

CHAPTER 4

ENERGY COMPETITION STANDARDS

Authority

N.J.S.A. 48:3-78 et seq.

Source and Effective Date

R.2001 d.46, effective January 9, 2001.
See: 32 N.J.R. 4249(a), 33 N.J.R. 565(a).

Executive Order No. 66(1978) Expiration Date

Chapter 4, Energy Competition Standards, expires on January 9, 2006.

Chapter Historical Note

Chapter 4, Autobus and Trolley, was adopted and became effective prior to September 1, 1969.

Chapter 4, Autobus and Trolley, was recodified as N.J.A.C. 16:52 by an administrative change, effective November 3, 1995. See: 27 N.J.R. 4906(a).

Chapter 4, Energy Competition Standards, was adopted as new rules by R.1999 d.257, effective July 9, 1999. See: 31 N.J.R. 2228(a).

Subchapter 1, Interim Anti-Slamming Standards, Subchapter 2, Interim Licensing and Registration Standards, and Subchapter 3, Interim Retail Choice Consumer Protection Standards, were readopted as R.2001 d.46, effective January 9, 2001. See: 32 N.J.R. 4249(a), 33 N.J.R. 565(a).

Subchapter 4, Interim Environmental Information Disclosure Standards, Subchapter 5, Affiliate Relations, Fair Competition and Accounting Standards and Related Reporting Requirements, and Subchapter 6, Interim Government Energy Aggregation Program Standards, were adopted as new rules by R.2000 d.408, d.409 and d.410, effective September 11, 2000. See: 32 N.J.R. 3617(a), 3633(a), and 3642(a). See, also, Subchapter Historical Notes.

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SUBCHAPTER 1. INTERIM ANTI-SLAMMING STANDARDS

14:4-1.1 Scope

The following standards are to protect against unauthorized changes in a customer's electric power supplier or natural gas supplier as required by "The Electric Discount and Energy Competition Act," P.L. 1999, c.23, Section 37. These standards also apply to the unauthorized switch of a customer away from basic generation service or basic gas supply service provided by an authorized electric or natural gas utility.

14:4-1.2 Definitions

The following words and terms, when used in these standards, shall have the following meanings unless the context clearly indicates otherwise.

"Act" refers to the "Electric Discount and Energy Discount and Energy Competition Act," (P.L. 1999, c.23).

"Board" means the New Jersey Board of Public Utilities or its successor agency.

"Change Order" means a request made by an electric power supplier or a natural gas supplier to an LDC to have the supplier of record of a customer changed.

"Customer" means any person that is an end user and is connected to any part of the transmission and distribution system within an electric public utility's service territory or a gas public utility's service territory within this State.

"Electric power supplier" means a person that is duly licensed pursuant to the provisions of the Act to offer and to assume the contractual and legal responsibility to provide electric generation service to retail customers, and includes load serving entities, marketers and brokers that offer or provide electric generation service to retail customers. The term excludes an electric public utility that provides electric generation service only as a basic generation service pursuant to section 9 of the act.

"Electric public utility" means a public utility, as that term is defined in R.S. 48:2-13, that transmits and distributes electricity to end users within this State.

"Gas public utility" means a public utility, as that term is defined in R.S. 48:2-13, that distributes gas to end users within this State.

"Gas supplier" means a person that is duly licensed pursuant to the provisions of the act to offer and assume the contractual and legal obligation to or provide gas supply service to retail customers, and includes, but is not limited to, marketers and brokers. A non-public utility affiliate of a public utility holding company may be a gas supplier, but a gas public utility or any subsidiary of a gas utility is not a gas supplier. In the event that a gas public utility is not part of a holding company legal structure, a related competitive business segment of that gas public utility may be a gas supplier, provided that related competitive business segment is structurally separated from the gas public utility, and provided that the interactions between the gas public utility and the related competitive business segment are subject to the affiliate relations standards adopted by the Board pursuant to subsection k. of section 10 of the Act.

"Local Distribution Company (LDC)" means an electric public utility or a gas public utility.

"Marketer" means a duly licensed electric power supplier that takes title to electric energy and capacity, transmission and other services from electric power generators and other wholesale suppliers and then assumes contractual and legal obligation to provide electric generation service, and may include transmission and other services, to an end-use retail customer or customers, or a duly licensed gas supplier that takes title to gas and then assumes the contractual and legal obligation to provide gas supply service to an end-use customer or customers.

"Slamming" means an unauthorized change in a customer's electric power supplier or gas supplier.

“Third Party Supplier (TPS)” means an electric power supplier or a gas supplier as those terms are defined herein, or a person acting on behalf of such suppliers.

14:4-1.3 Change orders for gas or electric service

(a) No TPS shall submit to a LDC, an order requesting a change of a customer’s electric or gas supplier unless the order is in accordance with these rules. The only acceptable change order that an LDC will process is from an

Electronic Data Interchange (EDI) transaction, in a Board approved format.

(b) A change order shall be deemed to be unauthorized unless the customer has authorized the change affirmatively and voluntarily and the supplier has obtained the customer’s approval either through a signed contract or such other alternative forms of verification as the Board may permit, pursuant to its consumer protection standards or Board Order.

(c) Each change order submitted to an LDC on behalf of an electric or gas supplier must be subject to verification procedures, in accordance with these rules and Board Orders prior to the change being effectuated by the LDC. A separate verification for an electric power supply and gas supply change order must be undertaken, even if the same company is chosen to provide both electric and natural gas services.

(d) Records of customer authorization changes shall be retained by the TPS for a minimum of three years. In the event that a customer disputes a change order, either before or after a switch is effectuated by the LDC, the TPS shall produce the customer switch authorization within (3) business days of a request by the customer or the Board.

14:4-1.4 TPS billing

In addition to all other information required to be included in the customer's bill pursuant to regulations and/or Board Order, any bill submitted to a customer by or on behalf of gas supplier or an electric power supplier shall contain the name and telephone number of each party for which the billing is provided, the name and telephone number of each billing aggregator acting on behalf of a customer's TPS, the LDC's emergency phone number and any other information deemed appropriate by the Board, as well as the name, address and telephone number of the Board of Public Utilities at (973) 648-2350 and 1-800-624-0241.

Amended by R.2001 d.46, effective February 5, 2001.
See: 32 N.J.R. 4249(a), 33 N.J.R. 565(a).
Deleted the identifier.

14:4-1.5 TPS change order procedures

(a) Notwithstanding the time frame for execution of TPS customer change requests as set forth by regulation and/or Board Order, all TPS change orders received and verified in compliance with existing standards, shall be executed as soon as possible and without unreasonable delay.

(b) When an authorized change of a supplier is requested, the LDC shall be responsible for sending notification to the customer of the ordered change in writing, within one business day or such other a time frame as prescribed by the Board.

