

(c) If a utility uses a telephone answering service, the utility must ensure that the service shall inform each customer that they are speaking to an answering service and not to the utility.

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).

## SUBCHAPTER 7. BILLS AND PAYMENTS FOR SERVICE

### 14:3-7.1 Deposits for metered and telephone service

(a) If after notice of the methods of establishing credit and being afforded an opportunity, a customer has not established credit, the utility may require a reasonable deposit as a condition of supplying service.

(b) The credit established, by whatever method, shall apply at any location within the area of the utility furnishing the service; that is, service is not to be regarded as restricted to a particular location.

(c) The amount of a deposit shall be reasonably related to the probable charge for service during a billing period based upon the average monthly charge over an estimated 12 month service period increased by one month's average bill.

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

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

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 (c).

### 14:3-7.2 Deposits to insure credit of new customers

If a customer whose credit has not been established applies for service, the initial deposit shall be the estimated average bill of the customer for a billing period, based upon the average monthly charge over an estimated 12 month service period increased by one month's average bill. In determining the amount of deposit, except in the case of telephone utilities, there shall be excluded from the average bill such portion thereof, if any, for which payment is received in advance. If the actual bills of the customer subsequently rendered prove that the deposit is either insufficient or excessive, the deposit may be changed in accordance with the facts.

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 section.

### 14:3-7.3 Customers in default

(a) Customers in default in the payment of bills may be required to furnish a deposit or increase their existing deposit in an amount sufficient to secure the payment of future bills. The amount of such deposit shall be determined in accordance with the principle set forth in N.J.A.C. 14:3-7.1. Service shall not be discontinued for failure to make such deposit except after proper notice.

(b) If a customer who has made a deposit fails to pay a bill, the utility may apply such deposit insofar as is necessary to liquidate the bill and may require that the deposit be restored to its original amount.

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

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

### 14:3-7.4 Receipts and records

The utility shall furnish a receipt to each customer who has made a deposit. Where return of the deposit is made in cash, surrender of the receipt or, in lieu thereof, proof of identity may be required.

### 14:3-7.5 Return of deposits

(a) Upon closing any account the balance of any deposit remaining after the closing bill for service has been settled shall be returned promptly to the depositor with interest due.

(b) Each utility shall review a residential customer's account at least once every year and a nonresidential customer's account at least once every two years and if such review indicates that the customer has established credit satisfactory to the utility, then the outstanding deposit shall be refunded to the customer. Each utility shall afford its customers the option of having the deposit refund applied to the customer's account in the form of a credit or of having the deposit refunded by separate check in a period not to exceed one billing cycle.

(c) Simple interest at a rate equal to the average yields on new six month Treasury Bills for the 12 month period ending each September 30 shall be paid by the utility on all deposits held by it, provided the deposit has remained with the utility for at least three months. Said rate shall become effective on January 1 of the following year. The Board shall perform the annual calculation to determine the applicable interest rate and shall notify the affected public utilities of said rate.

1. Interest on deposits previously collected and held by the public utility shall be apportioned so that the computed interest rate shall be based upon the average yields on new six month Treasury Bills, beginning the following January 1.

2. Interest payments shall be made at least once during each 12 month period in which a deposit is held and shall take the form of credits on bills toward utility service

rendered or to be rendered. The effect of this subsection shall be limited to those deposits, if any, held by electric, gas, telephone and water utilities to secure residential accounts.

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

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

As amended, R.1979 d.117, effective March 16, 1979.

See: 11 N.J.R. 260(a).

As amended, R.1979 d.289, effective August 1, 1979.

See: 11 N.J.R. 258(b), 11 N.J.R. 467(a).

As amended, R.1984 d.87, effective April 2, 1984.

See: 15 N.J.R. 1355(a), 16 N.J.R. 744(a).

(c) Amended to allow interest payments to be credited towards bills.

Amended by R.1988 d.568, effective December 19, 1988.

