utility may discontinue service after providing the customer with notice of discontinuance in accordance with N.J.A.C. 14:3-3A.3. In the case of a residential customer who receives more than one utility service from the same utility and has entered into a separate agreement for each separate service, default on one such agreement shall constitute grounds for discontinuance of only that service.

Amended by R.2004 d.12, effective January 5, 2004.

See: 35 N.J.R. 91(a), 36 N.J.R. 200(b).

Codified existing text as (a); added (b) and (c).

Recodified in part from N.J.A.C. 14:3-7.13 and amended by R.2008 d.119, effective May 19, 2008.

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

Recodified former N.J.A.C. 14:3-7.13(a) and (b) as N.J.A.C. 14:3-7.6; recodified former introductory paragraph of (c) as (a) through (b)5; in (a), inserted "and/or deposit" and inserted a comma following "agreement(s)"; in the introductory paragraph of (b), substituted "The following shall apply to" for "In negotiating such a" and "under this section:" for a comma at the end; in (b)1, inserted "The utility shall not require a", deleted "may not be required" following "customer" and substituted a semicolon for a period at the end; in (b)2, substituted "i" for "and" following the second occurrence of "utility", inserted a comma following "amount" and substituted a semicolon for "prior to any proposed discontinuance for nonpayment." at the end; in (b)3, deleted "such" following "require", inserted "described under (b)2 above" and substituted a semicolon for a period at the end; in (b)4, substituted "A" for "The", inserted "described in (b)2 above" and "for one service" and substituted a semicolon for a period at the end; in (b)5, substituted a semicolon for a period at the end; recodified former (c)1 as (b)6 and (b)7; in (b)6, substituted "and" for a period at the end; rewrote (b)7; recodified former (d) as (c) through (f); in (c), substituted "Any deferred payment" for "Such" and inserted a comma following "agreements"; deleted former (e) through (g); and in (f), deleted "a" preceding notice of discontinuance, inserted "in accordance with N.J.A.C. 13:3-3A.3" and deleted "subsequently" preceding "entered".

Former N.J.A.C. 14:3-7.7, Information to customers, was repealed.

Case Notes

Check sent by customer to water utility did not constitute accord and satisfaction; customer entitled to credit but not punitive damages. *Slowinski v. City of Trenton*. 92 N.J.A.R.2d (BRC) 71.

14:3-7.8 Diversion of service

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

"Beneficiary" is the person, corporation or other entity financially benefiting from the service.

"Diversion" is an unauthorized connection to pipes and/or wiring by which utility service registers on the tenant customer's meter although such service is being used by other than the tenant-customer of record without his or her knowledge or cooperation. The unauthorized connection must not be apparent from the premises.

"Landlord" means those persons, corporations or other entities who currently lease residential dwellings, as well as condominium associations or other owners' associations in instances where occupants own their premises in a multi-family building.

"Premises" are those areas of the residence where service outlets are visible and under the direct control of the tenant-customer of record.

"Tenant-customer" is a residential customer of record at the time of the complaint who rents a dwelling unit in a multi-family building or owns a condominium.

(b) Each electric, gas, water and/or wastewater utility shall include in its tariff provisions ensuring that tenant-customers shall not be required to pay for service supplied outside their premises without the tenant-customers' consent.

(c) Each electric, gas, water and/or wastewater utility shall notify tenant-customers who apply for service that if the utility's tariff provides for billing through one meter for the tenant-customers' own usage and for service diverted outside the tenant-customers' premises, the tenant-customers may not be required to pay for such diverted service absent their consent or cooperation for such service.

(d) Each utility shall investigate alleged diversions as follows:

1. When a tenant-customer alleges in good faith that the level of consumption reflected in his or her utility bill is unexplainably high, the tenant-customer may request the utility supplying gas, electricity, water and/or wastewater service to conduct a diversion investigation at no cost to the customer;

2. Such request shall be made in writing by the tenant-customer by completing and returning to the utility a diversion investigation application provided by the utility;

3. The application shall state that, if the tenant-customer has made one or more previous diversion complaints in the previous 12-month period, which failed to uncover a diversion of utility service, the utility may bill the customer for the cost of the second and subsequent investigations;

4. The utility shall investigate the alleged diversion within two months of the receipt of the investigation request. Each diversion investigation shall include a meter test conducted in accordance with N.J.A.C. 14:3-4.4;

5. The utility shall have the right of reasonable access pursuant to N.J.A.C. 14:3-3.6. For purposes of utility access, the alleged diversion is presumed to constitute a hazardous condition until the utility investigates;

6. If, as a result of such investigation, the utility determines that the service from the pipes and/or wires serving the tenant-customer has been diverted, the utility shall notify the landlord or his or her agent and instruct him or her to correct the diversion within 30 days through rewiring or repiping. However, this provision shall in no way prohibit a utility from disconnecting service if the utility determines that an unsafe condition exists;

