

VETO MESSAGE: No

GOVERNOR'S PRESS RELEASE ON SIGNING: Yes

FOLLOWING WERE PRINTED:

To check for circulating copies, contact New Jersey State Government Publications at the State Library (609) 278-2640 ext.103 or <mailto:refdesk@njstatelib.org>

REPORTS: No

HEARINGS: No

NEWSPAPER ARTICLES: No

RWH/JA

P.L. 2019, CHAPTER 100, *approved May 10, 2019*
Senate, No. 604 (*First Reprint*)

1 **AN ACT** concerning the licensing of electric power suppliers and
2 supplementing and amending P.L.1999, c.23.

3

4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

6

7 1. (New section) a. The Legislature finds and declares that:

8 (1) it is important to ensure that New Jersey electric power
9 customers have adequate protections when participating in the retail
10 electric power supply market;

11 (2) a well-functioning, retail electric power supply market can
12 provide customers with an increased choice of electric power
13 suppliers, innovative products and services, and lower electric
14 power usage and costs;

15 (3) an electric power supplier (supplier) is required by law to
16 apply to the Board of Public Utilities (board) for an initial license to
17 do business in the State and annually thereafter for a license
18 renewal;

19 (4) a supplier is also required by law to procure and maintain an
20 annual surety bond to accompany its application;

21 (5) any delay in processing a supplier's application will cause
22 the surety bond to expire out of sync with the associated license,
23 causing an additional burden on the board staff reviewing the
24 application and the supplier;

25 (6) in order to process a request from a consumer to switch to a
26 new supplier, electric public utilities operating in the State require
27 suppliers to provide proof of licensure and without that proof, the
28 processing request may be delayed; and

29 (7) delays in processing a supplier's license renewal application
30 can have significant impacts on the supplier's ability to bid on
31 contracts to provide service if a supplier cannot demonstrate that its
32 current license is in good standing while its application is pending,
33 especially when the review of its application is delayed.

34 b. The Legislature therefore determines that:

35 (1) requiring a supplier to demonstrate to the board in the
36 license application process that it possesses the requisite technical
37 qualifications, a commitment to an ethical business conduct, and the
38 financial strength to fulfill its promises to consumers is critical to

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 underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹Senate SEG committee amendments adopted September 17, 2018.

1 ensuring the State's energy market continues to grow without
2 disruption;

3 (2) New Jersey's consumers should expect that the board
4 reviews a supplier's initial and renewal license application
5 appropriately and that the supplier will meet its obligations related
6 to the service it provides;

7 (3) a more thoughtful and streamlined licensing process is in
8 order to prevent supplier license application processing delays;

9 (4) requiring an annual update to the information submitted
10 during the license renewal application, as opposed to requiring
11 virtually duplicative license renewal applications annually
12 thereafter, will ensure that a supplier adheres to New Jersey's
13 strong commitment to consumer protection, ethical business
14 practices, and financial integrity; and

15 (5) streamlining the supplier application licensing renewal
16 process does not limit a supplier's duty to provide the board with
17 the information necessary to assess a supplier's qualifications to do
18 business in the State while preserving the board's powers to take
19 action to protect consumers.

20

21 2. Section 29 of P.L.1999, c.23 (C.48:3-78) is amended to read
22 as follows:

23 29. a. A person shall not offer to provide or provide electric
24 generation service to retail customers in this State unless that
25 person has applied for, on an application form prescribed by the
26 board, and obtained from the board, pursuant to standards adopted
27 by the board, an electric power supplier license. Persons providing
28 such services on the effective date of **【this act】** P.L.1999, c.23
29 (C.48:3-49 et al.) shall have 120 days to apply for and receive the
30 requisite license.

31 b. (1) The board shall issue a license to an electric power
32 supplier that is in compliance with the licensing standards adopted
33 pursuant to subsection c. of this section and upon paying a licensure
34 fee as determined by the board pursuant to subsection h. of this
35 section. **【A】** An initial license shall expire one year from the date
36 of issuance **【unless the holder thereof pays to the board, within 30**
37 **days before the expiration date, a renewal fee accompanied by a**
38 **renewal application on a form prescribed by the board】** **‘【.】’** **【If a**
39 **licensee has made, in accordance with this section and any**
40 **applicable board rules or regulations, timely and sufficient**
41 **application for renewal, the license shall not expire until the**
42 **application has been reviewed and acted upon by the board】.**
43 Nothing in this section shall limit the authority of the board to deny,
44 suspend, or revoke a license at any time, consistent with the
45 provisions of **【this act】** P.L.1999, c.23 (C.48:3-49 et al.).

46 (2) A license **‘【renewed by the board】** shall not expire¹ after the
47 effective date of P.L. , c. (C.) (pending before the

1 Legislature as this bill) ¹["shall not expire"]¹ so long as the licensee
2 pays to the board, within 30 days before the ¹["end of each energy
3 year"] anniversary date of the last approved licensing application¹ , a
4 license renewal fee, as determined by the board, accompanied by an
5 annual information update on a form prescribed by the board.

6 (3) The annual information update submitted by a licensed
7 electric power supplier to the board, pursuant to paragraph (2) of
8 this subsection, shall be limited to the following information:

9 (a) the information required of an electric power supplier
10 pursuant to subsection c. of this section;

11 (b) a copy of the electric power supplier's most recent quarterly
12 New Jersey sales and use tax report;

13 (c) the electric power supplier's most recent 12-month and
14 calendar year sales volume in New Jersey, by customer class;

15 (d) whether the electric power supplier, or any of the electric
16 power supplier's key operating personnel, officers, directors,
17 partners, owners, or listed stockholders have been subject to or are
18 subject to any regulatory investigations or disciplinary proceedings
19 connected with the sale of electricity in any other state or federal
20 jurisdiction;

21 (e) whether the electric power supplier, or any of the electric
22 power supplier's key operating personnel, officers, directors,
23 partners, owners, or listed stockholders have filed for bankruptcy in
24 the last seven years or are the subject of any current bankruptcy
25 proceedings; and

26 (f) any certifications necessary, as determined by the board.

