

ASSEMBLY COMMITTEE SUBSTITUTE FOR
ASSEMBLY, No. 2529

STATE OF NEW JERSEY
214th LEGISLATURE

ADOPTED JUNE 10, 2010

Sponsored by:

Assemblyman UPENDRA J. CHIVUKULA

District 17 (Middlesex and Somerset)

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SYNOPSIS

Revises certain definitions in P.L.1999, c.23 concerning alternative energy technologies.

CURRENT VERSION OF TEXT

Substitute as adopted by the Assembly Telecommunications and Utilities Committee.



1 AN ACT concerning alternative energy technology and amending
2 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. Section 3 of P.L.1999, c.23 (C.48:3-51) is amended to read
8 as follows:

9 3. As used in this act:

10 "Approved alternative technologies" means energy production
11 technologies that have been approved by the Department of
12 Environmental Protection, in consultation with the Board of Public
13 Utilities, as technologies that promote energy efficiency and energy
14 conservation or that reduce energy supply demand;

15 "Assignee" means a person to which an electric public utility or
16 another assignee assigns, sells or transfers, other than as security,
17 all or a portion of its right to or interest in bondable transition
18 property. Except as specifically provided in P.L.1999, c.23
19 (C.48:3-49 et al.), an assignee shall not be subject to the public
20 utility requirements of Title 48 or any rules or regulations adopted
21 pursuant thereto;

22 "Basic gas supply service" means gas supply service that is
23 provided to any customer that has not chosen an alternative gas
24 supplier, whether or not the customer has received offers as to
25 competitive supply options, including, but not limited to, any
26 customer that cannot obtain such service for any reason, including
27 non-payment for services. Basic gas supply service is not a
28 competitive service and shall be fully regulated by the board;

29 "Basic generation service" or "BGS" means electric generation
30 service that is provided, to any customer that has not chosen an
31 alternative electric power supplier, whether or not the customer has
32 received offers for competitive supply options, including, but not
33 limited to, any customer that cannot obtain such service from an
34 electric power supplier for any reason, including non-payment for
35 services. Basic generation service is not a competitive service and
36 shall be fully regulated by the board;

37 "Basic generation service provider" or "provider" means a
38 provider of basic generation service;

39 "Basic generation service transition costs" means the amount by
40 which the payments by an electric public utility for the procurement
41 of power for basic generation service and related ancillary and
42 administrative costs exceeds the net revenues from the basic
43 generation service charge established by the board pursuant to
44 section 9 of P.L.1999, c.23 (C.48:3-57) during the transition period,

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 together with interest on the balance at the board-approved rate, that
2 is reflected in a deferred balance account approved by the board in
3 an order addressing the electric public utility's unbundled rates,
4 stranded costs, and restructuring filings pursuant to P.L.1999, c.23
5 (C.48:3-49 et al.). Basic generation service transition costs shall
6 include, but are not limited to, costs of purchases from the spot
7 market, bilateral contracts, contracts with non-utility generators,
8 parting contracts with the purchaser of the electric public utility's
9 divested generation assets, short-term advance purchases, and
10 financial instruments such as hedging, forward contracts, and
11 options. Basic generation service transition costs shall also include
12 the payments by an electric public utility pursuant to a competitive
13 procurement process for basic generation service supply during the
14 transition period, and costs of any such process used to procure the
15 basic generation service supply;

16 "Board" means the New Jersey Board of Public Utilities or any
17 successor agency;

18 "Bondable stranded costs" means any stranded costs or basic
19 generation service transition costs of an electric public utility
20 approved by the board for recovery pursuant to the provisions of
21 P.L.1999, c.23 (C.48:3-49 et al.), together with, as approved by the
22 board: (1) the cost of retiring existing debt or equity capital of the
23 electric public utility, including accrued interest, premium and other
24 fees, costs and charges relating thereto, with the proceeds of the
25 financing of bondable transition property; (2) if requested by an
26 electric public utility in its application for a bondable stranded costs
27 rate order, federal, State and local tax liabilities associated with
28 stranded costs recovery or basic generation service transition cost
29 recovery or the transfer or financing of such property or both,
30 including taxes, whose recovery period is modified by the effect of
31 a stranded costs recovery order, a bondable stranded costs rate order
32 or both; and (3) the costs incurred to issue, service or refinance
33 transition bonds, including interest, acquisition or redemption
34 premium, and other financing costs, whether paid upon issuance or
35 over the life of the transition bonds, including, but not limited to,
36 credit enhancements, service charges, overcollateralization, interest
37 rate cap, swap or collar, yield maintenance, maturity guarantee or
38 other hedging agreements, equity investments, operating costs and
39 other related fees, costs and charges, or to assign, sell or otherwise
40 transfer bondable transition property;

