



THE NEW JERSEY ADVOCATE



Quarterly Publication

A Publication of the Division of the Ratepayer Advocate

Summer 2005

Message from the Director

Bring the Ratepayer Advocate to Your Community



Seema M. Singh
Ratepayer Advocate

One of the most gratifying activities as New Jersey's Ratepayer Advocate is the opportunity to meet directly with ratepayers while conducting consumer education presentations throughout the State of New Jersey.

Hearing your concerns about state energy, telecommunications and water services and answering your questions keeps me focused on our mission at the Ratepayer Advocate--to represent ratepayers' requests for and right to

receive quality and safe services at the most reasonable rates.

The most requested presentations, "Understanding Your Utility Bill" and "Conserve Energy and Save Money" cover many ratepayer concerns. These topics are most popular as consumers look for ways to save money as energy costs continue to rise. Consumers tell me that after they follow some of the simple suggestions we make during our presentations, they become more careful when they review their bills, understand their usage and, after making a few simple changes in their homes, start using less energy.

One of the most frequent questions I hear from senior citizens is what to do when they cannot afford to pay their utility bills. Our presentation, "Apply for Financial Assistance to Pay for Your Utility Bills," has helped many seniors receive funding and qualify for programs that help them conserve energy and receive state rebates on energy-smart appliances.

Wherever I go, consumers tell me they are pleased to learn that they have options and rights as utility customers, and that

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Message from the Acting Governor

Safeguarding New Jersey's Water Supply



Richard J. Codey
Acting Governor

The old saying that "you don't miss the water until the well runs dry" has unfortunately become a truth in New Jersey in recent years. While most of us don't think about it on a daily basis, having a good water supply becomes a vital consideration when there is a water shortage that causes restrictions in our daily routines like watering our gardens, washing cars or just letting the faucet run to get a cool drink.

To plan for our state's water future, my Administration is taking steps to safeguard our drinking water. In June, I authorized the elevation of key water resources in the state to the highest level quality of water protection. This protection

was given to the Shark River Brook watershed and tributaries that serve as a water supply for many Monmouth County residents. Protecting critical water resources such as Shark River Brook is especially important in rapidly developing areas like Monmouth County. Shark River supplies water to

Glendola Reservoir, a drinking water source previously designated as a Category One (C1) waterbody in April 2003. This designation (C1) targets almost 22 miles of waterbodies and tributaries located in the Shark River Brook watershed on the basis of their exceptional water supply significance.

The C1 designation, the highest form of water quality protection afforded by the state, intends to prevent any measurable deterioration in existing water quality and limits

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THE RATEPAYER ADVOCATE EDUCATES CONSUMERS CONTACT US TO SCHEDULE A PRESENTATION IN YOUR AREA

(973) 648-2690

njratepayer@rpa.state.nj.us

Ratepayer Advocate Seema M. Singh will come to a location of your choice and speak about consumer issues including: Conservation Tips, Understanding Your Utility Bill, Financial Assistance Programs, Clean Energy Programs, Cable TV Regulation, Voice Over Internet Protocol and Water Conservation.

Speakers can be scheduled during day and evening hours. The seminars, complete with power point presentations, can be tailored to meet your audience's specific needs. We also provide educational materials for distribution. (See back page for more details.)



Residents of Harrison review the Ratepayer Advocate's Consumer Conservation Handbook during a presentation on energy conservation at the Harrison Senior Citizen Center on July 6.

RATEPAYER ADVOCATE ON THE ROAD

JULY 6, 2005 - Ms. Singh presented a consumer education program on energy conservation at the Harrison Senior Citizen Center.

JULY 15, 2005 - Ms. Singh gave a presentation on energy conservation to the Morris County Council of Older Persons Organizations at the Morris County Office of Human Services in Morris Plains.

AUGUST 19, 2005 - The Ratepayer Advocate gave a consumer education presentation on energy conservation at the Hunterdon County Division of Senior Services in Flemington.

SEPTEMBER 22, 2005 - Ms. Singh will give presentations on "Understanding Your Utility Bill" and "Conserve Energy and Save Money" at the Bergen County Activities Center in North Arlington.

SEPTEMBER 26, 2005 - Ms. Singh will give a presentation on "How to Reduce Your Utility Bill" at the Plainsboro Municipal Court in Plainsboro.

OCTOBER 5, 2005 - The Ratepayer Advocate will give an energy conservation presentation at the Franklin Lakes Public Library.