27 c. Notwithstanding any provisions of the "Administrative
28 Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.) to the
29 contrary, the board shall initiate a proceeding and shall adopt, in
30 consultation with the Division of Consumer Affairs in the
31 Department of Law and Public Safety, after notice, provision of the
32 opportunity for comment, and public hearing, interim electric power
33 supplier licensing standards within 90 days of the effective date of
34 **["this act"]** P.L.1999, c.23 (C.48:3-49 et al.). Such standards shall be
35 effective as regulations immediately upon filing with the Office of
36 Administrative Law and shall be effective for a period not to exceed
37 18 months, and may, thereafter, be amended, adopted or readopted
38 by the board in accordance with the provisions of the
39 "Administrative Procedure Act." The standards shall include, but
40 need not be limited to, the following requirements that an electric
41 power supplier:

42 (1) Register with the board, which shall include the filing of
43 basic information pertaining to the supplier, such as name, address,
44 telephone number, and company background and profile, and a list
45 of the services or products offered by the supplier. A supplier shall
46 provide annual updates of this information to the board. The
47 registration shall also include:

48 (a) Evidence of financial integrity;

- 1 (b) Information on any disciplinary proceedings or actions by
2 law enforcement authorities in which the electric power supplier, its
3 subsidiaries, affiliates, or parent has been involved in this State or
4 any other states;
- 5 (c) The ownership interests of the supplier including the
6 interests owned by the supplier and the interests owning the
7 supplier;
- 8 (d) The name and address of the in-State agent of the supplier
9 that is authorized to receive service of process;
- 10 (e) The name and address of the in-State customer service agent
11 for the supplier; and
- 12 (f) The quantity of retail electric sales made in this State during
13 the 12 months preceding the application.
- 14 (2) Agree to meet all reliability standards established by the
15 Mid-Atlantic Area Council of the North American Electric
16 Reliability Council or its successor, the PJM Interconnection,
17 L.L.C. independent system operator or its successor, the Federal
18 Energy Regulatory Commission, the board, or any other state,
19 regional, federal, or industry body with authority to establish
20 reliability standards. The board may establish specific standards
21 applicable to electric power suppliers to ensure the adequacy of
22 electric power capacity, if it determines that standards established
23 by any other state, regional, federal, or industry bodies are not
24 sufficient to assure the provision of safe, adequate, proper, and
25 reliable electric generation service to retail customers in this State.
26 Such reliability standards shall ensure bulk power system
27 operations and security, and shall ensure the adequacy of electric
28 power capacity necessary to meet retail loads;
- 29 (3) Maintain an office within this State for the purposes of
30 accepting service of process, maintaining such records as the board
31 requires, and ensuring accessibility to the board, consumers, and
32 electric public utilities;
- 33 (4) Maintain a surety bond under terms and conditions as
34 determined by the board;
- 35 (5) Provide a description of the products and services to be
36 rendered;
- 37 (6) Comply with such specific standards of conduct for electric
38 power suppliers as the board shall adopt; and
- 39 (7) Provide through legal certification by an officer of the
40 electric power supplier such information as the board or its staff
41 shall require to assist the board in making any determination
42 concerning revocation, suspension, issuance or renewal of the
43 supplier's license pursuant to section 32 of **[this act]** P.L.1999, c.23
44 (C.48:3-81).
- 45 d. An electric public utility shall:
- 46 (1) Incorporate by reference the board's licensing requirements
47 in its tariffs for transmission and distribution service;

- 1 (2) Apply the licensing requirements and other conditions for
2 access to the transmission and distribution system uniformly to all
3 electric power suppliers; and
- 4 (3) Report alleged violations of the board's licensing
5 requirements of which it becomes aware to the board.
- 6 e. The board shall establish an alternative dispute resolution
7 program to resolve any licensure or access dispute between an
8 electric power supplier and an electric public utility. The board
9 may establish reasonable fees, not to exceed actual costs, for the
10 provision of alternate dispute resolution services. If informal
11 resolution of the dispute is unsuccessful, the board shall adjudicate
12 the dispute as a contested case pursuant to the "Administrative
13 Procedure Act."
- 14 f. The board shall monitor the retail supply market in this
15 State, and shall consider information available from the PJM
16 Interconnection, L.L.C. independent system operator or its
17 successor with respect to the conduct of electric power suppliers.
18 The board shall monitor proposed acquisitions of electric generating
19 facilities by electric power suppliers as it deems necessary, in order
20 to ascertain whether an electric power supplier has or is proposed to
21 have control over electric generating facilities of sufficient number
22 or strategic location to charge non-competitive prices to retail
23 customers in this State. The board shall have the authority to deny,
24 suspend, or revoke an electric power supplier's license, after
25 hearing, if it determines that an electric power supplier has or may
26 acquire such control, or if the electric power supplier's violations of
27 the rules, regulations, or procedures of the PJM Interconnection,
28 L.L.C. independent system operator or its successor may adversely
29 affect the reliability of service to retail customers in this State or
30 may result in retail customers being charged non-competitive
31 prices.
- 32 g. The board may establish safety and service quality standards
33 for electric power suppliers, and nothing in **[this act]** P.L.1999,
34 c.23 (C.48:3-49 et al.) shall limit the authority of the board to
35 promulgate such safety or service quality standards or to resolve
36 complaints regarding the quality of electric generation service.
- 37 h. The board **[may]** shall establish, by written order pursuant
38 to subsection c. of this section or by rule, a licensure fee to cover
39 the costs of licensing electric power suppliers. The fee shall
40 include a reasonable surcharge to fund a consumer education
41 program in this State established pursuant to section 36 of **[this act]**
42 P.L.1999, c.23 (C.48:3-85).
- 43 i. Any provision of this act to the contrary notwithstanding,
44 any person acting as an energy agent shall be required to register
45 with the board. This registration shall include, but need not be
46 limited to, the name, address, telephone number, and business
47 affiliation or profile of the energy agent, evidence of financial
48 integrity as determined by the board, and evidence of knowledge of

S604 [1R]

6

1 the energy industry. This registration shall be updated annually.
2 Nothing in this subsection shall be construed to limit or exempt an
3 energy agent from liability under any other law pertaining to any
4 activity which an energy agent may engage in.
5 (cf: P.L.1999, c.23, s.29)

6

7 3. This act shall take effect immediately, but shall remain
8 inoperative for 60 days following the date of enactment.