See: 20 N.J.R. 737(a), 20 N.J.R. 3140(b).

Changed "six months" to "12"; added text "The board shall . . .".

Amended by R.1991 d.148, effective May 6, 1991.

See: 22 N.J.R. 619(a), 23 N.J.R. 1450(a).

Requires utilities refund deposit by check or credit and be made within a billing cycle.

Public Notice: Applicable interest rate on customer deposits effective for calendar year 1992 is 6.0 percent.

See: 23 N.J.R. 3660(a).

Amended by R.1992 d.225, effective June 1, 1992.

See: 24 N.J.R. 686(b), 24 N.J.R. 2073(a).

Rounding interest up or down to nearest half percent repealed.

Public Notice: Applicable interest rate on customer deposits effective for calendar year 1993 is 3.93 percent.

See: 24 N.J.R. 4434(a).

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

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

Deleted (c)1, relating to deposits received on or after Jan. 1, 1989; and recodified former (c)2 through (c)3 as (c)1 through (c)2.

Public Notice: Interest rates on deposits.

See: 33 N.J.R. 136(a).

Public Notice: Interest rates on deposits.

See: 33 N.J.R. 333(a).

Public Notice: Interest rates on deposits.

See: 33 N.J.R. 734(b).

Public Notice: Interest rates on deposits.

See: 33 N.J.R. 4396(a).

Public Notice: Interest rates on deposits.

See: 34 N.J.R. 4478(a).

Public Notice: Interest rates on deposits.

See: 35 N.J.R. 5623(b).

Public Notice: Interest rates on deposits.

See: 36 N.J.R. 5585(b).

#### Cross References

Billing disputes, see N.J.A.C. 14:3-7.13.

#### Case Notes

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

#### 14:3-7.6 Unmetered service

Where a utility, other than a telephone utility, furnishes unmetered service for which payment is received in advance, it may not demand other guarantees to secure payment for service.

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

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

Substituted "guarantees" for "guarantee".

#### 14:3-7.7 Information to customers

(a) Each utility shall adopt some method of informing its customers as to the reading of meters, either by printing on bills a description of the method of reading meters, or a notice to the effect that the method will be explained on request, giving the address and telephone number where such information may be obtained. In addition, the utility shall furnish the address of an office where complaints, service inquiries and bill payments will be received.

(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 by April 4, 2004 that it provides notices in Spanish as well as English. The utility shall submit copies of the notices, and shall certify that the company's notice practices provide Spanish speaking customers with 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.

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).

#### 14:3-7.8 Record of customer's account

Each utility shall keep a record of each customer's account in such a manner as will permit computation of the bill for any billing period occurring within six years, except that telephone utilities shall keep said records in accordance with the Federal Communications Commission's rules and regulations, 47 C.F.R. 42.01 et seq., "Preservation of Records of Communication Common Carriers," as amended and supplemented, incorporated herein by reference.

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

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

#### 14:3-7.9 Form of bill for metered service

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

3. A BRLTS 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. If payment is not received, in accordance with this section, the payment shall be deemed in arrears. In the absence of a postmark, the burden of proving the date of mailing shall be upon the utility.

(c) Termination of nonbasic residential local telephone service shall be as follows:

1. When a residential customer's charges for nonbasic telephone services are more than \$20.00 in arrears, a provider of BRLTS may deny or block those services, at no additional charge to the residential customer, subject to the notice requirements in this section. Customers who select the residential credit limit option set forth in (d) below shall not be blocked until such time as their limit is met.

2. In accordance with N.J.A.C. 14:3-7.12, before a BRLTS provider denies or blocks any nonbasic telephone service, the residential customer shall be given at least 10 days written notice of its intention to discontinue such service. A notice shall be served by the BRLTS provider (or other appropriate billing agent) whenever it intends to deny or block a nonbasic telephone service for nonpayment, except that no additional notice shall be required when, in response to a notice of discontinuance, a check submitted in payment is subsequently dishonored. The notice shall indicate that payments on the bill shall be applied as set forth in (f) below.