7. If a diversion is found, the utility shall attempt to determine the identity of the beneficiary;

8. A tenant-customer seeking relief shall be responsible for furnishing to the utility the identity and address of the landlord or agent, and of the beneficiary, if known;

9. Additionally, the tenant-customer shall provide any other information, which may assist the utility in its investigation;

10. The utility shall furnish to the tenant-customer, the tenant-customer's landlord, and to the beneficiary (if different from the landlord) within 14 days of the investigation, a written report on the findings of the investigation. This report shall include information on the estimated cost of diverted service based upon prior use, degree day analysis, load study and/or cooling degree hours, whichever is appropriate;

11. If the utility locates a diversion, the utility shall attempt to reach an agreement with the parties involved or, in lieu of such agreement, proceed to the conference described in (f) below; and

12. If no diversion is located, these diversion proceedings shall end when the utility has completed and filed its investigation report pursuant to (j) below.

(e) Utility service shall be continued as follows:

1. As of the date of the tenant-customer's allegation, the utility shall continue the tenant-customer's service provided the tenant-customer pays (or makes an agreement to pay) amounts not in dispute; and

2. A utility may not terminate service to a customer involved in a diversion dispute until one of the following has occurred, whichever is latest:

i. Four weeks have elapsed after the conference described in (f) below and no Board intervention has been sought; or

ii. The Board has rendered a decision on a formal petition, or Board staff has rendered a decision on an informal complaint if either is filed as described in (h) below.

(f) If an agreement has not been reached within two weeks of the completion of the utility's investigation, the utility shall invite the landlord, tenant-customer, beneficiary and any other parties, which it has reason to believe may be involved with the diversion to a conference with a utility representative. Reasonable efforts shall be made to hold the conference within 30 days of the investigation at a mutually convenient time and place.

1. Prior to the conference, the utility shall attempt to have the landlord correct the diversion through rewiring and/or repiping. If the landlord or his or her agent fails to appear or to eliminate the diversion, or if the beneficiary fails to appear, the utility shall adjust the beneficiary's billing and future bills by the process described in (g) below. The utility may also refuse to establish utility service for any new tenant of the landlord if the diversion remains uncorrected and the tenant-customer moves from the premises.

2. At the conference, the parties shall negotiate the adjusted billing and payments pursuant to (g) below.

3. At the conference, the utility shall have the burden of presenting the results from the investigation and seeking remuneration from the beneficiary.

4. If the diversion has not already been corrected, an attempt shall be made at the conference to have the landlord or his or her agent to file an agreement with the tenant-customer and the utility that necessary correction to the facilities shall be made within a specified time.

5. At the conference the utility shall provide all parties with a copy of these regulations.

6. The utility shall provide to all parties within two weeks of the date of the conference a detailed summary of the conference which shall include determinations, conclusions, a copy of the investigation report and the names of the participants.

(g) After the conference, billing where diversion has occurred shall be adjusted as follows:

1. The tenant-customer whose service has been diverted by another party shall be billed by the utility only for service used, based upon the estimation contained in the investigation report described in (d)3 above;

2. Where the utility can locate a diversion but not the beneficiary, the tenant-customer shall not be liable for the diverted service. Where the beneficiary can be identified, liability shall be imposed as follows:

i. If the beneficiary is currently a customer of the utility on another account, the utility shall bill that beneficiary for the amount the utility estimates is attributable to the diversion plus all related expenses incurred by the utility in accordance with the utility's tariff; or

ii. If the beneficiary is not a customer of the utility, the utility may bill that beneficiary for the excess usage, which is not attributable to the tenant-customer plus all related expenses incurred by the utility;

3. In cases where the diversion of gas or electricity is a result of a construction error in the pipes and/or wires, which was not the responsibility of the beneficiary or landlord, the account of the tenant-customer involved shall be adjusted to charge only for service used based upon a prior use, degree day analysis, load study and/or cooling hours, whichever is appropriate;

4. In instances where the tenant-customer benefited from or cooperated in the diversion, the utility may collect from the tenant-customer of record for the diverted service plus that portion of the related expenses incurred by the utility in accordance with the utility's tariff;

5. The utility may permit the beneficiary to amortize the amount due for the diverted service. In cases of diversion due to construction error, the utility may allow the customer to amortize the amount due for the diverted service in equal installments over a period of time equal to the period of the diversion, for up to a maximum of four years; and

6. Billings shall be corrected retroactively to the most recent of the following dates:

- i. The date of the beginning of the diversion;
- ii. The date of the beginning of the tenancy; or
- iii. The date four years prior to the date of the tenant-customer's diversion complaint.