41 "Bondable stranded costs rate order" means one or more
42 irrevocable written orders issued by the board pursuant to P.L.1999,
43 c.23 (C.48:3-49 et al.) which determines the amount of bondable
44 stranded costs and the initial amount of transition bond charges
45 authorized to be imposed to recover such bondable stranded costs,
46 including the costs to be financed from the proceeds of the
47 transition bonds, as well as on-going costs associated with servicing

1 and credit enhancing the transition bonds, and provides the electric
2 public utility specific authority to issue or cause to be issued,
3 directly or indirectly, transition bonds through a financing entity
4 and related matters as provided in P.L.1999, c.23, which order shall
5 become effective immediately upon the written consent of the
6 related electric public utility to such order as provided in P.L.1999,
7 c.23;

8 "Bondable transition property" means the property consisting of
9 the irrevocable right to charge, collect and receive, and be paid
10 from collections of, transition bond charges in the amount necessary
11 to provide for the full recovery of bondable stranded costs which
12 are determined to be recoverable in a bondable stranded costs rate
13 order, all rights of the related electric public utility under such
14 bondable stranded costs rate order including, without limitation, all
15 rights to obtain periodic adjustments of the related transition bond
16 charges pursuant to subsection b. of section 15 of P.L.1999, c.23
17 (C.48:3-64), and all revenues, collections, payments, money and
18 proceeds arising under, or with respect to, all of the foregoing;

19 "British thermal unit" or "Btu" means the amount of heat
20 required to increase the temperature of one pound of water by one
21 degree Fahrenheit;

22 "Broker" means a duly licensed electric power supplier that
23 assumes the contractual and legal responsibility for the sale of
24 electric generation service, transmission or other services to end-use
25 retail customers, but does not take title to any of the power sold, or
26 a duly licensed gas supplier that assumes the contractual and legal
27 obligation to provide gas supply service to end-use retail customers,
28 but does not take title to the gas;

29 "Buydown" means an arrangement or arrangements involving the
30 buyer and seller in a given power purchase contract and, in some
31 cases third parties, for consideration to be given by the buyer in
32 order to effectuate a reduction in the pricing, or the restructuring of
33 other terms to reduce the overall cost of the power contract, for the
34 remaining succeeding period of the purchased power arrangement
35 or arrangements;

36 "Buyout" means an arrangement or arrangements involving the
37 buyer and seller in a given power purchase contract and, in some
38 cases third parties, for consideration to be given by the buyer in
39 order to effectuate a termination of such power purchase contract;

40 "Class I **renewable** alternate energy" means electric energy
41 produced from:

42 (1) facilities connected to the distribution system utilizing the
43 following technologies and sources: solar technologies,
44 photovoltaic technologies, solar thermal technologies, wind energy,
45 sustainably-fueled fuel cells, geothermal technologies, wave or tidal
46 action, and methane gas from landfills or a biomass facility,
47 provided that the biomass is cultivated and harvested in a

1 sustainable manner, approved alternative technologies, and
2 technologies that have been developed or deployed under eligible
3 energy efficiency and energy conservation programs that reduce
4 energy supply demand; or

5 (2) small scale hydropower facilities connected to the
6 distribution system with a capacity of three megawatts or less and
7 put into service after the effective date of P.L. , c. (C.)
8 (pending before the Legislature as this bill). Whenever any law,
9 rule, regulation, order, contract, tariff, document, reorganization
10 plan, ruling in the course of a judicial or administrative proceeding,
11 or other written declaration of legal rights or obligations, refers to
12 Class I renewable energy, the same shall mean and refer to "Class I
13 alternate energy";