(c) The LDC responsible for implementing the TPS change orders must make available to customers upon written or verbal request, confirmation of their supplier change orders, to the extent the LDC has received such an order, electronically from a TPS.

14:4-1.6 Unauthorized service termination and transfer (slamming)

(a) In construing and enforcing the provisions of these standards, the act of any person, firm or corporation, acting as an agent or representative acting on behalf of a TPS or

electric or gas public utility shall be deemed to be the act of that TPS, gas or electric public utility.

(b) In the event a customer notifies the Board that slamming, as defined herein, has allegedly occurred, the supply 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.

(c) Any TPS, gas or electric public utility that fails to comply with the procedures prescribed in these standards and collects charges, directly or indirectly, for electric power supply or gas supply services from a customer, as a result of its or its agent's, unauthorized activity, shall be liable to the customer's properly authorized TPS, electric public utility or gas public utility in an amount equal to all charges paid by such customer after such violation, as well as for additional amounts as prescribed by regulation and/or Board Order, in accordance with such procedures as the Board may prescribe. The remedies provided in this subsection are in addition to any other remedies available by law.

(d) In addition to any other penalties that might be imposed by the Board, a party found guilty of an unauthorized customer switch may also be liable for any direct costs incurred, as determined by the Board, by the duly authorized supplier and/or its LDC as a result of the unauthorized switch.

(e) A customer that has been found to have been the subject of an unauthorized switch shall not be liable to its authorized supplier and/or its LDC for any more charges than the customer would have been liable for had the unauthorized switch not occurred.

(f) If the customer cannot resolve or correct an unauthorized switch, the customer may file a complaint with the Board under the procedures set forth in Dispute Resolution.

(g) Beginning January 15, 2000, each electric public utility and gas public utility shall submit a quarterly report to the Board, Division of Customer Relations, containing all slamming complaints received, indicating the customer's name, address, telephone number, type of service, and the name of the TPS that requested the alleged unauthorized switch of the customer's electric power or gas supplier.

Amended by R.2001 d.46, effective February 5, 2001.
See: 32 N.J.R. 4249(a), 33 N.J.R. 565(a).

In (f), the undesignated paragraph was recodified as (g).

14:4-1.7 Enforcement

(a) The Board may investigate upon its own initiative or upon complaint, any allegation of a violation of these standards.

(b) Any party determined by the Board, after notice and hearing, to have violated any provisions of these standards relating to changes in a customer's electric or gas supplier

shall be subject to any one or more of the penalties permitted by the Act, including:

1. Suspension or revocation of the TPS's authority to conduct business in the State; and
2. Financial penalties as permitted by law.

(c) All monies recovered from an administrative penalty imposed pursuant to this section shall be paid into the State Treasury to the credit of the General Fund.

(d) In considering the violations of the Act and/or the Board's Standards and Rules, the Board may consider every day of each violation against each customer as a separate offense.

Amended by R.2001 d.46, effective February 5, 2001.

See: 32 N.J.R. 4249(a), 33 N.J.R. 565(a).

In (b), recodified (i) and (ii) as 1 and 2.

SUBCHAPTER 2. INTERIM LICENSING AND REGISTRATION STANDARDS

14:4-2.1 Scope

(a) These standards shall apply to electric power suppliers, gas suppliers, energy agents and private aggregators as defined below.

(b) Electric power suppliers and gas suppliers shall apply for and obtain a license from the Board pursuant to the standards and procedures herein.

(c) Energy agents and private aggregators shall register with the Board pursuant to the standards and procedures herein.

(d) No electric power supplier, gas supplier, energy agent or private aggregator shall contract, offer to contract, enroll, provide generation service or gas supply service, or arrange for a contract for the provision of these services without having obtained a license from or having registered with the Board, as appropriate.

Amended by R.2001 d.46, effective February 5, 2001.

See: 32 N.J.R. 4249(a), 33 N.J.R. 565(a).

The undesignated paragraphs were codified as (a) through (d).

14:4-2.2 Definitions

As used in this rule:

"Act" means the "Electronic Discount and Energy Competition Act" (P.L. 1999, c.23).

"Board" means the New Jersey Board of Public Utilities or any successor agency.

"Broker" means a duly licensed electric power supplier that assumes the contractual and legal responsibility for the sale of electric generation service, transmission or other services to end-use retail customers, but does not take title to any of the power sold, or a duly licensed gas supplier that assumes the contractual and legal obligations to provide gas supply service to end-use retail customers, but does not take title to the gas.

"Customer" means any person that is an end user and is connected to any part of the transmission and distribution system within an electric public utility's service territory or a gas public utility's service territory within this State.

"Electric power supplier" means a person that is duly licensed pursuant to the provisions of this act to offer and to assume the contractual and legal responsibility to provide electric generation service to retail customers, and includes, load serving entities, marketers and brokers that offer or provide electric generation service to retail customers. The term excludes an electric public utility that provides electric generation service only as a basic generation service pursuant to section 9 of the Act.

"Electric public utility" means a public utility, as that term is defined in R.S. 48:2-13, that transmits and distributes electricity to end users within this State.

"Electric related service" means a service that is directly related to the consumption of electricity by an end user, including, but not limited to, the installation of demand side management measures at the end of the end user's premises, the maintenance, repair or replacement of appliances, lighting, motors or other energy-consuming devices at the end user's premises, and the provision of energy consumption measurement and billing services.

"Energy agent" means a person that is duly registered pursuant to the provisions of the Act, that arranges the sale of retail electricity or electric related services or retail gas supply or gas related services between government aggregators or private aggregators and electric power suppliers or gas suppliers, but does not take title to the electric or gas sold.

"Energy consumer" means a business or residential consumer of electric generation service or gas supply service located within the territorial jurisdiction of a government aggregator.

"Gas public utility" means a public utility, as that term is defined in R.S. 48:2-13, that distributes gas to end users within this State.

"Gas related service" means a service that is directly related to the consumption of gas by an end user, including, but not limited to, the installation of demand side management measures at the end user's premises, the maintenance, repair or replacement of appliances or other energy-consuming devices at the end user's premises, and the provision of energy consumption measurement and billing services

2. An affidavit from an officer of the electric and/or gas public utility, including justification, that the proposed changes do not render the product and/or service offering in non-compliance with the standards for approval set forth in (g) and (h) above.

(v) Any change by an electric and/or gas public utility or its related competitive business segment of a previously Board-approved competitive product and/or service offering, which change shall include, but is not limited to, an expansion of the product and/or service offering outside of the electric and/or gas public utility's franchise area, shall require the review and prior approval of the Board.