3. A BRLTS 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. If payment is not received, in accordance with this section, the payment shall be deemed in arrears. In the absence of a postmark, the burden of proving the date of mailing shall be upon the utility.

(d) A residential credit limit option may be offered to customers, as follows:

1. A provider of BRLTS and/or nonbasic residential telephone service may offer residential customers a credit limit option for an amount of not less than \$200. This option pertains exclusively to services other than BRLTS. Pursuant to this option, a customer may incur unpaid charges for services other than BRLTS, up to the amount of the credit limit option. A customer who selects the credit limit option shall not be required to submit to the service provider the customer deposit required by N.J.A.C. 14:10-4.6. Every provider of basic or nonbasic residential local telephone service shall offer a deferred payment arrangement pursuant to (e) below to any customer who exceeds the customer's credit limit option. In the event that the credit limit is reached for a customer selecting the credit limit option, the provider of service may block or otherwise restrict access by the customer to

services other than BRLTS. In such event, and notwithstanding other provisions of the tariff, no additional tariff charge for blocking or service restoral shall apply, nor shall a separate notice of discontinuance be sent by the telephone service provider.

2. Every provider of basic or nonbasic residential local telephone service, upon customer selection of the credit limit option, shall confirm said selection with the customer in writing, which confirmation shall include, but not be limited to, the following information:

- i. The amount of the credit limit option;
- ii. That nonbasic services may be disconnected without further notice should the customer exceed the selected credit limit;
- iii. The customer's right to a reasonable deferred payment arrangement in order to allow the customer to maintain or restore telephone services; and
- iv. A toll-free number which the customer may call either for additional information about the credit limit option or to advise the provider that the credit limit option is no longer desired, or to obtain the amount of credit used.

(e) Payment arrangements shall be made as follows:

1. Every BRLTS provider that bills a residential customer shall offer the customer a reasonable deferred payment arrangement that considers the customer's financial circumstances in order to allow a residential customer to maintain or restore telephone services.

2. Should it become necessary for a provider to implement a denial or block of BRLTS or nonbasic residential telephone service, the BRLTS provider shall allow the BRLTS customer the opportunity to make a reasonable payment agreement to fulfill the obligation of the outstanding balance billed by the BRLTS provider in order to prevent the denial or block of service or to have the denied or blocked service(s) restored.

3. No deferred payment arrangement shall require a BRLTS customer to pay as a down payment, more than 25 percent of the total outstanding bill due at the time the agreement is reached. Such agreements which extend for more than two months shall be confirmed in writing by the service provider, and sent to the customer. Such confirmation shall provide that a residential customer, who is presently unable to pay an outstanding debt for telephone service, may make reasonable periodic payments until the debt is paid while continuing payment of current bills. The billing provider may offer more than one payment agreement in a year. The Board may also order the billing provider to accept more than one deferred payment agreement in a year if said action is reasonable.

4. A deferred payment arrangement shall be available to all basic local residential customers, including those who select the credit limit option referenced in (d) above.

(f) Application of payments shall be made as follows:

1. Upon receipt of a partial payment from a telephone service residential customer, the billing provider shall apply the payment as follows:

i. The partial payment shall first be applied to BRLTS.

ii. Upon satisfaction of the charges identified in (f)1i above, any residual or subsequent payment received during the same billing period shall be applied to the charges for nonbasic telephone service.

iii. In the event a customer fails to pay a bill and a customer notifies the BRLTS provider that slamming, as defined in N.J.A.C. 14:10-10.2 and 10.5(c) and (g), has allegedly occurred, that portion of the bill that relates to the alleged slamming shall be considered in dispute pursuant to N.J.A.C. 14:3-7.13, and the BRLTS provider shall neither apply residual or partial payments to the customer's charges for the slammed service nor discontinue the customer's slammed service because of nonpayment.