14 "Class II **renewable** alternate energy" means (1) thermal or
15 electric energy from micro-combined heat and power generating
16 equipment or wastewater treatment facilities, which equipment and
17 facilities are connected to the distribution system, or (2) electric
18 energy produced at a resource recovery facility, or at a hydropower
19 facility with a capacity of greater than three megawatts and less
20 than 30 megawatts, connected to the distribution system, provided
21 that such resource recovery or hydropower facility is located where
22 retail competition is permitted and provided further that the
23 Commissioner of Environmental Protection has determined that
24 such facility meets the highest environmental standards **and**,
25 minimizes any adverse impacts to the environment and local
26 communities, meets this State's applicable air pollution permit
27 requirements, and maintains a battery recycling program, if
28 applicable, which substantially meets applicable State standards for
29 such programs. Whenever any law, rule, regulation, order, contract,
30 tariff, document, reorganization plan, ruling in the course of a
31 judicial or administrative proceeding or other written declaration of
32 legal rights or obligations, refers to Class II renewable energy, the
33 same shall mean and refer to "Class II alternate energy";

34 "Co-generation" means the sequential production of electricity
35 and steam or other forms of useful energy used for industrial or
36 commercial heating and cooling purposes;

37 "Combined heat and power facility" or "co-generation facility"
38 means a generation facility which produces electric energy, steam
39 or other forms of useful energy such as heat, which are used for
40 industrial or commercial heating or cooling purposes. A combined
41 heat and power facility or co-generation facility shall not be
42 considered a public utility;

43 "Competitive service" means any service offered by an electric
44 public utility or a gas public utility that the board determines to be
45 competitive pursuant to section 8 or section 10 of P.L.1999, c.23
46 (C.48:3-56 or C.48:3-58) or that is not regulated by the board;

1 "Commercial and industrial energy pricing class customer" or
2 "CIEP class customer" means that group of non-residential
3 customers with high peak demand, as determined by periodic board
4 order, which either is eligible or which would be eligible, as
5 determined by periodic board order, to receive funds from the Retail
6 Margin Fund established pursuant to section 9 of P.L.1999, c.23
7 (C.48:3-57) and for which basic generation service is hourly-priced;

8 "Comprehensive resource analysis" means an analysis including,
9 but not limited to, an assessment of existing market barriers to the
10 implementation of energy efficiency and renewable technologies
11 that are not or cannot be delivered to customers through a
12 competitive marketplace;

13 "Connected to the distribution system" means connected to the
14 customer's side of a meter, regardless of the voltage at which that
15 customer connects to the electric grid, or is connected at less than
16 100 kilovolts regardless of how a electric public utility classifies
17 that portion of its transmission and distribution system;

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

22 "Customer account service" means metering, billing, or such
23 other administrative activity associated with maintaining a customer
24 account;

25 "Demand side management" means the management of customer
26 demand for energy service through the implementation of cost-
27 effective energy efficiency technologies, including, but not limited
28 to, installed conservation, load management and energy efficiency
29 measures on and in the residential, commercial, industrial,
30 institutional and governmental premises and facilities in this State;

31 "Electric generation service" means the provision of retail
32 electric energy and capacity which is generated off-site from the
33 location at which the consumption of such electric energy and
34 capacity is metered for retail billing purposes, including agreements
35 and arrangements related thereto;

36 "Electric power generator" means an entity that proposes to
37 construct, own, lease or operate, or currently owns, leases or
38 operates, an electric power production facility that will sell or does
39 sell at least 90 percent of its output, either directly or through a
40 marketer, to a customer or customers located at sites that are not on
41 or contiguous to the site on which the facility will be located or is
42 located. The designation of an entity as an electric power generator
43 for the purposes of P.L.1999, c.23 (C.48:3-49 et al.) shall not, in
44 and of itself, affect the entity's status as an exempt wholesale
45 generator under the Public Utility Holding Company Act of 1935,
46 15 U.S.C.s.79 et seq.;

1 "Electric power supplier" means a person or entity that is duly
2 licensed pursuant to the provisions of P.L.1999, c.23 (C.48:3-49 et
3 al.) to offer and to assume the contractual and legal responsibility to
4 provide electric generation service to retail customers, and includes
5 load serving entities, marketers and brokers that offer or provide
6 electric generation service to retail customers. The term excludes an
7 electric public utility that provides electric generation service only
8 as a basic generation service pursuant to section 9 of P.L.1999, c.23
9 (C.48:3-57);