9

10

11

12

13 Provides that electric power supplier license issued by BPU may
14 be renewed without expiring if certain conditions are met.

SENATE, No. 604

STATE OF NEW JERSEY

218th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2018 SESSION

Sponsored by:

Senator BOB SMITH

District 17 (Middlesex and Somerset)

SYNOPSIS

Provides that electric power supplier license issued by BPU may be renewed without expiring if certain conditions are met.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



1 AN ACT concerning the licensing of electric power suppliers and
2 supplementing and amending P.L.1999, c.23.

3

4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

6

7 1. (New section) a. The Legislature finds and declares that:

8 (1) it is important to ensure that New Jersey electric power
9 customers have adequate protections when participating in the retail
10 electric power supply market;

11 (2) a well-functioning, retail electric power supply market can
12 provide customers with an increased choice of electric power
13 suppliers, innovative products and services, and lower electric
14 power usage and costs;

15 (3) an electric power supplier (supplier) is required by law to
16 apply to the Board of Public Utilities (board) for an initial license to
17 do business in the State and annually thereafter for a license
18 renewal;

19 (4) a supplier is also required by law to procure and maintain an
20 annual surety bond to accompany its application;

21 (5) any delay in processing a supplier's application will cause
22 the surety bond to expire out of sync with the associated license,
23 causing an additional burden on the board staff reviewing the
24 application and the supplier;

25 (6) in order to process a request from a consumer to switch to a
26 new supplier, electric public utilities operating in the State require
27 suppliers to provide proof of licensure and without that proof, the
28 processing request may be delayed; and

29 (7) delays in processing a supplier's license renewal application
30 can have significant impacts on the supplier's ability to bid on
31 contracts to provide service if a supplier cannot demonstrate that its
32 current license is in good standing while its application is pending,
33 especially when the review of its application is delayed.

34 b. The Legislature therefore determines that:

35 (1) requiring a supplier to demonstrate to the board in the
36 license application process that it possesses the requisite technical
37 qualifications, a commitment to an ethical business conduct, and the
38 financial strength to fulfill its promises to consumers is critical to
39 ensuring the State's energy market continues to grow without
40 disruption;

41 (2) New Jersey's consumers should expect that the board
42 reviews a supplier's initial and renewal license application
43 appropriately and that the supplier will meet its obligations related
44 to the service it provides;

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 underlined thus is new matter.

1 (3) a more thoughtful and streamlined licensing process is in
2 order to prevent supplier license application processing delays;

3 (4) requiring an annual update to the information submitted
4 during the license renewal application, as opposed to requiring
5 virtually duplicative license renewal applications annually
6 thereafter, will ensure that a supplier adheres to New Jersey's
7 strong commitment to consumer protection, ethical business
8 practices, and financial integrity; and

9 (5) streamlining the supplier application licensing renewal
10 process does not limit a supplier's duty to provide the board with
11 the information necessary to assess a supplier's qualifications to do
12 business in the State while preserving the board's powers to take
13 action to protect consumers.

14

15 2. Section 29 of P.L.1999, c.23 (C.48:3-78) is amended to read
16 as follows:

17 29. a. A person shall not offer to provide or provide electric
18 generation service to retail customers in this State unless that
19 person has applied for, on an application form prescribed by the
20 board, and obtained from the board, pursuant to standards adopted
21 by the board, an electric power supplier license. Persons providing
22 such services on the effective date of **【this act】** P.L.1999, c.23
23 (C.48:3-49 et al.) shall have 120 days to apply for and receive the
24 requisite license.

25 b. (1) The board shall issue a license to an electric power
26 supplier that is in compliance with the licensing standards adopted
27 pursuant to subsection c. of this section and upon paying a licensure
28 fee as determined by the board pursuant to subsection h. of this
29 section. **【A】** An initial license shall expire one year from the date
30 of issuance **【unless the holder thereof pays to the board, within 30**
31 **days before the expiration date, a renewal fee accompanied by a**
32 **renewal application on a form prescribed by the board】.** **【If a**
33 **licensee has made, in accordance with this section and any**
34 **applicable board rules or regulations, timely and sufficient**
35 **application for renewal, the license shall not expire until the**
36 **application has been reviewed and acted upon by the board】.**
37 Nothing in this section shall limit the authority of the board to deny,
38 suspend, or revoke a license at any time, consistent with the
39 provisions of **【this act】** P.L.1999, c.23 (C.48:3-49 et al.).

40 (2) A license renewed by the board after the effective date of
41 P.L. , c. (C.) (pending before the Legislature as this bill)
42 shall not expire so long as the licensee pays to the board, within 30
43 days before the end of each energy year, a license renewal fee, as
44 determined by the board, accompanied by an annual information
45 update on a form prescribed by the board.

1 (3) The annual information update submitted by a licensed
2 electric power supplier to the board, pursuant to paragraph (2) of
3 this subsection, shall be limited to the following information:

4 (a) the information required of an electric power supplier
5 pursuant to subsection c. of this section;

6 (b) a copy of the electric power supplier's most recent quarterly
7 New Jersey sales and use tax report;

8 (c) the electric power supplier's most recent 12-month and
9 calendar year sales volume in New Jersey, by customer class;

10 (d) whether the electric power supplier, or any of the electric
11 power supplier's key operating personnel, officers, directors,
12 partners, owners, or listed stockholders have been subject to or are
13 subject to any regulatory investigations or disciplinary proceedings
14 connected with the sale of electricity in any other state or federal
15 jurisdiction;

16 (e) whether the electric power supplier, or any of the electric
17 power supplier's key operating personnel, officers, directors,
18 partners, owners, or listed stockholders have filed for bankruptcy in
19 the last seven years or are the subject of any current bankruptcy
20 proceedings; and

21 (f) any certifications necessary, as determined by the board.