(w) An electric and/or gas public utility proposing a substantive change in offering by itself or its related competitive business segment must submit to the Board, at least 60 days prior to the intended effective date of the change in offering, information sufficient to demonstrate that the change in offering will not adversely impact the ability of said electric and/or gas public utility to provide safe, adequate and proper electric and/or gas public utility service.

(x) In the event that the Board determines that an electric and/or gas public utility or its connected competitive business segment has offered a competitive product and/or service without the prior approval of the Board pursuant to (a) through (f), (g) and (h), or (v) and (w) above, or without the prior notification to the Board pursuant to (t) and (u) above, such electric and/or gas public utility or its related competitive business segment shall immediately be required to cease and desist such unauthorized product and/or service offerings for a period of at least 90 days as determined by the Board and, subject to further hearings of the Board, may be subject to further penalties as determined by the Board pursuant to N.J.A.C. 14:4-5.9(b).

(y) In the event that the Board determines as a result of the audit performed pursuant to N.J.S.A. 48:3-56, N.J.A.C. 14:4-5.7 (e) through (g) or by other means, after providing the electric and/or gas public utility an opportunity to be heard, pursuant to Section 8(f)3 of the Act, that an electric and/or gas public utility or its related competitive business segment has violated any provision(s) of this section of these standards, the Board may take one or more of the following actions:

1. Order a reimbursement, including interest, to competitive product and/or service offering customers of any overcharges resulting from the violation;
2. Order a reimbursement to electric and/or gas public utility ratepayers, including interest, of any cross-subsidy(ies) found to have been provided to the competitive product and/or service offerings;
3. Impose a penalty of up to \$10,000 for each such violation;
4. For a first violation:

i. Order a violating electric and/or gas public utility to cease some or all competitive product and/or service offerings and form a related competitive business segment of the public utility to perform the competitive product and/or service offerings; or

ii. Order a violating related competitive business segment of an electric and/or gas public utility to cease some or all competitive product and/or service offerings and permit further competitive offerings only through a related competitive business segment of the public utility holding company; and

5. For a second and subsequent violations:

i. Order a violating related competitive business segment of the previously-violating public utility to cease some or all competitive product and/or service offerings and permit further competitive offerings only through a related competitive business segment of the public utility holding company.

Amended by R.2002 d.313, effective September 16, 2002.

See: 34 N.J.R. 1524(d), 34 N.J.R. 3230(a).

In (r)2, substituted "N.J.S.A. 48:3-55(b)" for "subsection b of section 7 of the Act"; in (y), "N.J.S.A. 48:3-56" for "Section 8 of the Act" and "(e) through (g)" for "(f) through (h)" in the introductory paragraph.

14:4-5.7 Regulatory oversight

(a) Each electric and/or gas public utility shall file its compliance plan with the Board and provide a copy of said plan to the RA, at least once in every 12 month period or upon changes to the plan, and thereafter, within 12 months of the revised plan.

(b) Said compliance plan shall demonstrate that there are adequate procedures in place to ensure compliance with these standards and shall include the electric and/or gas public utility's dispute resolution procedure pursuant to N.J.A.C. 14:4-5.8(a).

1. Said compliance plan shall contain an accurate list of all affiliates of an electric and/or gas public utility, including the business name and address, name and business telephone number of at least one officer of each affiliate and a brief description of the business of each affiliate.

i. The information required by (b)1 above shall be updated within five business days of any change(s) thereto as well as make a public posting thereof.

(c) Absent Board action to the contrary, the electric and/or gas public utility's compliance plan shall be in effect between its filing and the Board's decision.

(d) Upon the creation of a new affiliate which is covered by these standards, the electric and/or gas public utility shall immediately notify the Board as well as make a public posting thereof.

(e) At the discretion of the Board, the electric and/or gas public utility shall have an audit prepared by an independent auditor, to be selected by the Board, which verifies that the electric and/or gas public utility is in compliance with these standards.

1. The scope of the audit shall be established by the Board and shall take into consideration the electric and/or gas public utility's level of activity with its affiliates.

(f) An audit performed by an independent auditor shall be at the electric and/or gas public utility's expense.

(g) After December 31, 2000, subsequent audits will be performed at least every two years thereafter.

Amended by R.2002 d.313, effective September 16, 2002.

See: 34 N.J.R. 1524(d), 34 N.J.R. 3230(a).

Rewrote the section.

14:4-5.8 Dispute resolution

(a) An electric and/or gas public utility shall establish and file annually with the Board a dispute resolution procedure, including the establishment of a telephone complaint hotline, to address complaints alleging violations of these standards.

1. The procedure shall be included in the electric and/or gas public utility's annual compliance plan.

(b) At a minimum, the procedure shall designate a person to conduct an investigation of the complaint and communicate the results of the investigation to the complainant, in writing, within thirty days after the complaint is received, including a description of any action taken.

(c) An electric and/or gas public utility shall report any violation of these standards to the Board, with a copy provided to the RA, within five business days of becoming aware of any such violation(s).

(d) The electric and/or gas public utility shall maintain a log of all resolved and pending complaints. The log shall be subject to review by the Board and RA and shall contain, at minimum, a summary of the complaint, the manner in which the complaint was resolved, or an explanation why the complaint remains pending.

Amended by R.2002 d.313, effective September 16, 2002.

See: 34 N.J.R. 1524(d), 34 N.J.R. 3230(a).

In (a), inserted "annually" following "file" and added 1.

14:4-5.9 Violations and penalties

(a) If, as a result of an audit conducted pursuant to N.J.A.C. 14:4-5.7(e) through (g) or by any other means, the Board determines that an electric and/or gas public utility has committed violations of N.J.A.C. 14:4-5.3, 5.4, 5.5, 5.7 or 5.8 which are not substantial violations, the Board is authorized to impose a penalty of up to \$10,000 for each such violation upon said electric and/or gas public utility.

(b) If, as a result of an audit conducted pursuant to N.J.A.C. 14:4-5.7(e) through (g) or by any other means, the Board determines after providing the electric and/or gas public utility notice of a public hearing and an opportunity to be heard, that an electric and/or gas public utility has committed violations of N.J.A.C. 14:4-5.3, 5.4, 5.5, 5.7 or 5.8 which are substantial in nature, the Board is authorized to take some or all of the following actions:

1. Impose a penalty of up to \$10,000 for each such violation(s).

2. Order appropriate reimbursement to electric and/or gas public utility ratepayers, including interest.

3. For a first violation:

i. Order a violating electric and/or gas public utility to cease some or all competitive product and/or service offerings and form a related competitive business segment of the public utility to perform the competitive product and/or service offerings; or

ii. Order a violating electric and/or gas public utility to cease some or all competitive product and/or service offerings through a related competitive business segment of the public utility holding company; and

4. For a second violation:

i. Initiate a hearing to reconsider its approval of the formation of the public utility holding company.