(h) If an agreement cannot be reached at the conference, the landlord, tenant-customer and beneficiary shall be advised by the utility that, within three weeks of the date on which the conference summary is available, they may request Board intervention.

(i) Each electric, gas, water and/or wastewater utility shall send the following notice to all of its tenant-customers with the tenant-customer's initial bill and annually thereafter: "Pursuant to Board of Public Utilities rules, no tenant-customer may be billed or disconnected for failure to pay for electric, gas, water and/or wastewater service which was diverted outside of his/her premises without the tenant-

customer's permission. Upon suspecting that his/her utility bill is unexplainably high because of a diversion of service, the tenant-customer should notify the utility immediately by calling the following number: _____."

(j) Each electric, gas, water and/or wastewater utility shall annually report to the Board on the utilization of the diversion of service complaint proceedings provided for in (a) through (k) above. This report shall be provided on a Board-approved report format.

R.1983 d.526, effective November 21, 1983.

See: 15 N.J.R. 787(a), 15 N.J.R. 1949(a).

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

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

Amended by R.2002 d.280, effective September 16, 2002.

See: 34 N.J.R. 992(a), 34 N.J.R. 3216(b).

Inserted "water and/or wastewater" throughout.

Recodified from N.J.A.C. 14:3-7.16 and amended by R.2008 d.119, effective May 19, 2008.

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

In the introductory paragraph of (a), substituted a colon for a period at the end; in definition "Landlord", deleted "both" preceding "those persons."; deleted definition "Utility"; in (b), substituted "include in its tariff provisions ensuring" for "file tariff amendments to provide"; in the introductory paragraph of (d), substituted "Each utility shall investigate" for "Investigation of" and deleted "shall be conducted following "diversions"; in (d)1, substituted a semicolon for a comma at the end of the first sentence and recodified the second and third sentences as new (d)2 and (d)3 and the fourth and fifth sentences as (d)4; in (d)2, substituted a semicolon for a period at the end; rewrote (d)3; in (d)4, substituted "shall" for "must" twice and updated the N.J.A.C. reference; recodified former (d)1i and (d)1ii as (d)5 and (d)6; in (d)5, updated the N.J.A.C. reference and substituted a semicolon for a period at the end; in (d)6, inserted a comma following "If", deleted a comma following "tenant-customer" and substituted a semicolon for a period at the end; recodified former (d)2 as (d)7; in (d)7, substituted "If a diversion is found. the" for "The" and substituted a semicolon for a period at the end; recodified former (d)2i and (d)2ii as (d)8 and (d)9; in (d)9, inserted a comma following "information" and substituted a semicolon for a period at the end; recodified the first and second sentences of former (d)3 as (d)10; in (d)10, substituted a semicolon for a period at the end; recodified the former third and fourth sentences of (d)3 as (d)11 and (d)12; in (d)11, substituted "; and" for a period at the end; in (e)1, substituted "; and" for a period at the end; in the introductory paragraph of (f), inserted a comma following "parties" and substituted "utility" for "company"; in (g)1, substituted a semicolon for a period at the end; in (g)2i substituted "utility's tariff; or" for "company's tariff."; in (g)2ii and (g)3, substituted a semicolon for a period at the end; in (g)3, inserted commas following "wires" and "hours" and inserted "or"; in (g)4, substituted "utility's tariff;" for "company's tariff."; in (g)5, substituted "utility" for "company" and "; and" for a period at the end; in (i), substituted "all of its tenant-customers" for "its tenant-customer"; and in (j), deleted the former first sentence.

Former N.J.A.C. 14:3-7.8, Record of customer's account, was repealed.

Case Notes

Customer's electric bills were shown to be consistent with size of dwelling and number of appliances used. *Elco v. Public Service Electric and Gas Company*, 96 N.J.A.R.2d (BRC) 39.

14:3-7.9 (Reserved)

Recodified to N.J.A.C. 14:3-7.2 by R.2008 d.119, effective May 19, 2008.

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

Section was "Form of bill for metered service".

14:3-7.10 (Reserved)

Recodified to N.J.A.C. 14:3-7.3 by R.2008 d.119, effective May 19, 2008.

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

Section was "Form of bill for unmetered service".

14:3-7.11 (Reserved)

Recodified to N.J.A.C. 14:3-7.4 by R.2008 d.119, effective May 19, 2008.

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

Section was "Method of billing".

14:3-7.11A (Reserved)

Recodified to N.J.A.C. 14:3-7.5 by R.2008 d.119, effective May 19, 2008.

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

Section was "Requirement for budget billing and payment plans of gas, electric, water and wastewater utilities for residential accounts".

14:3-7.12 (Reserved)

As amended, R.1978 d.155, eff. May 16, 1978.

See: 9 N.J.R. 290(e), 10 N.J.R. 261(e).

As amended, R.1980 d.555, eff. December 29, 1980.