2. At the time a customer subscribes to BRLTS, the provider of BRLTS shall inform the customer as to the partial payment allocation rules in (f)1, above.

3. Notice of the partial payment allocation rules in (f)1 above shall be printed in the Customer Guide Section of the directory of the provider of BRLTS.

New Rule, R.2000 d.84, effective March 6, 2000 (operative September 6, 2000).

See: 31 N.J.R. 740(a), 32 N.J.R. 815(b).

## SUBCHAPTER 8. EXTENSIONS TO PROVIDE REGULATED SERVICES

### Authority

N.J.S.A. 48:2-13, 48:2-16, N.J.S.A. 48:2-27, and 48:2-23.

### Source and Effective Date

R.2005 d.462, effective December 20, 2004 (operative March 20, 2005).

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

### Subchapter Historical Note

Subchapter 8, Extensions to Provide Regulated Services, was repealed and adopted as new rules by R.2004 d.462, effective December 20, 2004 (operative March 20, 2005). See: Source and Effective Date.

### 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 service 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 expansion, upgrade, improvement, or other installation of plant and/or facilities, wherever located.

(c) This subchapter includes provisions regarding whether an extension shall be placed overhead or underground, and the extent to which a regulated entity may pay for or financially contribute to the costs of an extension. How much a regulated entity is authorized to pay for or financially contribute to an extension varies based on whether the customers that the extension will serve are located in an area not designated for growth, a designated growth area, a smart growth infrastructure incentive program (SGIIP) area, or a targeted revitalization incentive program (TRIP) area, as described at N.J.A.C. 14:3-8.12 and 14:3-10, respectively.

(d) This subchapter applies to extensions made by all regulated entities, as those terms are defined at N.J.A.C. 14:3-8.2, except that:

1. This subchapter does not apply to cable television companies; and

2. This subchapter does not apply to a portion of an extension that is regulated by the Federal Energy Regulatory Commission (FERC).

(e) This subchapter applies to construction of extensions to provide service to all customers, whether residential or nonresidential.

(f) This subchapter does not provide for a calculation of the dollar amount that a regulated entity may charge for construction of an extension. This amount is determined based on tariffs submitted to the Board by each regulated entity and approved by the Board.

(g) This subchapter is intended to fulfill the mandate at N.J.S.A. 48:2-23 that regulated entity service be safe, adequate and proper, and furnished in a manner that tends to conserve and preserve the quality of the environment. One way in which this subchapter fulfills that mandate is through provisions that generally do not permit regulated entities to invest, in response to an application for service, in new infrastructure in areas that are not designated for growth.

(h) Nothing in this subchapter shall require a regulated entity to construct an extension or portion thereof if the extension would not be required under N.J.S.A. 48:2-27 or other applicable law.

**Case Notes**

No proof presented in line extension case that owner required to construct new line or that utility is without authority to do so. *State v. Sun Oil Co.*, 160 N.J.Super. 513, 390 A.2d 661 (Law Div.1978).

Award of interest denied on rebate moneys wrongfully withheld (citing former regulation). *A & A Construction Corp. v. West Keansburg Water Co.*, 6 N.J.A.R. 210 (1980).

**14:3-8.1A Waiver request, operative date**

(a) If a regulated entity requests a waiver of one or more requirements in this subchapter (as effective December 20, 2004) in accordance with N.J.A.C. 14:1-1.2(b), the waiver shall include documentation that the requirements of N.J.A.C. 14:1-1.2(b)1 and 2 are met. Specifically, the waiver request shall demonstrate how full compliance with the requirement(s) of this subchapter would adversely affect ratepayers and the ability of the regulated entity to render safe, adequate and proper service in an environmentally responsible manner; and shall demonstrate that the regulated entity's proposed alternative will meet the purposes and intent of this subchapter at least as effectively as the requirements that will be waived. Any such waiver request shall be submitted by January 19, 2005, and the Board shall act on the waiver request within 180 days after receipt of a complete waiver petition.