22 c. Notwithstanding any provisions of the "Administrative
23 Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.) to the
24 contrary, the board shall initiate a proceeding and shall adopt, in
25 consultation with the Division of Consumer Affairs in the
26 Department of Law and Public Safety, after notice, provision of the
27 opportunity for comment, and public hearing, interim electric power
28 supplier licensing standards within 90 days of the effective date of
29 **[this act]** P.L.1999, c.23 (C.48:3-49 et al.). Such standards shall be
30 effective as regulations immediately upon filing with the Office of
31 Administrative Law and shall be effective for a period not to exceed
32 18 months, and may, thereafter, be amended, adopted or readopted
33 by the board in accordance with the provisions of the
34 "Administrative Procedure Act." The standards shall include, but
35 need not be limited to, the following requirements that an electric
36 power supplier:

37 (1) Register with the board, which shall include the filing of
38 basic information pertaining to the supplier, such as name, address,
39 telephone number, and company background and profile, and a list
40 of the services or products offered by the supplier. A supplier shall
41 provide annual updates of this information to the board. The
42 registration shall also include:

43 (a) Evidence of financial integrity;

44 (b) Information on any disciplinary proceedings or actions by
45 law enforcement authorities in which the electric power supplier, its
46 subsidiaries, affiliates, or parent has been involved in this State or
47 any other states;

- 1 (c) The ownership interests of the supplier including the
2 interests owned by the supplier and the interests owning the
3 supplier;
- 4 (d) The name and address of the in-State agent of the supplier
5 that is authorized to receive service of process;
- 6 (e) The name and address of the in-State customer service agent
7 for the supplier; and
- 8 (f) The quantity of retail electric sales made in this State during
9 the 12 months preceding the application.
- 10 (2) Agree to meet all reliability standards established by the
11 Mid-Atlantic Area Council of the North American Electric
12 Reliability Council or its successor, the PJM Interconnection,
13 L.L.C. independent system operator or its successor, the Federal
14 Energy Regulatory Commission, the board, or any other state,
15 regional, federal, or industry body with authority to establish
16 reliability standards. The board may establish specific standards
17 applicable to electric power suppliers to ensure the adequacy of
18 electric power capacity, if it determines that standards established
19 by any other state, regional, federal, or industry bodies are not
20 sufficient to assure the provision of safe, adequate, proper, and
21 reliable electric generation service to retail customers in this State.
22 Such reliability standards shall ensure bulk power system
23 operations and security, and shall ensure the adequacy of electric
24 power capacity necessary to meet retail loads;
- 25 (3) Maintain an office within this State for the purposes of
26 accepting service of process, maintaining such records as the board
27 requires, and ensuring accessibility to the board, consumers, and
28 electric public utilities;
- 29 (4) Maintain a surety bond under terms and conditions as
30 determined by the board;
- 31 (5) Provide a description of the products and services to be
32 rendered;
- 33 (6) Comply with such specific standards of conduct for electric
34 power suppliers as the board shall adopt; and
- 35 (7) Provide through legal certification by an officer of the
36 electric power supplier such information as the board or its staff
37 shall require to assist the board in making any determination
38 concerning revocation, suspension, issuance or renewal of the
39 supplier's license pursuant to section 32 of **【this act】** P.L.1999, c.23
40 (C.48:3-81).
- 41 d. An electric public utility shall:
- 42 (1) Incorporate by reference the board's licensing requirements
43 in its tariffs for transmission and distribution service;
- 44 (2) Apply the licensing requirements and other conditions for
45 access to the transmission and distribution system uniformly to all
46 electric power suppliers; and
- 47 (3) Report alleged violations of the board's licensing
48 requirements of which it becomes aware to the board.

1 e. The board shall establish an alternative dispute resolution
2 program to resolve any licensure or access dispute between an
3 electric power supplier and an electric public utility. The board
4 may establish reasonable fees, not to exceed actual costs, for the
5 provision of alternate dispute resolution services. If informal
6 resolution of the dispute is unsuccessful, the board shall adjudicate
7 the dispute as a contested case pursuant to the "Administrative
8 Procedure Act."

9 f. The board shall monitor the retail supply market in this
10 State, and shall consider information available from the PJM
11 Interconnection, L.L.C. independent system operator or its
12 successor with respect to the conduct of electric power suppliers.
13 The board shall monitor proposed acquisitions of electric generating
14 facilities by electric power suppliers as it deems necessary, in order
15 to ascertain whether an electric power supplier has or is proposed to
16 have control over electric generating facilities of sufficient number
17 or strategic location to charge non-competitive prices to retail
18 customers in this State. The board shall have the authority to deny,
19 suspend, or revoke an electric power supplier's license, after
20 hearing, if it determines that an electric power supplier has or may
21 acquire such control, or if the electric power supplier's violations of
22 the rules, regulations, or procedures of the PJM Interconnection,
23 L.L.C. independent system operator or its successor may adversely
24 affect the reliability of service to retail customers in this State or
25 may result in retail customers being charged non-competitive
26 prices.

27 g. The board may establish safety and service quality standards
28 for electric power suppliers, and nothing in **[this act]** P.L.1999,
29 c.23 (C.48:3-49 et al.) shall limit the authority of the board to
30 promulgate such safety or service quality standards or to resolve
31 complaints regarding the quality of electric generation service.

32 h. The board **[may]** shall establish, by written order pursuant
33 to subsection c. of this section or by rule, a licensure fee to cover
34 the costs of licensing electric power suppliers. The fee shall
35 include a reasonable surcharge to fund a consumer education
36 program in this State established pursuant to section 36 of **[this act]**
37 P.L.1999, c.23 (C.48:3-85).

38 i. Any provision of this act to the contrary notwithstanding,
39 any person acting as an energy agent shall be required to register
40 with the board. This registration shall include, but need not be
41 limited to, the name, address, telephone number, and business
42 affiliation or profile of the energy agent, evidence of financial
43 integrity as determined by the board, and evidence of knowledge of
44 the energy industry. This registration shall be updated annually.
45 Nothing in this subsection shall be construed to limit or exempt an
46 energy agent from liability under any other law pertaining to any
47 activity which an energy agent may engage in.

48 (cf: P.L.1999, c.23, s.29)

1 3. This act shall take effect immediately, but shall remain
2 inoperative for 60 days following the date of enactment.