Amended by R.2002 d.313, effective September 16, 2002.

See: 34 N.J.R. 1524(d), 34 N.J.R. 3230(a).

In (a) and (b), amended the N.J.A.C. references in the introductory paragraphs.

APPENDIX A

SECTION 1 Timing and Review

1. Time for Filing of Petition
 - a. The EDC/GDC shall file a petition at least sixty (60) days prior to the offering of any new maintenance, repair, replacement parts, service contract, power conditioning or equipment sales and/or lease or any other tariffed or non-tariffed EDC/GDC competitive services.
 - b. The EDC/GDC shall provide Staff a draft petition at least two weeks prior to filing of said petition with the Board, so that EDC/GDC representative(s) may discuss the salient aspects of said filing with Board staff at a mutually agreed to time.
2. Conditions for Review
 - a. The following conditions must be satisfied prior to Staff's review of said petition:
 - i. All filing requests are met and acknowledged by letter from Board Staff;
 - ii. Copies of the filing are served on the Division of the Ratepayer Advocate and other interested parties; and
 - iii. All confidentiality issues are resolved.

SECTION 2 Petition Filing and Confidentiality

1. Required Petition Contents

- a. Said Petition must include the following to show that the competitive service offering(s) will not impair the EDC/GDC's ability to provide safe, adequate and proper service and that the service shall be offered on a non-discriminatory basis:
 - i. Dispatching schedules;
 - ii. A prioritization schedule which would show how the EDC/GDC will handle emergency, same day customer originated orders and proposed appliance service orders;
 - iii. Detailed description of how new competitive service offering(s) will affect this schedule, meter reading schedules, routine maintenance, etc.;
 - iv. Titles, competitive and non-competitive service responsibilities and number of all employees who are anticipated to be involved in the proposed competitive service offering(s);
 - v. Detailed description of how the proposed competitive service offering(s) will be marketed throughout demographic segments of the customer base;
 - vi. Indicate where the proposed competitive service offering(s) will be marketed;
 - vii. Detailed description of the proposed competitive service offering(s), including a list of the parts covered under said offering(s);
 - viii. Draft bill inserts shall state that:
 1. The Board has not approved the rates;
 2. "All prices may vary and will depend upon contractor and type of work performed" if rates vary;
 3. These services are also available from independent contractors;
 4. The EDC/GDC will provide free of charge, such services as gas leak investigations and other safety related services.
 - ix. Derivation of the proposed charge(s) for each competitive service offering, which shall include calculations, working papers, statistical data and other information utilized. Said proposed charge(s) should exceed the fully allocated current cost of providing the proposed competitive service offering(s), which shall include the current cost of all equipment, vehicles, labor, fringe benefits, and overheads and administration expenses, other assets utilized and costs incurred, directly or indirectly, all current promotional, advertising and marketing costs, and the current fully loaded labor cost of management involved with this proposed competitive service offering(s);
 - x. Estimate of market penetration which may be defined as the estimated number of orders or calls;
 - xi. Estimated three year proforma revenue and expense statements relating to the proposed competitive service offering(s) which shall include all relevant calculations, working papers, surveys and other data in support of the projected revenues and expenses based upon a fully loaded labor rate and all promotional expenses;
 - xii. A comparison of proposed charges with those of other EDC/GDCs and independent contractors for the same type(s) of service and specifically provide service charges for the following:
 1. EDC/GDC itself;
 2. 5 to 10 in-State independent contractors;
 3. Any out-of-State utility affiliates;
 4. Any out-of-State independent contractors;
 5. Any New Jersey EDC/GDC that offers the proposed competitive services offering(s) outside of its franchise area.
 - xiii. Detailed explanation of the accounting treatment of revenues and costs of proposed competitive service offerings including whether the proposed competitive service offering(s) will be above or below the line;
 - xiv. Accounts and Account Numbers that will be utilized in booking the revenues and expenses pertaining to the proposed competitive service offerings *to ensure* that there is strict separation and allocation of the EDC/GDC's revenues, costs, assets, risks and functions between competitive business segment and EDC/GDC;
 - xv. Detailed explanation of how prices will be conveyed to customers if subcontractors are used;
 - xvi. Complete list of all competitive service offering(s) currently offered by the EDC/GDC, the date of implementation, date of Board Order and Docket Number;
 - xvii. In the alternative to xvi above, Competitive Service Tariffs, Competitive Service Schedules, etc., shall be maintained similar to EDC/GDC tariffs, rates schedules, etc., and should provide a full description of the service, current rates and may be filed in redacted and unredacted versions, with the date of the Board Order approving the current tariff as well as the respective Docket Number reflected on the bottom of the tariff sheet;
 - xviii. Detailed description of the procedures the EDC/GDC will utilize to resolve any consumer complaints, dissatisfaction, etc., if the proposed competitive service offering(s) will be performed rendered by a participating subcontractor;
 - xix. Copies of a standard contract between the EDC/GDC and customer, the subcontractor and the customer, and EDC/GDC and the subcontractor which shall include provisions guaranteeing work quality assurance, customer satisfaction, warranties on parts and labor, response to customer complaints, pricing and response time, as agreed by the participating subcontractors.
2. Petition Confidentiality
 - a. If the EDC/GDC claims that certain information contained in said Petition should be treated as confidential and proprietary, the EDC/GDC must file a motion requesting confidentiality which motion shall include:
 - i. Redacted Petition;
 - ii. Unredacted Petition with appropriate staff;
 - iii. All relevant documents, pages, etc., marked as confidential; and
 - iv. Detailed explanation as to why the information should be treated as confidential.

SUBCHAPTER 6. INTERIM GOVERNMENT ENERGY AGGREGATION PROGRAM STANDARDS

Authority

N.J.S.A. 48:2-13 and 48:3-48 et seq.

Source and Effective Date

R.2002 d.313, effective August 21, 2002.
See: 34 N.J.R. 1524(d), 34 N.J.R. 3230(a).

Subchapter Historical Note

Subchapter 6, Interim Government Energy Aggregation Program Standards, was adopted as new rules by R.2000 d.409, effective September 11, 2000. See: 32 N.J.R. 3642(a).

Subchapter 6, Interim Government Energy Aggregation Program Standards, was readopted by R.2002 d.313, effective August 21, 2002. See: Source and Effective Date. See, also, section annotations.

14:4-6.1 Scope

These standards shall apply to all government aggregators and TPSs.

14:4-6.2 Definitions

The following words and terms, when used in these standards, shall have the following meanings, unless the context clearly indicates otherwise:

“Act” means the “Electric Discount and Energy Competition Act” (P.L. 1999, c.23).