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

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

20 "Electronic signature" means an electronic sound, symbol or
21 process, attached to, or logically associated with, a contract or other
22 record, and executed or adopted by a person with the intent to sign
23 the record;

24 "Eligible energy efficiency and energy conservation programs"
25 means programs which utilize demand side management consisting
26 of the management of customer consumption of electricity or of the
27 demand for or generation of electricity through the implementation
28 of (1) the deployment of energy efficiency technologies,
29 management practices, or other strategies in residential, commercial
30 institutional, or government customers that reduce electricity
31 consumption by those customers, (2) load management or demand
32 response technologies, management practices or other strategies in
33 residential, commercial, industrial, institutional and government
34 customers that shift electric load from periods of higher demand to
35 periods of lower demand, or (3) industrial by-product technologies
36 consisting of the use of a by-product from an industrial process,
37 including the reuse of energy from exhaust gases or other
38 manufacturing by-products that are used in the direct production of
39 electricity at the facility of a customer;

40 "Energy agent" means a person that is duly registered pursuant to
41 the provisions of P.L.1999, c.23 (C.48:3-49 et al.), that arranges the
42 sale of retail electricity or electric related services or retail gas
43 supply or gas related services between government aggregators or
44 private aggregators and electric power suppliers or gas suppliers,
45 but does not take title to the electric or gas sold;

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

4 "Energy efficiency portfolio standard" means a requirement to
5 procure a specified amount of energy efficiency or demand side
6 management resources as a means of managing and reducing energy
7 usage and demand by customers;

8 "Energy year" or "EY" means the 12-month period from June 1st
9 through May 31st and shall be numbered according to the calendar
10 year in which it ends;

11 "Financing entity" means an electric public utility, a special
12 purpose entity, or any other assignee of bondable transition
13 property, which issues transition bonds. Except as specifically
14 provided in P.L.1999, c.23 (C.48:3-49 et al.), a financing entity
15 which is not itself an electric public utility shall not be subject to
16 the public utility requirements of Title 48 or any rules or regulations
17 adopted pursuant thereto;

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

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

27 "Gas supplier" means a person that is duly licensed pursuant to
28 the provisions of P.L.1999, c.23 (C.48:3-49 et al.) to offer and
29 assume the contractual and legal obligation to provide gas supply
30 service to retail customers, and includes, but is not limited to,
31 marketers and brokers. A non-public utility affiliate of a public
32 utility holding company may be a gas supplier, but a gas public
33 utility or any subsidiary of a gas utility is not a gas supplier. In the
34 event that a gas public utility is not part of a holding company legal
35 structure, a related competitive business segment of that gas public
36 utility may be a gas supplier, provided that related competitive
37 business segment is structurally separated from the gas public
38 utility, and provided that the interactions between the gas public
39 utility and the related competitive business segment are subject to
40 the affiliate relations standards adopted by the board pursuant to
41 subsection k. of section 10 of P.L.1999, c.23 (C.48:3-58);

42 "Gas supply service" means the provision to customers of the
43 retail commodity of gas, but does not include any regulated
44 distribution service;

45 "Government aggregator" means any government entity subject
46 to the requirements of the "Local Public Contracts Law," P.L.1971,
47 c.198 (C.40A:11-1 et seq.), the "Public School Contracts Law,"

1 N.J.S.18A:18A-1 et seq., or the "County College Contracts Law,"
2 P.L.1982, c.189 (C.18A:64A-25.1 et seq.), that enters into a written
3 contract with a licensed electric power supplier or a licensed gas
4 supplier for: (1) the provision of electric generation service, electric
5 related service, gas supply service, or gas related service for its own
6 use or the use of other government aggregators; or (2) if a
7 municipal or county government, the provision of electric
8 generation service or gas supply service on behalf of business or
9 residential customers within its territorial jurisdiction;

10 "Government energy aggregation program" means a program and
11 procedure pursuant to which a government aggregator enters into a
12 written contract for the provision of electric generation service or
13 gas supply service on behalf of business or residential customers
14 within its territorial jurisdiction;

15 "Governmental entity" means any federal, state, municipal, local
16 or other governmental department, commission, board, agency,
17 court, authority or instrumentality having competent jurisdiction;