3

4

5

STATEMENT

6

7 This bill provides that an electric power supplier license issued
8 by the Board of Public Utilities (BPU) may be renewed without
9 expiring if certain conditions are met. A license renewed by the
10 BPU after the effective date of the bill does not expire so long as
11 the licensee pays an annual license renewal fee, as determined by
12 the BPU, accompanied by an annual update of information on a
13 form prescribed by the BPU. The annual update of information is
14 to be limited to the following: 1) information required of an electric
15 power supplier when first licensed; 2) a copy of the electric power
16 supplier's most recent quarterly New Jersey sales and use tax
17 report; 3) the electric power supplier's most recent 12-month and
18 calendar year sales volume in New Jersey, by customer class; 4)
19 whether the electric power supplier, or any of the electric power
20 supplier's key operating personnel, officers, directors, partners,
21 owners, or listed stockholders have been subject to or are subject to
22 any regulatory investigations or disciplinary proceedings connected
23 with the sale of electricity in any other state or federal jurisdiction;
24 5) whether the electric power supplier, or any of the electric power
25 supplier's key operating personnel, officers, directors, partners,
26 owners, or listed stockholders have filed for bankruptcy in the last
27 seven years or are the subject of any existing or current bankruptcy
28 proceedings; and 6) any certifications necessary, as determined by
29 the BPU.

ASSEMBLY TELECOMMUNICATIONS AND UTILITIES
COMMITTEE

STATEMENT TO

[First Reprint]

SENATE, No. 604

STATE OF NEW JERSEY

DATED: FEBRUARY 7, 2019

The Assembly Telecommunications and Utilities Committee reports favorably Senate Bill No. 604 (1R).

As reported, this bill provides that an electric power supplier license issued by the Board of Public Utilities (BPU) may be renewed without expiring if certain conditions are met. A license renewed by the BPU after the effective date of the bill does not expire so long as the licensee pays an annual license renewal fee, as determined by the BPU, accompanied by an annual update of information on a form prescribed by the BPU. The annual update of information is to be limited to the following: 1) information required of an electric power supplier when first licensed; 2) a copy of the electric power supplier's most recent quarterly New Jersey sales and use tax report; 3) the electric power supplier's most recent 12-month and calendar year sales volume in New Jersey, by customer class; 4) whether the electric power supplier, or any of the electric power supplier's key operating personnel, officers, directors, partners, owners, or listed stockholders have been subject to or are subject to any regulatory investigations or disciplinary proceedings connected with the sale of electricity in any other state or federal jurisdiction; 5) whether the electric power supplier, or any of the electric power supplier's key operating personnel, officers, directors, partners, owners, or listed stockholders have filed for bankruptcy in the last seven years or are the subject of any existing or current bankruptcy proceedings; and 6) any certifications determined necessary by the BPU.

As reported, Senate Bill No. 604 (1R) is identical to Assembly Bill No. 4010, which was amended and also reported by the committee on this date.

SENATE ECONOMIC GROWTH COMMITTEE

STATEMENT TO

SENATE, No. 604

with committee amendments

STATE OF NEW JERSEY

DATED: SEPTEMBER 17, 2018

The Senate Economic Growth Committee reports favorably with committee amendments Senate Bill No. 604.

As amended and reported, this bill provides that an electric power supplier license issued by the Board of Public Utilities (BPU) may be renewed without expiring if certain conditions are met. A license renewed by the BPU after the effective date of the bill does not expire so long as the licensee pays an annual license renewal fee, as determined by the BPU, accompanied by an annual update of information on a form prescribed by the BPU. The annual update of information is to be limited to the following: 1) information required of an electric power supplier when first licensed; 2) a copy of the electric power supplier's most recent quarterly New Jersey sales and use tax report; 3) the electric power supplier's most recent 12-month and calendar year sales volume in New Jersey, by customer class; 4) whether the electric power supplier, or any of the electric power supplier's key operating personnel, officers, directors, partners, owners, or listed stockholders have been subject to or are subject to any regulatory investigations or disciplinary proceedings connected with the sale of electricity in any other state or federal jurisdiction; 5) whether the electric power supplier, or any of the electric power supplier's key operating personnel, officers, directors, partners, owners, or listed stockholders have filed for bankruptcy in the last seven years or are the subject of any existing or current bankruptcy proceedings; and 6) any certifications determined necessary by the BPU.

The committee amended the bill to provide for license renewal on the anniversary of when the last license application was approved, rather than at the end of the energy year.

This bill was pre-filed for introduction in the 2018-2019 session pending technical review. As reported, the bill includes the changes required by technical review, which has been performed.

ASSEMBLY, No. 4010

STATE OF NEW JERSEY 218th LEGISLATURE

INTRODUCED MAY 17, 2018

Sponsored by:

Assemblywoman NANCY J. PINKIN

District 18 (Middlesex)

SYNOPSIS

Provides that electric power supplier license issued by BPU may be renewed without expiring if certain conditions are met.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT concerning the licensing of electric power suppliers and
2 supplementing and amending P.L.1999, c.23.

3

4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

6

7 1. (New section) a. The Legislature finds and declares that:

8 (1) it is important to ensure that New Jersey electric power
9 customers have adequate protections when participating in the retail
10 electric power supply market;

11 (2) a well-functioning, retail electric power supply market can
12 provide customers with an increased choice of electric power
13 suppliers, innovative products and services, and lower electric
14 power usage and costs;

15 (3) an electric power supplier (supplier) is required by law to
16 apply to the Board of Public Utilities (board) for an initial license to
17 do business in the State and annually thereafter for a license
18 renewal;

19 (4) a supplier is also required by law to procure and maintain an
20 annual surety bond to accompany its application;

21 (5) any delay in processing a supplier's application will cause
22 the surety bond to expire out of sync with the associated license,
23 causing an additional burden on the board staff reviewing the
24 application and the supplier;

25 (6) in order to process a request from a consumer to switch to a
26 new supplier, electric public utilities operating in the State require
27 suppliers to provide proof of licensure and without that proof, the
28 processing request may be delayed; and

29 (7) delays in processing a supplier's license renewal application
30 can have significant impacts on the supplier's ability to bid on
31 contracts to provide service if a supplier cannot demonstrate that its
32 current license is in good standing while its application is pending,
33 especially when the review of its application is delayed.