“Basic gas supply service” or “BGSS” means gas supply service that is provided to any customer that has not chosen an alternative gas supplier, whether or not the customer has received offers as to competitive supply options, including, but not limited to, any customer that cannot obtain such service for any reason, including non-payment for services. Basic gas supply service is not a competitive service and shall be fully regulated by the Board.

“Basic generation service” means electric generation service that is provided, pursuant to section 9 of the Act, to any customer that has not chosen an alternative electric power supplier, whether or not the customer has received offers as to competitive supply options, including, but not limited to, any customer that cannot obtain such service from an electric power supplier for any reason, including non-payment for services. Basic generation service is not a competitive service and shall be fully regulated by the Board.

“BGS” means basic generation service as defined in the Act or herein.

“Board” means the New Jersey Board of Public Utilities or any successor agency.

“Contracting unit” means a unit of local government as defined in N.J.S.A. 40A:11-2(1) and 18A:18A-2a.

“Cooperative pricing system” means a purchasing system pursuant to N.J.A.C. 5:34-7 in which the lead agency advertises for bids, awards a master contract to a successful vendor providing for its own needs and for the prices to be extended to the registered members, and notifies them of the bid prices awarded. The registered members then contract with the vendor for their own needs, subject to the specifications of the master contract.

“Electric generation service” means the provision of retail electric energy and capacity which generated off-site from the location at which the consumption of such electric energy and capacity is metered for retail billing purposes, including agreements and arrangements related thereto.

“Electric power supplier” means a person or entity that is duly licensed pursuant to the provisions of this Act to offer and to assume the contractual and legal responsibility to provide electric generation service to retail customers, and includes load serving entities, marketers and brokers that offer or provide electric generation service to retail customers. The term excludes an electric public utility that provides electric generation service only as a basic generation service pursuant to section 9 of the Act.

“Electric public utility” means a public utility, as that term is defined in N.J.S.A. 48:2-13, that transmits and distributes electricity to end users within this State.

“Electric related service” means a service that is directly related to the consumption of electricity by an end user, including, but not limited to, the installation of demand side management measures at the end user’s premises, the maintenance, repair or replacement of appliances, lighting, motors or other energy-consuming devices at the end user’s premises, and the provision of energy consumption measurement and billing services.

“Gas public utility” means a public utility, as that term is defined in N.J.S.A. 48:2-13, that distributes gas to end users within this State.

“Gas related service” means a service that is directly related to the consumption of gas by an end user, including, but not limited to, the installation of demand side management measures at the end user’s premises, the maintenance, repair or replacement of appliances or other energy-consuming devices at the end user’s premises, and the provision of energy consumption measurement and billing services.

“Gas supplier” means a person that is duly licensed pursuant to the provisions of this Act to offer and assume the contractual and legal obligation to provide gas supply service to retail customers, and includes, but is not limited to, marketers and brokers. A non-public utility affiliate of a public utility holding company may be a gas supplier, but a gas public utility or any subsidiary of a gas utility is not a gas supplier. In the event that a gas public utility is not part of a holding company legal structure, a related competitive business segment of that gas public utility may be a gas supplier, provided that related competitive business segment is structurally separated from the gas public utility, and provided that the interactions between the gas public utility and the related competitive business segment are subject to the affiliate relations standards adopted by the Board pursuant to subsection k of section 10 of this Act.

“Gas supply service” means the provision to customers of the retail commodity of gas, but not include any regulated distribution service.

“Government aggregator” means any government entity subject to the requirements of the “Local Public Contracts Law,” P.L. 1971, c.198 (N.J.S.A. 40A:11-1 et seq.), the “Public School Contracts Law,” N.J.S.A. 18A:18A-1 et seq., or the “County College Contracts Law,” P.L. 1982, c.189 (N.J.S.A. 18A:64A-25.1 et seq.), that enters into a written contract with a licensed electric power supplier or a licensed gas supplier for:

1. The provision of electric generation service, electric related service, gas supply service, or gas related service for its own use or the use of other government aggregators; or
2. If a municipal or county government, the provision of electric generation service or gas supply service on behalf of business or residential customers within its territorial jurisdiction.

“Government energy aggregation program” means a program and procedure pursuant to which a government aggregator enters into a written contract for the provision of electric generation service or gas supply service on behalf of business or residential customers within its territorial jurisdiction.

“LDC” means local distribution company and applies to electric and/or gas public utilities, as defined in the Act.

“Lead agency” means the contracting unit which is responsible for the management of the cooperative purchasing system (N.J.A.C. 5:34-7).

“Limited government energy aggregation program” means a program and procedure pursuant to which a government aggregator that is a municipality or a county provides for the aggregation of residential customers without the initial, affirmative, voluntary written consent of residential and business customers for electric generation service or gas supply service, either separately or bundled.

“Ratepayer Advocate (RA)” means the Division of Ratepayer Advocate or any successor agency.

“Regional electric generation service and/or gas supply service cooperative pricing system” means a new cooperative pricing system composed of two or more registered cooperative pricing systems and the participating local contracting units which have agreed to participate in the cooperative purchase of electricity generation service or gas supply service.

“Registered member” means a contracting unit which has been approved by the Director of the Division of Local Government Services for participation in a cooperative purchasing system pursuant to N.J.A.C. 5:34-7.2.

“System membership” or “membership” or “member” means the terms are set forth in Cooperative Purchasing Rules (N.J.A.C. 5:34-7).

“TPS” means a licensed third-party supplier and applies to electric power supplier and/or gas supplier as those terms are defined in the Act or herein, or a person acting on behalf of such supplier.

Amended by R.2002 d.313, effective September 16, 2002.
See: 34 N.J.R. 1524(d), 34 N.J.R. 3230(a).

14:4-6.3 General provisions

(a) A government aggregator may obtain electric generation service, electric related service, gas supply service or gas related service, either separately or bundled, for its own facilities or with other government aggregators.

(b) A government aggregator that is county or municipality may contract for electric generation service or gas supply service, either separately or bundled, for business and residential customers within its territorial jurisdiction.

(c) A government aggregator that is a municipal or county government aggregator may combine the electric generation service or gas supply service of its own facilities or other government aggregators with that of business and residential customers.

(d) A government aggregator is not precluded from aggregating its own accounts for regulated utility services, including basic generation service or basic gas supply service.

(e) Neither State government or any State independent authority or State college is precluded from exercising authority to obtain electric generation service, electric related service, gas supply service or gas related service, either separately or bundled, for its own facilities on an aggregated basis.

(f) Neither an interstate authority or agency is precluded from exercising authority to obtain electric generation service or gas supply service, either separately or bundled, for its own facilities in this State, including tenants in this State and other utility customers in this State at such facilities, on an aggregated basis.