18 "Greenhouse gas emissions portfolio standard" means a
19 requirement that addresses or limits the amount of carbon dioxide
20 emissions indirectly resulting from the use of electricity as applied
21 to any electric power suppliers and basic generation service
22 providers of electricity;

23 "Leakage" means an increase in greenhouse gas emissions
24 related to generation sources located outside of the State that are not
25 subject to a state, interstate or regional greenhouse gas emissions
26 cap or standard that applies to generation sources located within the
27 State;

28 "Market transition charge" means a charge imposed pursuant to
29 section 13 of P.L.1999, c.23 (C.48:3-61) by an electric public
30 utility, at a level determined by the board, on the electric public
31 utility customers for a limited duration transition period to recover
32 stranded costs created as a result of the introduction of electric
33 power supply competition pursuant to the provisions of P.L.1999,
34 c.23 (C.48:3-49 et al.);

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

44 "Micro-combined heat and power generating equipment" means
45 an integrated, co-generating building heating and electrical power
46 generation system, operating on any fuel and with any applicable
47 engine, fuel cell, or other technology, with a rated capacity of at

1 least one kilowatt and not more than fifty kilowatts electric and any
2 thermal output at full load, having a design total fuel use efficiency
3 in the production of heat and electricity of not less than eighty
4 percent, or at least fifty-one kilowatts electric and not more than
5 two hundred and fifty kilowatts electric design total fuel use
6 efficiency in the production of heat and electricity of not less than
7 sixty-five percent, that annually produces at least two thousand
8 kilowatt hours of useful energy in the form of electricity that may
9 work in combination with supplemental or parallel conventional
10 heating systems, that is manufactured, installed and operated in
11 accordance with applicable government and industry standards, and
12 that is connected to the electric transmission or distribution system
13 and operated in conjunction with an electric public utility's
14 transmission or distribution facilities;

15 "Net proceeds" means proceeds less transaction and other related
16 costs as determined by the board;

17 "Net revenues" means revenues less related expenses, including
18 applicable taxes, as determined by the board;

19 "Off-site end use thermal energy services customer" means an
20 end use customer that purchases thermal energy services from an
21 on-site generation facility, combined heat and power facility, or co-
22 generation facility, and that is located on property that is separated
23 from the property on which the on-site generation facility,
24 combined heat and power facility, or co-generation facility is
25 located by more than one easement, public thoroughfare, or
26 transportation or utility-owned right-of-way;

27 "On-site generation facility" means a generation facility, and
28 equipment and services appurtenant to electric sales by such facility
29 to the end use customer located on the property or on property
30 contiguous to the property on which the end user is located. An on-
31 site generation facility shall not be considered a public utility. The
32 property of the end use customer and the property on which the on-
33 site generation facility is located shall be considered contiguous if
34 they are geographically located next to each other, but may be
35 otherwise separated by an easement, public thoroughfare,
36 transportation or utility-owned right-of-way, or if the end use
37 customer is purchasing thermal energy services produced by the on-
38 site generation facility, for use for heating or cooling, or both,
39 regardless of whether the customer is located on property that is
40 separated from the property on which the on-site generation facility
41 is located by more than one easement, public thoroughfare, or
42 transportation or utility-owned right-of-way;

43 "Person" means an individual, partnership, corporation,
44 association, trust, limited liability company, governmental entity or
45 other legal entity;

46 "Private aggregator" means a non-government aggregator that is
47 a duly-organized business or non-profit organization authorized to

1 do business in this State that enters into a contract with a duly
2 licensed electric power supplier for the purchase of electric energy
3 and capacity, or with a duly licensed gas supplier for the purchase
4 of gas supply service, on behalf of multiple end-use customers by
5 combining the loads of those customers;

