

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, except Subchapters 4, 5 and 6, 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: Source and Effective date. See, also, section annotations.

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, expire on March 11, 2002. See: 32 N.J.R. 3617(a), 3633(a), and 3642(a).

CHAPTER TABLE OF CONTENTS

SUBCHAPTER 1. INTERIM ANTI-SLAMMING STANDARDS

- 14:4-1.1 Scope
- 14:4-1.2 Definitions
- 14:4-1.3 Change orders for gas or electric service
- 14:4-1.4 TPS billing
- 14:4-1.5 TPS change order procedures
- 14:4-1.6 Unauthorized service termination and transfer (slamming)
- 14:4-1.7 Enforcement

SUBCHAPTER 2. INTERIM LICENSING AND REGISTRATION STANDARDS

- 14:4-2.1 Scope
- 14:4-2.2 Definitions
- 14:4-2.3 Electric power supplier and gas supplier license application process
- 14:4-2.4 License renewal
- 14:4-2.5 Electric power supplier and gas supplier application requirements
- 14:4-2.6 Condition for maintaining a license in good standing
- 14:4-2.7 Energy agent registration process
- 14:4-2.8 Private aggregator registration process
- 14:4-2.9 Confidentiality
- 14:4-2.10 Enforcement

SUBCHAPTER 3. INTERIM RETAIL CHOICE CONSUMER PROTECTION STANDARDS

- 14:4-3.1 Scope
- 14:4-3.2 Definitions
- 14:4-3.3 Advertising standards
- 14:4-3.4 Marketing standards
- 14:4-3.5 Credit
- 14:4-3.6 Contracts
- 14:4-3.7 Customer bills
- 14:4-3.8 Customer information
- 14:4-3.9 Complaints
- 14:4-3.10 Termination

SUBCHAPTER 4. INTERIM ENVIRONMENTAL INFORMATION DISCLOSURE STANDARDS

- 14:4-4.1 Scope
- 14:4-4.2 Implementation schedule
- 14:4-4.3 Definitions
- 14:4-4.4 Requirements of the rules
- 14:4-4.5 Determining the fuel and emissions characteristics
- 14:4-4.6 Methodology for developing a disclosure label
- 14:4-4.7 Disclosure information updating and reporting requirements
- 14:4-4.8 Environmental disclosure distribution
- 14:4-4.9 Certification by an independent entity
- 14:4-4.10 Verification and penalties

APPENDIX A. EXAMPLE LABEL BASED ON ACTUAL GENERATION DATA

APPENDIX B. EXAMPLE LABEL BASED ON ENVIRONMENTAL CLAIM

APPENDIX C. EXAMPLE LABEL FOR NEW PRODUCT BASED ON DEFAULT INFORMATION

APPENDIX D. ROLE OF THE PARTIES

APPENDIX E. DEFINITIONS OF FUEL TYPES

APPENDIX F. BENCHMARK AND DEFAULT VALUES

APPENDIX G. NEW JERSEY NON-UTILITY GENERATOR ENVIRONMENTAL DISCLOSURE DEFAULT METHODOLOGY

APPENDIX H. LABEL UPDATE AND DISTRIBUTION TIMING REQUIREMENTS

APPENDIX I. CONVERSION FACTORS

SUBCHAPTER 5. AFFILIATE RELATIONS, FAIR COMPETITION AND ACCOUNTING STANDARDS AND RELATED REPORTING REQUIREMENTS

- 14:4-5.1 Scope
- 14:4-5.2 Definitions
- 14:4-5.3 Nondiscrimination
- 14:4-5.4 Information disclosure
- 14:4-5.5 Separation
- 14:4-5.6 Competitive products and/or services offered by a utility or related competitive business segments of a utility
- 14:4-5.7 Regulatory oversight
- 14:4-5.8 Dispute resolution
- 14:4-5.9 Violations and penalties

APPENDIX A

SUBCHAPTER 6. INTERIM GOVERNMENT ENERGY AGGREGATION PROGRAM STANDARDS

- 14:4-6.1 Scope
- 14:4-6.2 Definitions

- 14:4-6.3 General provisions
- 14:4-6.4 Bidding specifications
- 14:4-6.5 Cooperative purchasing of electric generation service and/or gas supply service
- 14:4-6.6 Program standards
- 14:4-6.7 Government energy aggregation programs

APPENDIX

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.

(m) 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.

(n) 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.

(o) The selected licensed TPS shall be subject to section 37 of the Act and Board-adopted customer protection standards.

(p) 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.

(q) The county government aggregator may only implement a program pursuant to 43f of the Act and N.J.A.C. 14:4-6.6(g) and (h).

(r) The provisions of section 45 of the Act and (d) above through (s) below shall only apply to residential customers.

(s) Nothing in section 45 of the Act or (d) and (e) above shall preclude a limited government aggregation program from including business customers pursuant to section 44 of the Act or (a) through (c) above.

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: _____