(b) This subchapter (as effective December 20, 2004) shall become operative on March 20, 2005, except for this section and N.J.A.C. 14:3-8.1B, which shall become operative on December 20, 2004.

New Rule, R.2004 d.462, effective December 20, 2004.  
See: 36 N.J.R. 276(a), 37 N.J.R. 5928(a).

**14:3-8.1B Submission of modified tariff**

Each regulated entity shall submit to the Board a modified tariff that complies with this subchapter as operative March 20, 2005 (see 36 N.J.R. 5928(a)) by January 19, 2005.

New Rule, R.2004 d.462, effective December 20, 2004.  
See: 36 N.J.R. 276(a), 36 N.J.R. 5928(a).

**14:3-8.2 Definitions**

In addition to the definitions at N.J.A.C. 14:3-1.1, the following words and terms, when used in this subchapter, shall have the following meanings, unless the context clearly indicates otherwise:

“Applicable tariff” means the tariff, filed with and approved by the Board, that covers the geographic area in which a particular development or extension is located.

“Area not designated for growth” means an area that is not a designated growth area as defined herein.

“Cost” means, with respect to the cost of construction of an extension, actual expenses incurred for materials and labor (including both internal and external labor) employed in the design, purchase, construction, and/or installation of the

extension, including overhead directly attributable to the work, as well as overrides or loading factors such as those for back-up personnel for mapping, records, clerical, supervision or general office functions.

“Center designation” or “designated center” means a center that has been officially recognized as such by the State Planning Commission in accordance with its rules at N.J.A.C. 5:85 or in the Pinelands Area, a center recognized as such pursuant to a valid Memorandum of Agreement between the New Jersey Pinelands Commission and the New Jersey State Planning Commission.

“Designated growth area” means an area depicted on the New Jersey State Planning Commission State Plan Policy Map as:

1. Planning Area 1 (Metropolitan Planning Area, or PA-1);
2. Planning Area 2 (Suburban Planning Area, or PA-2);
3. A designated center;
4. An area identified for growth as a result of either an initial or advanced petition for plan endorsement that has been approved by the State Planning Commission pursuant to N.J.A.C. 5:85-7;
5. A smart growth area and planning area designated in a master plan adopted by the New Jersey Meadowlands Commission pursuant to subsection (I) of section 6 of N.J.S.A. 13:17-6; or
6. A Pinelands Regional Growth Area, Pinelands Village or Pinelands Town, as designated in the Comprehensive Management Plan prepared and adopted by the Pinelands Commission pursuant to section 7 of the Pinelands Protection Act, N.J.S.A. 13:18A-8.

Assistance in determining whether a particular parcel of land in a designated growth area can be obtained through the Department of Community Affairs Office of Smart Growth website at <http://www.nj.gov/dca/osg/>.

“Distribution revenue” means a regulated entity's total revenue, minus the following, as applicable:

1. For a gas public utility, as defined at N.J.A.C. 14:4-2.2, Basic Gas Supply Service charges assessed in accordance with the gas public utility's tariff; and
2. For an electric public utility, as defined at N.J.A.C. 14:4-1.2, Basic Generation Service charges assessed in accordance with the electric public utility's tariff.