1. Such interstate authority or agency shall not be deemed a public utility pursuant to N.J.S.A. 48:1-1 et seq.; however, such interstate authority or agency is not exempt from paying the market transition charge or its equivalent, imposed pursuant to section 13 of the Act, the transition bond charge or its equivalent imposed pursuant to section 18 of the Act and the societal benefits charge or its equivalent imposed pursuant to section 12 of the Act.

(g) “New Jersey School Boards Association” is authorized to serve as a government aggregator to obtain electric

generation service, electric related service, gas supply service or gas related service, either separately or bundled, pursuant to "Public School Contracts Law" for those members wishing to voluntarily participate.

(h) No government aggregator shall implement the provisions of sections 42 through 45 of the Act prior to September 11, 2000.

(i) A government aggregator may enter into a contract for the purchase of electric generation service or gas supply service from TPSs.

(j) A government aggregator is permitted to contract for electric generation service, electric related service, gas supply service or gas related service for its own facilities or with other government aggregators pursuant to "Local Public Contracts Law," "Public School Contracts Law," "County College Contracts Law" or "Interlocal Services Act," as applicable.

14:4-6.4 Bidding specifications

(a) The bid specifications must be drafted so that the government aggregator's facility electric generation service or gas supply service requirements are clearly distinguished from residential and business customer electric generation service or gas supply service requirements.

(b) Bid specifications issued by a cooperative pricing system must reflect whether a member who is not providing initial estimated electric generation service or gas supply service requirements and/or a contracting unit which becomes a member after the contract has been awarded, may utilize such contract with the approval of the lead agency and the selected TPS.

(c) Notwithstanding any of the restrictions or conditions set forth in these standards, the lead agency shall determine prior to the solicitation of bids whether the electric generation service or gas supply service estimates submitted by a duly registered member of the system shall be considered firm and binding. If not, a member may withdraw its electric generation service or gas supply service estimate even after a TPS has been selected.

1. The mechanism for determining the systemwide consensus shall be the responsibility of the lead agency.

(d) Bid specifications are precluded from including provisions for "take or pay" contracts, where the government aggregator commits to pay for a specified level of electric generation service or gas supply service, whether or not the specified level of electric generation service or gas supply service is actually utilized by the government aggregator or participants in a cooperative pricing system.

(e) For contract provisions for the allocation of costs between the selected TPS and the government aggregator, the bid specifications may provide for the reimbursement of preliminary costs incurred by the aggregator.

(f) When reimbursement is required, the bid specifications must describe the items for which reimbursement is being requested, an estimate thereof and the maximum amount to be reimbursed by the TPS.

(g) The bid specifications must reflect that preliminary costs shall not be passed through to the TPS without initially being paid by the government aggregator.

(h) All reimbursements shall be based upon invoices or vouchers authorized and paid by the government aggregator.

(i) All expenditures and reimbursements of preliminary costs shall be budgeted in accordance with the provisions of the Local Budget Law (N.J.S.A. 40A:4-1 et seq.) and procured pursuant to the Local Public Contracts Law (N.J.S.A. 40A:11-1 et seq.) and these standards.

(j) The government aggregator shall not authorize the expenditure of funds without a duly approved budget appropriation.

(k) No contracts for the procurement or provision of goods or services to be reimbursed by a TPS shall be entered into without an encumbrance to a budgetary line item.

(l) Reimbursements shall be treated as miscellaneous revenue, not anticipated unless revenue has been provided for in the budget.

1. For boards of education, the issuance of any contracts or other encumbrances or expenditure of funds related to reimbursable preliminary costs may not be made without the appropriate board action to ensure that sufficient appropriation balances exist for the affected line items.

2. Reimbursement shall be treated as a reduction of expenditures if received in the same year of the expenditures. If reimbursement is received in a fiscal year subsequent to the expenditure, it shall be treated as miscellaneous income.

(m) Preliminary costs shall be limited to the costs the government aggregator incurred in preparing for government energy aggregation programs in the areas of developing energy bid specifications; ordinance preparation; related professional services; work up to and including the preparation and distribution of the first notice; initial round of citizen education; and activities related to the use of a government aggregator's resources, equipment or employees.

Amended by R.2002 d.313, effective September 16, 2002.
See: 34 N.J.R. 1524(d), 34 N.J.R. 3230(a).

14:4-6.5 Cooperative purchasing of electric generation service and/or gas supply service

(a) Two or more local contracting units may join together to form a cooperative pricing system for the sole specific purpose of purchasing electric generation service and/or gas supply service pursuant to the Act or an existing registered cooperative purchasing system may add electric generation service and/or gas supply service as a commodity to be purchased, pursuant to N.J.A.C. 5:34-7.29.

(b) Two or more duly registered cooperative pricing systems may join together for the purpose of purchasing electric generation service and/or gas supply service as a regional electric generation service and/or gas supply service cooperative pricing system.

1. The registered membership of each cooperative pricing system shall be deemed to be a member of the regional electric generation service and/or gas supply service cooperative pricing system upon submission to the Director of the Division of Local Government Services a list of the membership of each individual cooperative pricing system.

2. Registration of the regional electric generation service and/or gas supply service cooperative pricing system shall be pursuant to the requirements set forth in N.J.A.C. 5:34-7.5.

(c) When a municipality which has aggregated its residents or business customers for gas supply service or electric generation service becomes a member of a regional electric generation service and/or gas supply service cooperative, it shall simultaneously notify the lead agency of the cooperative pricing system of which it is a member and the lead agency of the regional electric generation service and/or gas supply service cooperative pricing system of the participation of its residents or businesses customers and their respective electric generation service and/or gas supply service supply requirements.

(d) A cooperative pricing system undertaking energy aggregation in which the lead agency is not a county or municipality and the membership includes a mix of local contracting units including municipalities and counties, shall not include municipalities and counties who seek to provide electric generation service and/or gas supply service to residents and businesses.

(e) At the discretion of the lead agency for any electric generation service and/or gas supply service cooperative pricing system or a regional electric generation service and/or gas supply service cooperative pricing system, participants shall file such reports, forms or documents designated by the lead agency, setting forth the use and expenditures related to contracts executed by the participants of the electric generation service and/or gas supply service cooperative purchasing system.