34 b. The Legislature therefore determines that:

35 (1) requiring a supplier to demonstrate to the board in the
36 license application process that it possesses the requisite technical
37 qualifications, a commitment to an ethical business conduct, and the
38 financial strength to fulfill its promises to consumers is critical to
39 ensuring the State's energy market continues to grow without
40 disruption;

41 (2) New Jersey's consumers should expect that the board
42 reviews a supplier's initial and renewal license application
43 appropriately and that the supplier will meet its obligations related
44 to the service it provides;

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 underlined thus is new matter.

1 (3) a more thoughtful and streamlined licensing process is in
2 order to prevent supplier license application processing delays;

3 (4) requiring an annual update to the information submitted
4 during the license renewal application, as opposed to requiring
5 virtually duplicative license renewal applications annually
6 thereafter, will ensure that a supplier adheres to New Jersey's
7 strong commitment to consumer protection, ethical business
8 practices, and financial integrity; and

9 (5) streamlining the supplier application licensing renewal
10 process does not limit a supplier's duty to provide the board with
11 the information necessary to assess a supplier's qualifications to do
12 business in the State while preserving the board's powers to take
13 action to protect consumers.

14

15 2. Section 29 of P.L.1999, c.23 (C.48:3-78) is amended to read
16 as follows:

17 29. a. A person shall not offer to provide or provide electric
18 generation service to retail customers in this State unless that
19 person has applied for, on an application form prescribed by the
20 board, and obtained from the board, pursuant to standards adopted
21 by the board, an electric power supplier license. Persons providing
22 such services on the effective date of **【this act】** P.L.1999, c.23
23 (C.48:3-49 et al.) shall have 120 days to apply for and receive the
24 requisite license.

25 b. (1) The board shall issue a license to an electric power
26 supplier that is in compliance with the licensing standards adopted
27 pursuant to subsection c. of this section and upon paying a licensure
28 fee as determined by the board pursuant to subsection h. of this
29 section. **【A】** An initial license shall expire one year from the date
30 of issuance **【unless the holder thereof pays to the board, within 30**
31 **days before the expiration date, a renewal fee accompanied by a**
32 **renewal application on a form prescribed by the board】.** **【If a**
33 **licensee has made, in accordance with this section and any**
34 **applicable board rules or regulations, timely and sufficient**
35 **application for renewal, the license shall not expire until the**
36 **application has been reviewed and acted upon by the board】.**
37 Nothing in this section shall limit the authority of the board to deny,
38 suspend, or revoke a license at any time, consistent with the
39 provisions of **【this act】** P.L.1999, c.23 (C.48:3-49 et al.).

40 (2) A license renewed by the board after the effective date of
41 P.L. , c. (C.) (pending before the Legislature as this bill)
42 shall not expire so long as the licensee pays to the board, within 30
43 days before the end of each energy year, a license renewal fee, as
44 determined by the board, accompanied by an annual information
45 update on a form prescribed by the board.

1 (3) The annual information update submitted by a licensed
2 electric power supplier to the board, pursuant to paragraph (2) of
3 this subsection, shall be limited to the following information:

4 (a) the information required of an electric power supplier
5 pursuant to subsection c. of this section;

6 (b) a copy of the electric power supplier's most recent quarterly
7 New Jersey sales and use tax report;

8 (c) the electric power supplier's most recent 12-month and
9 calendar year sales volume in New Jersey, by customer class;

10 (d) whether the electric power supplier, or any of the electric
11 power supplier's key operating personnel, officers, directors,
12 partners, owners, or listed stockholders have been subject to or are
13 subject to any regulatory investigations or disciplinary proceedings
14 connected with the sale of electricity in any other state or federal
15 jurisdiction;

16 (e) whether the electric power supplier, or any of the electric
17 power supplier's key operating personnel, officers, directors,
18 partners, owners, or listed stockholders have filed for bankruptcy in
19 the last seven years or are the subject of any current bankruptcy
20 proceedings; and

21 (f) any certifications necessary, as determined by the board.

22 c. Notwithstanding any provisions of the "Administrative
23 Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.) to the
24 contrary, the board shall initiate a proceeding and shall adopt, in
25 consultation with the Division of Consumer Affairs in the
26 Department of Law and Public Safety, after notice, provision of the
27 opportunity for comment, and public hearing, interim electric power
28 supplier licensing standards within 90 days of the effective date of
29 **【this act】** P.L.1999, c.23 (C.48:3-49 et al.). Such standards shall be
30 effective as regulations immediately upon filing with the Office of
31 Administrative Law and shall be effective for a period not to exceed
32 18 months, and may, thereafter, be amended, adopted or readopted
33 by the board in accordance with the provisions of the
34 "Administrative Procedure Act." The standards shall include, but
35 need not be limited to, the following requirements that an electric
36 power supplier:

37 (1) Register with the board, which shall include the filing of
38 basic information pertaining to the supplier, such as name, address,
39 telephone number, and company background and profile, and a list
40 of the services or products offered by the supplier. A supplier shall
41 provide annual updates of this information to the board. The
42 registration shall also include:

43 (a) Evidence of financial integrity;

44 (b) Information on any disciplinary proceedings or actions by
45 law enforcement authorities in which the electric power supplier, its
46 subsidiaries, affiliates, or parent has been involved in this State or
47 any other states;

1 (c) The ownership interests of the supplier including the
2 interests owned by the supplier and the interests owning the
3 supplier;

4 (d) The name and address of the in-State agent of the supplier
5 that is authorized to receive service of process;

6 (e) The name and address of the in-State customer service agent
7 for the supplier; and

8 (f) The quantity of retail electric sales made in this State during
9 the 12 months preceding the application.