“Extension” means the construction or installation of plant and/or facilities by a regulated entity to convey service from existing or new plant and/or facilities to one or more new customers, and also means the plant and/or facilities themselves. This term includes all plant and/or facilities for transmission and/or distribution, whether located overhead or

underground, on a public street or right of way, or on a private property or private right of way, including the wire, poles of supports, cable, pipe, conduit or other means of conveying service from existing plant and/or facilities to each unit or structure to be served, except as excluded at 1 through 6 below. An extension begins at the existing infrastructure and ends as follows:

1. For water service, the extension ends at the curb of the property or properties on which the customers to be served are located, but also includes the meter. Any piping, fire hydrants and branches, or other water infrastructure (with the exception of the water meter), which is within the boundary or the property or properties to be served, is not included in the extension and is the responsibility of the customer;
2. For gas service, the extension ends at the meter and includes the meter;
3. For an overhead extension of electric service, the extension ends at the point where the service connects to the building, but also includes the meter;
4. For an underground extension of electric service, the extension ends at, and includes, the meter; unless the applicant and the regulated entity make other arrangements; and
5. For telecommunications service, the extension ends at the point of demarcation as defined in the regulated entity's tariff.

"Generation" means the manufacture, production, extraction or creation of a substance (such as water or petroleum products), a form of energy (such as electricity), or a signal (such as a telecommunications or cable television signal).

"New Jersey State Planning Commission" means the commission established by the State Planning Act, N.J.S.A. 52:18A-196 et seq.

"Office of Smart Growth" means the Office in the Department of Community Affairs that staffs the State Planning Commission and provides planning and technical assistance as requested. The Office of Smart Growth serves the same functions as the Office of State Planning, described at N.J.S.A. 52:18A-201.

"Planning area" has the meaning assigned to the term in the rules of the State Planning Commission at N.J.A.C. 5:85-1.4. As of December 20, 2004, this term is defined in those rules to mean an area of greater than one square mile that shares a common set of conditions, such as population density, infrastructure systems, level of development, or environmental sensitivity. The State Development and Redevelopment Plan sets forth planning policies that serve as the framework to guide growth in the context of those conditions.

"Plant and/or facilities" means any machinery, apparatus, or equipment, including but not limited to mains, pipes, aqueducts, canals, wires, cables, fibers, substations, poles or other supports, generators, engines, transformers, burners,

pumps, and switches, used for generation, transmission, or distribution of water, energy, telecommunications, cable television or other service that a regulated entity provides. This term includes service lines and meters, but does not include equipment used solely for administrative purposes, such as office equipment used for administering a billing system.

### 14:3-8.3 General requirement to provide extensions

(a) To obtain regulated services to serve new development or new customers, a person shall apply to the appropriate regulated entity, as defined at N.J.A.C. 14:3-1.1 for construction of an extension, as defined at N.J.A.C. 14:3-8.2. Prior to accepting the application, the regulated entity shall provide the applicant with a copy of this subchapter. At the time of submittal of an application for an extension, the regulated entity shall obtain from the applicant in a signed certification that the applicant received a copy of this subchapter.

(b) If an applicant for an extension has met all applicable requirements in this chapter, a regulated entity shall install the requested extension in accordance with this subchapter. No regulated entity is required to construct an extension or to furnish service to any customer unless all applicable requirements of this subchapter have been met, unless ordered to do so by the Board.

(c) A regulated entity is not required to construct, own, operate or maintain an extension on any property unless the regulated entity is legally authorized to do so, for example through an easement or right of way. The applicant shall ensure that the regulated entity is provided with such legal authority, at no cost to the regulated entity and with no requirement for condemnation of the property.

(d) In constructing and operating an extension, a regulated entity shall use equipment and practices that meet all applicable requirements in this chapter, and which are consistent with applicable industry best practices and standards and the regulated entity's minimum system design standards. An applicant may request equipment or service which exceeds these standards. If the regulated entity provides this excess equipment or service, the regulated entity may charge the applicant for the full cost of the excess facilities requested, in accordance with N.J.A.C. 14:3-8.9(d)3.

(e) A regulated entity shall construct an extension with sufficient capacity to provide safe, adequate, and proper service to customers, in accordance with the regulated entity's and/or the industry's system design standards, even if the applicant requests less capacity.

Amended by R.2005 d.265, effective August 15, 2005.  
36 N.J.R. 5655(a), 37 N.J.R. 3046(b).

Rewrote (a).