14:4-6.6 Program standards

(a) A contract for a government energy aggregation program between a government aggregator and TPS shall include the following provisions:

1. The specific responsibilities of the government aggregator and TPS;
2. Charges, rates, fees, and formulas used to determine costs to be charged to consumers electing to receive

electric generation service or gas supply service under the government energy aggregation program;

3. Methods and procedures the TPS will utilize to solicit the affirmative and voluntary written consent of the participating consumer, including, but not limited to, consumer education;

4. Proposed terms and conditions of standard contract between energy consumers and TPS, which shall comply with the Board's consumer protection standards, and must specifically include, but not be limited to:

- i. Terms;
- ii. Allocation of risks between the TPS and energy consumers receiving service(s);
- iii. Allocation of risks beyond the control of the parties to the contract;
- iv. Default and remedies; and
- v. Allocation of penalties between the TPS and government aggregator of which may imposed by the LDC on a TPS for imbalances and/or non-performance by the TPS;

5. Clearly identify the use of government aggregator resources, equipment, systems or employees associated with such services;

6. Term (duration) of the contract with the government aggregator;

7. A provision indemnifying and holding the government aggregator harmless from all liabilities, damages and costs associated with any contract between a residential customer and the TPS;

8. Provision for a performance bond, if so required by the government aggregator;

9. The procedures to ensure that participation is the result of affirmative choice, as evidenced by written signature and consistent with Board-adopted standards;

10. A provision that the TPS will comply with Board-adopted consumer protection standards; and

11. Such other terms and conditions as the government aggregator may deem necessary.

(b) The award of a contract for a government energy aggregation program must be based upon most advantageous, price and other factors considered or to the lowest responsible bidder for government to government systems, as appropriate.

(c) When a contract includes electric generation service to residential customers, the contract shall only be awarded if the TPS rate charge results in a total rate which is lower than the total rate a customer would pay under the State-mandated rate reductions pursuant to section 4 of the Act and basic generation service price pursuant to section 9 of

the Act, respectively, as determined by the Board, throughout the duration of the contract.

(d) A TPS cannot provide concession fees, finders' fees or other direct monetary benefits to the government aggregator.

(e) A TPS is subject to prohibitions against political contributions in compliance with *R.S. 19:34-45*.

(f) A government aggregator may enter into only one electric generation service contract and only one gas supply service contract for consumers within its territorial jurisdiction during a contract duration, such as one contract for either or both services but not two or more contracts for the same service.

(g) A county government, acting as a government aggregator, shall not enter into a contract for an energy aggregation program in competition with any existing government aggregator contract within its territorial jurisdiction unless one or more constituent municipalities adopt an ordinance authorizing such action.

(h) A county government energy aggregation program may be only conducted for residential and business customers within its constituent municipalities that approved participation therein.

14:4-6.7 Government energy aggregation programs

(a) A government aggregator that chooses to provide a government energy aggregation program must provide residential and business customers the opportunity to participate on a voluntary basis and in a clear and consistent manner.

(b) Any residential and business customer electing to participate must do so affirmatively and voluntarily, only after the terms and conditions of the program have been clearly and plainly articulated in writing to the customer prior to a signature or other Board-approved method of signifying consent authorizing participation.

(c) Residential and business customers who do not voluntarily and affirmatively agree to participate, via written signature or other Board-approved method, may contract with any supplier authorized by law to provide retail services.

(d) A government aggregator may utilize the internet to obtain affirmative and voluntary customer consent to participate in an aggregation program.

(e) A government aggregator that is a municipality or county government may, notwithstanding the provisions of N.J.S.A. 48:3-93 or (a) through (d) above, operate a limited government energy aggregation program which aggregates electric generation service or gas supply service without the initial, affirmative, voluntary, written consent of residential customers for such service(s), either separately or bundled, in accordance with the following procedures outlined in (f) below.

(f) As part of the bid specifications package, electric generation service or gas supply service for residential customers may be aggregated together with electric generation service or gas supply service, either separately or bundled, for the government aggregator's own facilities or with other government aggregators and such bid specifications may also combine the electric related or gas related service for government facilities provided that:

1. The governing body adopts an ordinance (municipality) or a resolution (county) indicating its intent to solicit bids for electric generation service or gas supply service, either separately or bundled, without affirmative, voluntary, written consent of residential customers, which ordinance or resolution must be approved by majority plus one vote of its full membership;

2. Within 15 days of said adoption, the governing body must mail a written notice to each residential customer advising them of their individual right to affirmatively decline participation;

3. The governing body must use a Board-approved form of notice as set forth in the Appendix, incorporated herein by reference, which shall include a check off and signature line to indicate the customer's desire to decline participation;

4. The governing body must allow its residential customers 30 days, from the postmark date, to affirmatively decline participation in writing by returning the Board-approved form of notice; and

5. Upon expiration of the 30 day period, the governing body shall determine the number and identity of its residential customers who did not affirmatively decline participation, and may commence public bidding.

(g) The governing body shall commence public bidding pursuant to the "Local Public Contracts Law," P.L. 1971, c.198 (N.J.S.A. 40A-11-1 et seq.) to receive bids from licensed TPSs for electric generation service or gas supply service, either separately or bundled, for those residential customers who did not affirmatively decline participation and electric generation service, electric related service, gas supply service or gas related service, either separately or bundled, for the government aggregator's own facilities, or for use of other government aggregators.

(h) The governing body shall evaluate bids received, and shall select a licensed electric power supplier or gas supplier based upon the most advantageous price and other factors considered.

1. The governing body shall only select a licensed electric power supplier if the TPS rate charged results in a total rate which is lower than the total rate a customer would pay under the State-mandated rate reductions pursuant to N.J.S.A. 48:3-52 and basic generation service price pursuant to N.J.S.A. 48:3-57, respectively, as determined by the Board, throughout the duration of the contract.

(i) The governing body shall enter into a written agreement with the selected TPS, which agreement shall include:

1. The contract for a government aggregator's own load;
2. A contract form in compliance with and includes the requirements of N.J.A.C. 14:4-6.6(a); and
3. A provision that such written agreement shall not become effective until the proposed contract in (i)2 above is approved by the Board.

(j) After entering into a written agreement with the selected TPS, the governing body shall submit to the Board, for approval, the proposed standard contract to be entered into between the selected TPS and each residential customer who affirmatively consents to enter into such contract.

(k) The governing body shall submit an application to the Board for approval of a contract for a limited government energy aggregation program which shall include the following information:

1. A copy of the bid specifications which was issued pursuant to N.J.A.C. 14:4-6.4 to solicit bids from licensed TPSs, accompanied by an index which indicates precisely where in the aforementioned each provision required in N.J.A.C. 14:4-6.6(a) is set forth;
2. A copy of the written agreement, accompanied by an index which indicates precisely where in the written agreement each provision required in N.J.A.C. 14:4-6.6(a) and in (i)3 above is set forth;
3. The TPS' name and license number;
4. A detailed customer bill comparison which demonstrates for a residential customer: for 250 kWh, 500 kWh, 1,000 kWh and 2,000 kWh for each month of the year, the customer's total electric bill under the proposed contract with the customer's total electric bill at the same electricity usage levels for each month of the year if the customer were to remain on basic generation service; and for 50 therms, 100 therms, 150 therms and 200 therms for each month of the year, the customer's total gas bill under the proposed contract with the customer's total gas bill at the same gas usage levels for each month of the year if the customer were to remain on basic gas supply service;
5. A copy of the proposed form of notice, consistent with (q)1 below, which will be utilized to solicit customer consent to the energy aggregation program;
6. If a resubmission, noted deficiency(ies) corrected; and
7. Other items as the Board deems necessary and which will be specified pursuant to Board Order.

