48:2-13.1

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LEGIS	LATIVE HISTORY	CHECKLIS	T
NJSA: <u>48:2-13.1</u>	(Board of Public	Utilitiesl	imits jurisdiction)
LAWS OF: <u>1983</u>		CHAPT	ER: <u>78</u>
Bill No: <u>A1298</u>			
Sponsor(s): Haytaian and oth	ers		
Date Introduced: May 13, 19	82		
Committee: Assembly	: Transportation a	and Commu	nications
Senate:	Transportation and	Communic	cations
Amended during passage:	Yes	denoted Substitu	ndments during passage by asterisks. ted for S1350 (not d since identical to
Date of Passage:	Assembly: Nov.	<u>29, 1982</u>	
	Senate: Jan. 11	<u>, 1983</u>	
Date of Approval: <u>Feb. 24, 1</u>		<u>, 1983</u>	
Date of Approval: <u>Feb. 24, 1</u> Following statements are atta	983	<u>, 1983</u>	
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[OFFICIAL COPY REPRINT] ASSEMBLY, No. 1298

STATE OF NEW JERSEY

INTRODUCED MAY 13, 1982

By Assemblymen HAYTAIAN, LITTELL, WEIDEL and Assemblywoman BROWN

An Act limiting the jurisdiction of the Board of Public Utilities over certain electric cooperatives and supplementing Title 48 of the Revised Statutes.

1 BE IT ENACTED by the Senate and General Assembly of the State

2 of New Jersey:

1. Notwithstanding the provisions of any other law, rule or 1 regulation to the contrary, with respect to a rural, electric coopera-2 3 tive which is exclusively owned and controlled by the consumers it serves, the Board of Public Utilities shall not exercise any 4 jurisdiction or control over the rates *[and]* *,* charges *or oper-5 ation^{*} of the cooperative nor shall the approval of the board be 6 required to authorize or validate any mortgage or encumbrance of 7 real property of or the issuance or execution of any evidence of 8 indebtedness by the cooperative*, except that the board shall 9 10 retain its jurisdiction to determine disputes concerning the territory served or to be served by an electric cooperative*.

- 11
- 2. This act shall take effect immediately and shall apply to any 1
- 2 matter presently pending before the board.

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law. Matter printed in italics thus is new matter.

Matter enclosed in asterisks or stars has been adopted as follows: -Assembly committee aniendments adopted November 15, 1982.

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1 1. Notwithstanding the provisions of any other law, rule or 2 regulation to the contrary, with respect to a rural, electric coopera-3 tive which is exclusively owned and controlled by the consumers 4 it serves, the Board of Public Utilities shall not exercise any 5 jurisdiction or control over the rates and charges of the cooperative 6 nor shall the approval of the board be required to authorize or 7 validate any mortgage or encumbrance of real property of or the 8 issuance or execution of any evidence of indebtedness by the 9 cooperative.

1 2. This act shall take effect immediately and shall apply to any 2 matter presently pending before the board.

STATEMENT

The Board of Public Utilities has the responsibility for fixing just and reasonable public utility rates in order to ensure public utilities with fair rates of return and to protect the public from unreasonable charges. In cases where a public utility is consumer owned and operated the need for this control is unnecessary. For example, in one such case in this State the board has, since 1976, approved of 98.6% of the revenues and, since 1977, 100% of the construction loans sought by the cooperative. This bill limits the jurisdiction of the board over any rural, electric cooperative which is exclusively owned and controlled by the consumers it serves. The board's jurisdiction and control over the rates and charges of such cooperatives is removed as well as the requirement of the board's approval for the authorization or validation of any mortgage or encumbrance of real property of or the issuance or execution of any evidence of indebtedness by such cooperatives. These public utilities, however, would still in large part be subject to the jurisdiction of the board to ensure that safe, adequate and proper service is provided.

ASSEMBLY TRANSPORTATION AND COMMUNICATIONS COMMITTEE

STATEMENT TO

ASSEMBLY, No. 1298

with Assembly committee amendments

STATE OF NEW JERSEY

DATED NOVEMBER 15, 1982

This bill limits the jurisdiction of the Board of Public Utilities over any rural, electric cooperative which is exclusively owned and controlled by the consumers it serves.

The committee amended the bill to provide that the board's jurisdiction and control over the rates, charges or operations of any such cooperative is removed as well as the requirement of the board's approval for the authorization or validation of any mortgage or encumbrance of real property of or the issuance or execution of any evidence of indebtedness by any such cooperative. The committee also included a provision in the bill stipulating that the board shall retain its jurisdiction to determine disputes concerning the territory served or to be served by an electric cooperative.

The Board of Public Utilities supports this legislation, as amended.

SENATE TRANSPORTATION AND COMMUNICATIONS COMMITTEE

STATEMENT TO

ASSEMBLY, No. 1298

[OFFICIAL COPY REPRINT]

STATE OF NEW JERSEY

DATED: DECEMBER 13, 1982

This bill limits the jurisdiction of the Board of Public Utilities over any rural, electric cooperative which is exclusively owned and controlled by the consumers it serves.

The bill provides that the board's jurisdiction and control over the rates, charges or operation of such cooperatives is removed as well as the requirement of the board's approval for the authorization or validation of any mortgage or encumbrance of real property or the issuance or execution of any evidence of indebtedness of such cooperatives. It is also stipulated that the board shall retain its jurisdiction to determine disputes concerning the territory served or to be served by an electric cooperative.

Senate Bill No. 1350 SCA, also released by the committee, has been amended by the committee to make it identical to this bill.