10 (2) Agree to meet all reliability standards established by the
11 Mid-Atlantic Area Council of the North American Electric
12 Reliability Council or its successor, the PJM Interconnection,
13 L.L.C. independent system operator or its successor, the Federal
14 Energy Regulatory Commission, the board, or any other state,
15 regional, federal, or industry body with authority to establish
16 reliability standards. The board may establish specific standards
17 applicable to electric power suppliers to ensure the adequacy of
18 electric power capacity, if it determines that standards established
19 by any other state, regional, federal, or industry bodies are not
20 sufficient to assure the provision of safe, adequate, proper, and
21 reliable electric generation service to retail customers in this State.
22 Such reliability standards shall ensure bulk power system
23 operations and security, and shall ensure the adequacy of electric
24 power capacity necessary to meet retail loads;

25 (3) Maintain an office within this State for the purposes of
26 accepting service of process, maintaining such records as the board
27 requires, and ensuring accessibility to the board, consumers, and
28 electric public utilities;

29 (4) Maintain a surety bond under terms and conditions as
30 determined by the board;

31 (5) Provide a description of the products and services to be
32 rendered;

33 (6) Comply with such specific standards of conduct for electric
34 power suppliers as the board shall adopt; and

35 (7) Provide through legal certification by an officer of the
36 electric power supplier such information as the board or its staff
37 shall require to assist the board in making any determination
38 concerning revocation, suspension, issuance or renewal of the
39 supplier's license pursuant to section 32 of **[this act]** P.L.1999, c.23
40 (C.48:3-81).

41 d. An electric public utility shall:

42 (1) Incorporate by reference the board's licensing requirements
43 in its tariffs for transmission and distribution service;

44 (2) Apply the licensing requirements and other conditions for
45 access to the transmission and distribution system uniformly to all
46 electric power suppliers; and

47 (3) Report alleged violations of the board's licensing
48 requirements of which it becomes aware to the board.

1 e. The board shall establish an alternative dispute resolution
2 program to resolve any licensure or access dispute between an
3 electric power supplier and an electric public utility. The board
4 may establish reasonable fees, not to exceed actual costs, for the
5 provision of alternate dispute resolution services. If informal
6 resolution of the dispute is unsuccessful, the board shall adjudicate
7 the dispute as a contested case pursuant to the "Administrative
8 Procedure Act."

9 f. The board shall monitor the retail supply market in this
10 State, and shall consider information available from the PJM
11 Interconnection, L.L.C. independent system operator or its
12 successor with respect to the conduct of electric power suppliers.
13 The board shall monitor proposed acquisitions of electric generating
14 facilities by electric power suppliers as it deems necessary, in order
15 to ascertain whether an electric power supplier has or is proposed to
16 have control over electric generating facilities of sufficient number
17 or strategic location to charge non-competitive prices to retail
18 customers in this State. The board shall have the authority to deny,
19 suspend, or revoke an electric power supplier's license, after
20 hearing, if it determines that an electric power supplier has or may
21 acquire such control, or if the electric power supplier's violations of
22 the rules, regulations, or procedures of the PJM Interconnection,
23 L.L.C. independent system operator or its successor may adversely
24 affect the reliability of service to retail customers in this State or
25 may result in retail customers being charged non-competitive
26 prices.

27 g. The board may establish safety and service quality standards
28 for electric power suppliers, and nothing in **[this act]** P.L.1999,
29 c.23 (C.48:3-49 et al.) shall limit the authority of the board to
30 promulgate such safety or service quality standards or to resolve
31 complaints regarding the quality of electric generation service.

32 h. The board **[may]** shall establish, by written order pursuant
33 to subsection c. of this section or by rule, a licensure fee to cover
34 the costs of licensing electric power suppliers. The fee shall
35 include a reasonable surcharge to fund a consumer education
36 program in this State established pursuant to section 36 of **[this act]**
37 P.L.1999, c.23 (C.48:3-85).

38 i. Any provision of this act to the contrary notwithstanding,
39 any person acting as an energy agent shall be required to register
40 with the board. This registration shall include, but need not be
41 limited to, the name, address, telephone number, and business
42 affiliation or profile of the energy agent, evidence of financial
43 integrity as determined by the board, and evidence of knowledge of
44 the energy industry. This registration shall be updated annually.
45 Nothing in this subsection shall be construed to limit or exempt an
46 energy agent from liability under any other law pertaining to any
47 activity which an energy agent may engage in.

48 (cf: P.L.1999, c.23, s.29)

1 3. This act shall take effect immediately, but shall remain
2 inoperative for 60 days following the date of enactment.

3

4

5

STATEMENT

6

7 This bill provides that an electric power supplier license issued
8 by the Board of Public Utilities (BPU) may be renewed without
9 expiring if certain conditions are met. A license renewed by the
10 BPU after the effective date of the bill does not expire so long as
11 the licensee pays an annual license renewal fee, as determined by
12 the BPU, accompanied by an annual update of information on a
13 form prescribed by the BPU. The annual update of information is
14 to be limited to the following: 1) information required of an electric
15 power supplier when first licensed; 2) a copy of the electric power
16 supplier's most recent quarterly New Jersey sales and use tax
17 report; 3) the electric power supplier's most recent 12-month and
18 calendar year sales volume in New Jersey, by customer class; 4)
19 whether the electric power supplier, or any of the electric power
20 supplier's key operating personnel, officers, directors, partners,
21 owners, or listed stockholders have been subject to or are subject to
22 any regulatory investigations or disciplinary proceedings connected
23 with the sale of electricity in any other state or federal jurisdiction;
24 5) whether the electric power supplier, or any of the electric power
25 supplier's key operating personnel, officers, directors, partners,
26 owners, or listed stockholders have filed for bankruptcy in the last
27 seven years or are the subject of any existing or current bankruptcy
28 proceedings; and 6) any certifications necessary, as determined by
29 the BPU.

ASSEMBLY TELECOMMUNICATIONS AND UTILITIES
COMMITTEE

STATEMENT TO
ASSEMBLY, No. 4010

with committee amendments

STATE OF NEW JERSEY

DATED: FEBRUARY 7, 2019

The Assembly Telecommunications and Utilities Committee reports favorably and with committee amendments Assembly Bill No. 4010.

