

(b) Rules concerning estimated bills for residential 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, must make available to all customers a postage paid business reply card on which the customer may mark the meter reading. Said card shall have appropriate explanation. The utility must 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 company estimates an account for four consecutive billing periods (monthly accounts), or two consecutive billing periods (bimonthly and quarterly accounts), the company must initiate a program to 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 must 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 company 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 must submit to the Board of Public Utilities a statement detailing their estimating procedures.

5. An estimated or averaged bill, or a bill based upon the index of a remote reading device, must be clearly designated as such.

6. If low estimates result in a customer receiving an actual bill that is at least 25 percent greater than the prior estimated bill, the company 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 company.

7. Annually, the company shall notify all customers of their rights to amortize as outlined in (b)6 above.

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

1. Said plan shall include, but not be limited to, the justification for the utility to not be required to have a person actually read the meter indices for billing purposes, the identification of all associated costs and/or savings, the impact, if any, upon safety, and 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).

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).

14:3-7.10 Form of bill for unmetered service

(a) The bill shall show the following:

1. The period of 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;
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.

14:3-7.11 Method of billing

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

(b) Metered and telephone seasonal 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 may, under uniform nondiscriminatory terms and conditions, require payment in advance for a period not to exceed that for which bills are regularly rendered as specified in its applicable tariff 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.

Amended by R.1997 d.39, effective February 3, 1997.
See: 28 N.J.R. 1810(a), 29 N.J.R. 449(a).

14:3-7.11A Requirements for budget billing and payment plans of gas and electric utilities for residential accounts

(a) Each gas and electric utility shall have available on request a budget billing and payment plan for residential accounts having the characteristics set forth below.

1. The plan shall be voluntary.
2. The projected monthly budget amount shall be determined by the following factors:
 - i. Usage on the account for the past season by month;
 - ii. Actual weather conditions encountered during the past season adjusted to normal year;
 - iii. Base rate increases and levelized energy or levelized gas adjustment charges actually granted by the Board; and
 - iv. Projected changes in the levelized energy or levelized gas adjustment charges.
3. The utility company shall have the authority to determine the time frame of the plan, 10, 11 or 12 months. Any change in time frame will require prior approval by the Board of Public Utilities.
4. If a customer is a new customer with little or no prior use, the monthly budget amount shall be determined by a reasonable estimate of likely usage.
5. A comparison shall be made between the actual cost of service rendered, as determined by actual meter readings, and the monthly budget amount as follows:
 - i. The comparison shall be made at least once in the budget plan year;
 - ii. The comparison shall take into account consumption 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;
 - iii. If and when a comparison reveals an increase or decrease of 25 percent or more in the monthly budget amount, the monthly budget amount shall be adjusted upwards or downwards, as the case may be, for the balance of the budget plan year to minimize the adjustment required at the end of the budget plan year between the monthly budget amount and the actual cost of service rendered during the budget plan year; there shall be no more than one such adjustment during the budget plan year;
 - iv. 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

v. A utility shall notify 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.

6. The plan shall be offered by a bill insert or bill message to eligible customers at least twice in each 12 month period.

7. The plan bill shall contain the information required by N.J.A.C. 14:3-7.9 (Form of bill for metered service), N.J.A.C. 14:3-7.10 (Form of bill for unmetered service) and N.J.A.C. 14:3-7.11 (Method of billing). In addition, the 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.

8. A customer may go off a 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. 14:3-7.13(c).

(b) A plan currently constituted and in place on the effective date of these rules shall remain in effect until expiration of the plan. Upon renewal of a plan, the rules promulgated herein shall apply.

(c) Each gas and electric utility shall file with the Board a copy of its budget billing and payment plan.

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.

14:3-7.12 Notice of discontinuance

(a) The customer shall be given a period of at least 15 days for payment after the postmark date indicated on the envelope in which the bill was transmitted. In the absence of a postmark, the burden of proving the date of mailing shall be upon the utility. When a customer mails any payment for the net amount of a bill for service, and such payment is received at the utility's office not more than two full business days after the due date printed on the bill, the customer shall be deemed to have made timely payment. A public utility may discontinue service for nonpayment of bills provided it gives the customer, except for a fire protection service customer as set out in (f) below, at least 10 days' written notice of its intention to discontinue. The notice of discontinuance shall not be served until the expiration of the said 15 day period. A new notice shall be served by the utility each time it intends to discontinue service for nonpayment of a bill except that no additional notice shall be required when, in response to a notice of discontinuance, payment by check is subsequently dishonored. However, in the case of fraud, illegal use, or when it is clearly indicated that the customer is preparing to leave, immediate payment of accounts may be required.