

Office of the Governor

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NEWS RELEASE

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Governor's Weekly Radio Message Addresses Energy Deregulation

Gov. Christie Whitman provides a weekly radio message to radio stations throughout the state. Each week, the message focuses on a different concern or event of interest to New Jerseyans.

This week the Governor discusses a bill she signed earlier this week that opens up the utility industry to fair competition and guarantees savings for utilities customers. The lack of fair competition in the past has pushed New Jersey's average electricity rate to levels nearly 50% higher than the national average. The new legislation will allow New Jerseyans to choose their power supplier and provide a 10% savings for all consumers.

Attached is the text of the message.

The radio message can be accessed by calling the Governor's actuality line at 609-292-3249. It will be available today, beginning at noon, and will run through the weekend.

GOVERNOR'S WEEKLY RADIO MESSAGE FEBRUARY 11, 1999 ENERGY DEREGULATION

I want to tell you about a major piece of legislation that will help every family and every business in our state save money.

New Jersey is known for many things, but high energy costs shouldn't be one of them.

For too long, the people of our state have been unable to choose their energy suppliers due to a nearly century-old utility monopoly.

The lack of fair competition pushed New Jersey's average electricity rate to levels nearly 50 percent higher than the national average. That wasn't fair to New Jersey's consumers. And it wasn't good for New Jersey's economy.

The good news is, that's about to change.

Earlier this week, I signed an historic energy deregulation bill that will open up the utility industry to fair competition and guarantee savings.

Under this legislation, New Jersey's 3.4 million energy users will be able to choose their power suppliers.

The fact is: consumer choice equals consumer savings.

Energy deregulation, combined with our 1997 energy tax reforms, will save New Jersey's consumers at least 16 percent on their electric bills.

Of course, that is just the mandated reduction. If you comparison-shop for energy providers, you might save even more.

We want to encourage citizens to take advantage of deregulation. So this legislation includes a shopping credit to help spur competition among electricity suppliers.

What's more, town residents, schools, and other groups will now be able to collectively bargain for better rates, in the same way as larger businesses and industrial consumers.

We've learned from the bad experiences some people had with their long-distance phone service after that industry was opened to competition. We won't let that happen with energy deregulation. So this bill provides penalties to prevent any company from switching consumers without their knowledge.

Additionally, this legislation recognizes the difficulty faced by many seniors who bought homes in adult communities that used only electric energy. To help them save on energy bills, we are establishing the New Jersey Senior and Affordable Value for Energy program. This program, known by its acronym SAVE, will help those living in adult communities finance the conversion from all-electric energy to gas if they so choose.

Lower energy costs will help make life in New Jersey more affordable. Businesses will save millions in lower operating costs. Those living on fixed incomes will have more money left at the end of the month. At the same time, lower energy rates will also encourage companies to relocate to our state and create new jobs.

As we take care of our economy, we need to take care of our environment. That's why we've earmarked \$140 million for improved energy conservation programs and for investments in renewable technologies, such as solar and wind power.

That will help the renewable technology industry grow, while providing consumers with affordable, clean power.

The people of New Jersey are finally going to have the opportunity to choose energy providers. But, most important, they will have the opportunity to see their utility bills go down.

And that's one more way we can make New Jersey a better place to live, work, and raise a family.