(l) The Board shall determine whether the submission is complete within 30 days receipt thereof.

1. If the submission is determined to be incomplete, the Board shall return the submission forthwith, with notice of the specific deficiency(ies).

2. The governing body shall correct specific deficiency(ies) and resubmit.

(m) Upon being notified by the Board that the submission is complete, the governing body or its designee shall provide a copy of completed submission to the Ratepayer Advocate (RA).

(n) The RA shall recommend to the Board to approve, modify or reject submission within 45 days of receipt thereof.

1. The Board shall approve, reject or modify submission within 60 days of the submission being deemed complete.

(o) Upon receipt of Board approval, governing body, or its designee, shall authorize the selected licensed TPS to solicit the affirmative and voluntary written consent of any residential customer who did not initially affirmatively decline to participate.

(p) The selected licensed TPS shall be subject to N.J.S.A. 48:3-86 and Board-adopted customer protection standards.

(q) The governing body shall notify all residential customers of their right to decline continued participation if there is a change in TPS or price.

1. The governing body must use Board-approved form of notice; and

2. The governing body must provide certification of said notification to the Board.

(r) The county government aggregator may only implement a program pursuant to N.J.S.A. 48:3-92(f) and N.J.A.C. 14:4-6.6(g) and (h).

(s) The provisions of N.J.S.A. 48:3-94 and (d) above through (u) below shall only apply to residential customers.

(t) Nothing in N.J.S.A. 48:3-94 or (e) and (f) above shall preclude a limited government aggregation program from including business customers pursuant to N.J.S.A. 48:3-94 or (a) through (c) above.

(u) All customer information obtained by a government aggregator shall be deemed confidential and may not be used or disseminated for any purpose other than the facilitation of the aggregation program. If a government aggregator is unable, for any reason, to ensure the confidentiality and proper use of specific customer information, said customer(s) shall be informed and given the opportunity to cease participation in the aggregation program.

Amended by R.2002 d.313, effective September 16, 2002.
See: 34 N.J.R. 1524(d), 34 N.J.R. 3230(a).

Rewrote the section.

Source and Effective Date

R.2003 d.260, effective June 9, 2003.
See: 35 N.J.R. 94(a), 35 N.J.R. 2892(a).

APPENDIX

Limited Government Energy Aggregation Program Notice

Dear :

This is to inform you that, as provided for under the State's "Electric Discount and Energy Competition Act" (P.L. 1999, c.23), the (name) has chosen to enter into a contract(s) for electricity generation service (or gas supply service) on behalf of our residential or business constituents unless you decline to participate. This is known as a "Limited Government Energy Aggregation Program." This notice is being sent to you pursuant to State law.

Under the law, you can choose one of the following options:

- You can remain a customer of your present electric (and natural gas) public utility.
- You can choose to participate in the (name) municipal energy aggregation program and sign-up with the supplier chosen by a public bid by the (name).
- You can shop for and negotiate a contract with any other power supplier (or gas supplier) on your own.
- You can participate in other aggregation groups that may contact you.

Once a (name) contract with an electric power supplier (or gas supplier) is approved by the New Jersey Board of Public Utilities, you will be contacted by that supplier with an offer to voluntarily participate in the program. At that time, you will be asked to sign a contract. *You will be under no obligation to enter into a contract and may decline to participate at that time.* Under the State law, the price for electricity must be lower than the rate charged by your electric public utility.

If you have not received detailed information or have additional questions concerning this program, please contact (fill in organization, name, address, e-mail as appropriate). If you wish to decline participation in the (Name) Energy Aggregation Program at this time, please complete, sign and return the bottom of this Notice in the enclosed envelope provided by (date).

Sincerely,
Mayor

I do not wish to participate in the (Name) Limited Energy Aggregation Program.

Signature: _____

Name: _____

Address: _____

SUBCHAPTER 7. (RESERVED)

SUBCHAPTER 8. INTERIM RENEWABLE ENERGY PORTFOLIO STANDARDS

Authority

N.J.S.A. 48:2-13 and N.J.S.A. 48:3-49 et seq.,
in particular 48:3-51 and 48:3-87.

Subchapter Historical Note

Subchapter 8, Interim Renewable Energy Portfolio Standards, was adopted as R.2001 d.231, effective June 15, 2001. See 33 N.J.R. 2536(a).

Subchapter 8, Interim Renewable Energy Portfolio Standards, was readopted as R.2003 d.260, effective June 9, 2003. See, Source and Effective Date. See, also, section annotations.

14:4-8.1 Purpose and scope

(a) Pursuant to the provisions of the Electric Discount and Energy Competition Act (the "Act") (N.J.S.A. 48:3-87), each electric power supplier or basic generation service provider who sells electricity to retail customers in this State shall include in its electric energy portfolio electricity generated from renewable energy sources. These interim renewable portfolio energy standards ("interim standards") are designed to encourage the development of renewable sources of electricity and new, cleaner generation technology; minimize the environmental impact of emissions from electric generation; reduce possible transport of emissions and minimize any adverse environmental impact from deregulation of energy generation.

(b) These interim standards pertain to the retail electricity sales of each electric power supplier and basic generation service provider as defined in N.J.A.C. 14:4-8.2. These interim standards pertain to electricity retail sales, and not to installed capacity obligations.

(c) These interim standards do not apply to a private or government aggregator that contracts for electric generation service or electric related services, either separately or bundled, for its own facilities or on behalf of other business and residential customers in this State. These standards do not apply to an energy agent that arranges the sale of retail electricity or electric-related services between government aggregators or private aggregators and electric power suppliers. The electric power supplier(s) who is contractually obligated to sell electricity to the aggregator shall comply with these interim standards by including the aggregated amount as part of its energy portfolio.

(d) For the limited purposes of these interim standards, electricity generated from Class I renewable energy projects funded by the societal benefits charge (SBC) shall qualify as Class I renewable energy that can be used to meet the renewable energy portfolio standards percentage requirements. Specifically, Class I renewable energy generated from projects funded by the SBC, as a result of the findings of the Comprehensive Resources Analysis (CRA) Proceeding, may be used to meet the requirements herein, unless and until the Board determines otherwise.