As amended and reported, this bill provides that an electric power supplier license issued by the Board of Public Utilities (BPU) may be renewed without expiring if certain conditions are met. A license renewed by the BPU after the effective date of the bill does not expire so long as the licensee pays an annual license renewal fee, as determined by the BPU, accompanied by an annual update of information on a form prescribed by the BPU. The annual update of information is to be limited to the following: 1) information required of an electric power supplier when first licensed; 2) a copy of the electric power supplier's most recent quarterly New Jersey sales and use tax report; 3) the electric power supplier's most recent 12-month and calendar year sales volume in New Jersey, by customer class; 4) whether the electric power supplier, or any of the electric power supplier's key operating personnel, officers, directors, partners, owners, or listed stockholders have been subject to or are subject to any regulatory investigations or disciplinary proceedings connected with the sale of electricity in any other state or federal jurisdiction; 5) whether the electric power supplier, or any of the electric power supplier's key operating personnel, officers, directors, partners, owners, or listed stockholders have filed for bankruptcy in the last seven years or are the subject of any existing or current bankruptcy proceedings; and 6) any certifications determined necessary by the BPU.

As amended and reported, Assembly Bill No. 4010 is identical to Senate Bill No. 604 (1R), which was also reported by the committee on this date.

COMMITTEE AMENDMENTS:

The committee amended the bill to provide for license renewal on the anniversary of when the last license application was approved, rather than at the end of the energy year.



Newark, N.J.

Governor Murphy Takes Action on Legislation

05/10/2019

TRENTON – Today, Governor Phil Murphy signed the following bills and resolutions into law:

A2810 (Greenwald, Murphy/Pou) - Requires active supervision of certain professional and occupational licensing boards.

A4285 (Lopez, Quijano, Armato/Vitale, Singleton) - Requires Commissioner of Health to develop voluntary registry to collect cancer incidence data from firefighters.

A4416 (Swain, Karabinchak, Timberlake/Kean, Greenstein) - Prohibits sale or distribution of products containing asbestos.

A4500 (Verrelli, Mejia, Speight/Ruiz, Greenstein) - Directs NJ State Council on Arts to create and disseminate best practices guide for at-risk youth arts programs; requires council to assist government entities creating programs that adopt best practices.

A4578 (Land, Andrzejczak, McKeon/Smith, Greenstein) - Makes supplemental appropriation of \$50 million from General Fund to DEP and adds language provisions concerning use of certain environmental settlement monies for natural resource restoration projects.

A4612 (Jimenez, Mejia, Giblin/Cryan) - Codifies State-specific exam requirement for land surveyor license.

A4799 (Lopez, Coughlin, Benson/Vitale, Ruiz) - Permits self-administration of hydrocortisone sodium succinate by students for adrenal insufficiency and requires that school districts and nonpublic schools establish policy for emergency administration of medication.

A5034 (Pinkin/Smith) - Authorizes sale and conveyance of certain State-owned real property in Stafford Township, Ocean County to US Fish and Wildlife Service.

S52 (Singleton, Gill/Caputo, Webber, Murphy) - Requires disclosure of breach of security of online account.

S455 (Addiego, Singleton/Murphy, Dancer, Rooney) - Requires disclosure of identifying information prior to sale of horse at auction.

S515 (Kean, Sarlo/Munoz, Johnson, Bucco) - Exempts sales of certain materials used in industrial sand casting processes from sales and use tax.

S542 (Oroho, Singleton/Tucker, Wirths, Space) - Designates High Point State Park as High Point State Park and New Jersey Veterans Memorial.

S604 (Smith/Pinkin) - Provides that electric power supplier license issued by BPU may be renewed without expiring if certain conditions are met.

S605 (Smith/Pinkin, McKeon) - Provides that natural gas supplier license issued by BPU may be renewed without expiring if certain conditions are met.

S875 (Sweeney, Greenstein/Vainieri Huttle, Munoz, Murphy) - Establishes the "Sexual Assault Victim's Bill of Rights."

S1729 (Thompson, Quijano/Jones, Barclay) - Designates *Streptomyces griseus* as New Jersey State Microbe.

S2676 (Bucco, Lagana/Schaer, Calabrese, Tully) - Requires boards of education and nonpublic schools to provide law enforcement authorities with copies of blueprints and maps of schools and school grounds.

S2707 (Ruiz, Madden/Lampitt, Vainieri Huttle, Armato) - Establishes task force within DOE on prevention of sexual abuse of children.

S2709 (Ruiz, Madden/Mukherji, Lampitt, Chiaravalloti, Vainieri Huttle, Armato) - Provides that certain persons who commit act of sexual penetration or sexual contact with students who are at least 18 but less than 22 years old are guilty of sexual assault or criminal sexual assault.

S2711 (Ruiz, Madden/Lampitt, Vainieri Huttle, Jones) - Mandates child abuse and sexual abuse training for all candidates for teaching certification.

S2720 (Diegnan, Scutari/Johnson, Quijano, Murphy) - Requires autocycles to be insured by PIP coverage to pedestrians.

SJR101 (Gopal/Pintor Marin, Houghtaling, Downey) - Designates March 15 of each year as Peter Francisco Day in New Jersey.

[Back to Top](#)

Powered by  [Translate](#) [Select Language](#)

[Translator Disclaimer](#)

Governor Phil Murphy

Statewide

Home

Key Initiatives

Social

[NJ Home](#)

[Services A to Z](#)

[Departments/Agencies](#)

[FAQs](#)

[Contact Us](#)

[Privacy Notice](#)

[Legal Statement &](#)

[Disclaimers](#)

Administration

[Governor Phil Murphy](#)

[Lt. Governor Sheila](#)

[Oliver](#)

[First Lady Tammy](#)

[Economy & Jobs](#)

[Education](#)

[Environment](#)

[Health](#)

[Law & Justice](#)

[Transportation](#)

[Facebook](#)

[Twitter](#)

[Instagram](#)

[Snapchat](#)

[YouTube](#)

[Snyder Murphy](#)

[Cabinet](#)

[Boards, Commissions](#)

[& Authorities](#)

[Internship](#)

[Opportunities](#)

[Governor's Residence](#)

[- Drumthwacket](#)

[News & Events](#)

[Press Releases](#)

[Public Addresses](#)

[Executive Orders](#)

[Statements on](#)

[Legislation](#)

[Administration Reports](#)

[Transition Reports](#)

[Press Kits](#)

[Contact Us](#)

[Scheduling Requests](#)

[Contact Us](#)

[Accessibility](#)

[Statement](#)



Copyright © State of New Jersey, 1996-2018
Office of Governor PO Box 001
Trenton, NJ 08625
609-292-6000

[YOURMONEY.NJ.GOV](#)

powered by **njoit**