6 "Public utility holding company" means: (1) any company that,
7 directly or indirectly, owns, controls, or holds with power to vote,
8 ten percent or more of the outstanding voting securities of an
9 electric public utility or a gas public utility or of a company which
10 is a public utility holding company by virtue of this definition,
11 unless the Securities and Exchange Commission, or its successor,
12 by order declares such company not to be a public utility holding
13 company under the Public Utility Holding Company Act of 1935,
14 15 U.S.C.s.79 et seq., or its successor; or (2) any person that the
15 Securities and Exchange Commission, or its successor, determines,
16 after notice and opportunity for hearing, directly or indirectly, to
17 exercise, either alone or pursuant to an arrangement or
18 understanding with one or more other persons, such a controlling
19 influence over the management or policies of an electric public
20 utility or a gas public utility or public utility holding company as to
21 make it necessary or appropriate in the public interest or for the
22 protection of investors or consumers that such person be subject to
23 the obligations, duties, and liabilities imposed in the Public Utility
24 Holding Company Act of 1935 or its successor;

25 "Regulatory asset" means an asset recorded on the books of an
26 electric public utility or gas public utility pursuant to the Statement
27 of Financial Accounting Standards, No. 71, entitled "Accounting for
28 the Effects of Certain Types of Regulation," or any successor
29 standard and as deemed recoverable by the board;

30 "Related competitive business segment of an electric public
31 utility or gas public utility" means any business venture of an
32 electric public utility or gas public utility including, but not limited
33 to, functionally separate business units, joint ventures, and
34 partnerships, that offers to provide or provides competitive services;

35 "Related competitive business segment of a public utility holding
36 company" means any business venture of a public utility holding
37 company, including, but not limited to, functionally separate
38 business units, joint ventures, and partnerships and subsidiaries, that
39 offers to provide or provides competitive services, but does not
40 include any related competitive business segments of an electric
41 public utility or gas public utility;

42 "Renewable energy certificate" or "REC" means a certificate
43 representing the environmental benefits or attributes of one
44 megawatt-hour of generation from a generating facility that
45 produces Class I or Class II renewable energy, but shall not include
46 a solar renewable energy certificate;

1 "Resource recovery facility" means a solid waste facility
2 constructed and operated for the incineration of solid waste for
3 energy production and the recovery of metals and other materials
4 for reuse which the Department of Environmental Protection has
5 determined are in compliance with current environmental standards,
6 including, but not limited to, all applicable requirements of the
7 federal "Clean Air Act" (42 U.S.C. s.7401 et seq.);

8 "Restructuring related costs" means reasonably incurred costs
9 directly related to the restructuring of the electric power industry,
10 including the closure, sale, functional separation and divestiture of
11 generation and other competitive utility assets by a public utility, or
12 the provision of competitive services as such costs are determined
13 by the board, and which are not stranded costs as defined in
14 P.L.1999, c.23 (C.48:3-49 et al.) but may include, but not be limited
15 to, investments in management information systems, and which
16 shall include expenses related to employees affected by
17 restructuring which result in efficiencies and which result in
18 benefits to ratepayers, such as training or retraining at the level
19 equivalent to one year's training at a vocational or technical school
20 or county community college, the provision of severance pay of two
21 weeks of base pay for each year of full-time employment, and a
22 maximum of 24 months' continued health care coverage. Except as
23 to expenses related to employees affected by restructuring,
24 "restructuring related costs" shall not include going forward costs;

25 "Retail choice" means the ability of retail customers to shop for
26 electric generation or gas supply service from electric power or gas
27 suppliers, or opt to receive basic generation service or basic gas
28 service, and the ability of an electric power or gas supplier to offer
29 electric generation service or gas supply service to retail customers,
30 consistent with the provisions of P.L.1999, c.23 (C.48:3-49 et al.);

31 "Retail margin" means an amount, reflecting differences in
32 prices that electric power suppliers and electric public utilities may
33 charge in providing electric generation service and basic generation
34 service, respectively, to retail customers, excluding residential
35 customers, which the board may authorize to be charged to
36 categories of basic generation service customers of electric public
37 utilities in this State, other than residential customers, under the
38 board's continuing regulation of basic generation service pursuant to
39 sections 3 and 9 of P.L.1999, c.23 (C.48:3-51 and 48:3-57), for the
40 purpose of promoting a competitive retail market for the supply of
41 electricity;

42 "Shopping credit" means an amount deducted from the bill of an
43 electric public utility customer to reflect the fact that such customer
44 has switched to an electric power supplier and no longer takes basic
45 generation service from the electric public utility;

46 "Small scale hydropower facility" means a facility located within
47 this State and connected to the distribution system, and that meets