See: 12 N.J.R. 552(a), 13 N.J.R. 105(b).

(a)3, (d)1-3, and (e) added.

Amended by R.1985 d.166, effective April 15, 1985.

See: 16 N.J.R. 2747(a), 17 N.J.R. 974(a).

Added text in (c)3 "In the case ... each utility service."

Amended by R.1991 d.221, effective May 6, 1991.

See: 22 N.J.R. 1112(a), 23 N.J.R. 1439(b).

Added toll-free number at (c)1.

Amended by R.1992 d.456, effective November 16, 1992.

See: 24 N.J.R. 2341(a), 24 N.J.R. 4271(a).

Add new (f)1 and 2; requirements regarding notification of discontinuance fire protection service.

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

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

Substantially amended (a); in (e), inserted requirement that notice be in boldface; in (f), inserted text "make a reasonable effort to"; and in (f)1, amended list of entities to be notified.

Amended by R.2002 d.280, effective September 16, 2002.

See: 34 N.J.R. 992(a), 34 N.J.R. 3216(b).

In (a) substituted "wastewater" for "sewer" in 1 and 2 and added 4; rewrote (c)1.

Amended by R.2004 d.12, effective January 5, 2004.

See: 35 N.J.R. 91(a), 36 N.J.R. 200(b).

In (a), rewrote the introductory paragraph.

Amended by R.2006 d.367, effective October 16, 2006.

See: 38 N.J.R. 1538(a), 38 N.J.R. 4490(b).

Rewrote the introductory paragraphs of (f) and (f)1; in (f)1i, inserted "or multi-use"; in (f)1viii, added "and" at the end; deleted (f)1ix; recodified (f)1x as (f)1ix; in (f)1ix, substituted "; and" for a period at the end; and in (f)2, inserted "or multi-use service" and deleted "the servicing water utility" preceding "immediately".

Repealed by R.2008 d.119, effective May 19, 2008.

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

Section was "Notice of discontinuance".

14:3-7.12A (Reserved)

New Rule, R.1987 d.516, effective December 21, 1987.

See: 18 N.J.R. 2315(a), 19 N.J.R. 2405(b).

Amended by R.1991 d.221, effective May 6, 1991.

See: 22 N.J.R. 1112(a), 23 N.J.R. 1439(b).

Corrected erroneous reference at (i)1ii., to tampering "not" occurring; correct indication is to tampering occurring.

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

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

In (h), inserted reference to program availability; and in (h)8, added provision relating to eligible customers not heating with natural gas.

Amended by R.2002 d.280, effective September 16, 2002.

See: 34 N.J.R. 992(a), 34 N.J.R. 3216(b).

In (a)3, substituted "Temporary Assistance to Need Families (TANF)" for "Federal Aid to Families with Dependent Children (AFDC)"; in (a)6, substituted "General Assistance (GA) benefits" for "general welfare assistance".

Amended by R.2005 d.22, effective January 3, 2005.

See: 36 N.J.R. 17(b), 37 N.J.R. 88(a).

In (a), added new 7 and recodified former 7 as 8.

Repealed by R.2008 d.119, effective May 19, 2008.

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

Section was "Winter termination of residential electric and gas service (Winter Termination Program)".

14:3-7.13 (Reserved)

Recodified to N.J.A.C. 14:3-7.6 and N.J.A.C. 14:3-7.7 by R.2008 d.119, effective May 19, 2008.

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

Section was "Disputes as to bills".

14:3-7.14 (Reserved)

Recodified to N.J.A.C. 14:3-3A.6 by R.2008 d.119, effective May 19, 2008.

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

Section was "Discontinuance of service to tenants".

14:3-7.15 (Reserved)

Recodified to N.J.A.C. 14:3-3A.7 by R.2008 d.119, effective May 19, 2008.

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

Section was "Notification to municipalities of discontinuance of gas and electric service to residential customer".

14:3-7.16 (Reserved)

Recodified to N.J.A.C. 14:3-7.8 by R.2008 d.119, effective May 19, 2008.

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

Section was "Diversion of service".

14:3-7.17 (Reserved)

Recodified to N.J.A.C. 14:3-3A.8 by R.2008 d.119, effective May 19, 2008.

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

Section was "Termination of residential telephone service".

SUBCHAPTER 8. EXTENSIONS TO PROVIDE REGULATED SERVICES

14:3-8.1 Scope and applicability

(a) This subchapter governs the construction of an extension, as defined at N.J.A.C. 14:3-8.2.

(b) This subchapter addresses whether and how a regulated entity may contribute financially to an extension made in response to an application for an extension by a person, as these terms are defined at N.J.A.C. 14:3-1.1 and 8.2. Any other extension is not subject to this subchapter; nor is any maintenance, repair or operation of an extension; or any