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**Remarks of the New Jersey Utility Shareholders Association  
on the Straw Proposal to Establish a Utility Infrastructure Program**

**Presented by Karen D. Alexander, President**

**May 4, 2017**

Good afternoon. I am Karen Alexander, President of the New Jersey Utility Shareholders Association (NJUSA). NJUSA is a not-for-profit, volunteer association of New Jersey residents who have invested in one or more of the publicly traded entities that have a subsidiary utility operating in New Jersey. I appreciate the opportunity to appear here today and applaud the BPU for taking the initiative to develop and seek comments on this important proposal to establish a five-year Infrastructure Investment Program. On behalf of our members, please accept my strong support for this proposal.

Who are utility investors? Most, although not all, are retirees. Some are former utility employees who were secretaries, managers, linemen and women, customer service representatives, treatment plant operators or meter readers. Some never worked for a utility, but have retirement funds in a pension or 401(k) plan that contain utility stocks. Or, as often happens, some heard from a family member or friend many years ago that utility stocks are a good, stable investment, that offer the opportunity to earn a fair return on the dollars invested and the potential for the payment of dividends that could be a stable source of income in later years.

NJUSA speaks to the interests of many thousands of New Jerseyans who choose to invest in New Jersey utilities' parent companies and do so with the expectation that they will be able to earn a fair return on their investment. NJUSA members are not just shareholders, they also are ratepayers, and perhaps more than most citizens, understand BPU's charge to balance the interests of ratepayers and shareholders. What likely distinguishes our members from others similarly situated is, while they need utility service to be available today at a reasonable cost *and* delivered safely and reliably, they also need a return on their utility investment that recognizes the value of their contribution to the provision of safe and reliable service now and in the future.

Why would NJUSA members care whether the BPU moves forward with this proposal? They care for two very important reasons: 1) as residents of the Garden State, most of whom are senior citizens, NJUSA members need safe and reliable utility service as much as other New Jerseyans, if not more so as seniors. 2) NJUSA members are literally invested in the growth and financial integrity of the New Jersey utilities that make a substantial contribution to New Jersey's economy.

For our members, the return on their utility investment is an important portion of their income. For New Jersey and its utilities, the ability to attract and retain investors like NJUSA members is a critical component to ensuring that high-quality and efficient service is delivered now and continues to be available from financially viable utilities well into the future.

When the BPU Commissioners undertake to balance the needs of ratepayers with those of shareholders, NJUSA's members look for that balancing to occur. Seldom portrayed in the public arena is the fact that ***utility shareholders are not just big institutional investors or corporate executives, many are individual citizens, some of limited means, who have contributed the dollars that make infrastructure investment possible and who also are utility ratepayers.***

Our members see the value of infrastructure investment not only to themselves and others who rely on utility service, but also to the jobs that will be created and the important contributions to New Jersey's economy that will result. For all these reasons, we urge the BPU to advance this proposal to the rulemaking stage and develop a final regulation that will enable these benefits to accrue to the State and all of its residents and businesses.

Thank you for the opportunity to appear here today. I'd be glad to respond to any questions.