1 the requirements of, and has been certified by, a nationally
2 recognized low-impact hydropower organization that has
3 established low-impact hydropower certification criteria applicable
4 to: (1) river flows; (2) water quality; (3) fish passage and
5 protection; (4) watershed protection; (5) threatened and endangered
6 species protection; (6) cultural resource protection; (7) recreation;
7 and (8) facilities recommended for removal;

8 "Social program" means a program implemented with board
9 approval to provide assistance to a group of disadvantaged
10 customers, to provide protection to consumers, or to accomplish a
11 particular societal goal, and includes, but is not limited to, the
12 winter moratorium program, utility practices concerning "bad debt"
13 customers, low income assistance, deferred payment plans,
14 weatherization programs, and late payment and deposit policies, but
15 does not include any demand side management program or any
16 environmental requirements or controls;

17 "Societal benefits charge" means a charge imposed by an electric
18 public utility, at a level determined by the board, pursuant to, and in
19 accordance with, section 12 of P.L.1999, c.23 (C.48:3-60);

20 "Solar alternative compliance payment" or "SACP" means a
21 payment of a certain dollar amount per megawatt hour (MWh)
22 which an electric power supplier or provider may submit to the
23 board in order to comply with the solar electric generation
24 requirements under section 38 of P.L.1999, c.23 (C.48:3-87);

25 "Solar renewable energy certificate" or "SREC" means a
26 certificate issued by the board or its designee, representing one
27 megawatt hour (MWh) of solar energy that is generated by a facility
28 connected to the distribution system in this State and has value
29 based upon, and driven by, the energy market;

30 "Stranded cost" means the amount by which the net cost of an
31 electric public utility's electric generating assets or electric power
32 purchase commitments, as determined by the board consistent with
33 the provisions of P.L.1999, c.23 (C.48:3-49 et al.), exceeds the
34 market value of those assets or contractual commitments in a
35 competitive supply marketplace and the costs of buydowns or
36 buyouts of power purchase contracts;

37 "Stranded costs recovery order" means each order issued by the
38 board in accordance with subsection c. of section 13 of P.L.1999,
39 c.23 (C.48:3-61) which sets forth the amount of stranded costs, if
40 any, the board has determined an electric public utility is eligible to
41 recover and collect in accordance with the standards set forth in
42 section 13 of P.L.1999, c.23 (C.48:3-61) and the recovery
43 mechanisms therefor;

44 "Thermal efficiency" means the useful electric energy output of a
45 facility, plus the useful thermal energy output of the facility,
46 expressed as a percentage of the total energy input to the facility;

1 "Transition bond charge" means a charge, expressed as an
2 amount per kilowatt hour, that is authorized by and imposed on
3 electric public utility ratepayers pursuant to a bondable stranded
4 costs rate order, as modified at any time pursuant to the provisions
5 of P.L.1999, c.23 (C.48:3-49 et al.);

6 "Transition bonds" means bonds, notes, certificates of
7 participation or beneficial interest or other evidences of
8 indebtedness or ownership issued pursuant to an indenture, contract
9 or other agreement of an electric public utility or a financing entity,
10 the proceeds of which are used, directly or indirectly, to recover,
11 finance or refinance bondable stranded costs and which are, directly
12 or indirectly, secured by or payable from bondable transition
13 property. References in P.L.1999, c.23 (C.48:3-49 et al.) to
14 principal, interest, and acquisition or redemption premium with
15 respect to transition bonds which are issued in the form of
16 certificates of participation or beneficial interest or other evidences
17 of ownership shall refer to the comparable payments on such
18 securities;

19 "Transition period" means the period from August 1, 1999
20 through July 31, 2003;

21 "Transmission and distribution system" means, with respect to an
22 electric public utility, any facility or equipment that is used for the
23 transmission, distribution or delivery of electricity to the customers
24 of the electric public utility including, but not limited to, the land,
25 structures, meters, lines, switches and all other appurtenances
26 thereof and thereto, owned or controlled by the electric public
27 utility within this State; and

28 "Universal service" means any service approved by the board
29 with the purpose of assisting low-income residential customers in
30 obtaining or retaining electric generation or delivery service.

31 (cf: P.L.2009, c.289, s.1)

32

33 2. This act shall take effect immediately.