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ON THE RATEPAYER ADVOCATE RADAR

FCC Requires VoIP Providers to Provide Enhanced 911 Service

The FCC now requires providers of Voice over Internet Protocol (VoIP) phone service to supply enhanced 911 emergency calling capabilities to their customers, a requirement supported by the Ratepayer Advocate in comments filed last year with the FCC.

The FCC's May 19 ruling gave providers four months from the order's date to make the emergency service a standard, rather than an optional feature.

This requirement is good news for consumers, but is only a small step toward what is needed before this innovative technology benefits all users. Strong joint state and federal regulation of VoIP technology is also necessary for the benefit of ratepayers.

The Ratepayer Advocate supports consumers receiving the same level of service and safety with their VoIP service as they do with traditional telephone service.

Obligation of Regional Bell Operating Companies (RBOCs) to Provide Refund

The Ratepayer Advocate filed comments with the FCC urging the agency to deny the RBOCs' request for refund obligations to be treated as extraordinary events. If the FCC grants the RBOC's request, the cost of the refund reimbursement will be passed on to ratepayers through increased rates instead of the cost being borne by shareholders.



NJ SHARES President Ron Reisman, Elizabethtown Gas Northwest NJ Region Manager Don Carter, BPU Chief of Staff Lance Miller, Ratepayer Advocate Seema Singh, and PSE&G VP of Customer Operations Cecil House discuss the benefits of the NJ SHARES program.

Ratepayer Advocate Seema M. Singh Participates in NJ SHARES 100,000th Grant Ceremony

Ratepayer Advocate Seema Singh participated in a ceremony on July 21 marking the 100,000th grant made by NJ SHARES. The organization helps hardworking people, otherwise ineligible for low-income federal and state support who, despite their industry and extreme efforts, cannot afford to pay their ever increasing energy bills.

"This excellent achievement, as wonderful as it is, underscores the continuing critical need in our state for financial assistance to help working families pay their utility bills," Singh commented in her speech.

As Ratepayer Advocate, Singh hears about these needs from consumers throughout the state almost daily. The most vulnerable members of our society, seniors and others on fixed incomes, hardworking families, persons with health problems and single parents are having the most difficulties paying their energy bills. "Although as a society we are statistically wealthy and comfortable, we cannot forget that many of the state's residents are still struggling to pay their bills for essential services. New Jersey families should not have to choose between 'heat or eat'," said Singh.

For these reasons, the Ratepayer Advocate consistently supports NJ SHARES, LIHEAP and other state and federal programs that help address these needs.



Elizabethtown Gas Northwest NJ Region Manager Don Carter, NJ SHARES President Ron Reisman, PSE&G VP of Customer Operations Cecil House, NJ SHARES' 100,000th grant recipients Alnisa Lindsay and Robert Hicks with their children, Ratepayer Advocate Seema Singh, and BPU Chief of Staff Lance Miller.

By the Numbers

- New Jersey SHARES can assist with up to \$250 for gas, up to \$250 for electric, or up to \$500 for electrically heated homes.
- Over 5 million eligible U.S. households received LIHEAP assistance this past winter.
- 155,000 of those were New Jersey households, that is, over half a million New Jersey residents.
- The number of LIHEAP recipients nationally has risen by over a million and a half since 2003.
- This past year an additional 23,000 New Jersey households required assistance.
- Many other families not eligible for state, county, federal assistance programs are in need of help with their energy bills.

TIPS FOR CONSERVATION AND PRESERVATION

Reduce Your Electric Bill This Summer

We all remember the summer of 2003 when 50 million people, including 750,000 in New Jersey, lost power in a massive regional blackout. Practicing energy conservation is especially important in the summer when energy is at peak use and costs are higher. The following tips can reduce your energy consumption, reduce stress on the system and save you money.

Simply following these tips can save you hundreds of dollars a year. Best of all, you won't have to sacrifice comfort to save on your cooling bills. For more cooling and energy conservation tips as well as water conservation tips, download a free copy of the Ratepayer Advocate's Consumer Conservation Handbook, now in its 2nd edition, at www.rpa.state.nj.us.

TURN IT UP A NOTCH

Set the cooling thermostat as high as comfort will permit. The higher the setting, the more energy you save.

KEEP YOUR COOL

Turn off central air conditioning 30 minutes before you plan to leave your home. The house will remain cool until you go.

SHOP SMARTER

When shopping for a new air conditioner, make sure it is the right size for the area you are cooling. The wrong size air conditioner will use more electricity and increase your energy bills. Also, buy an energy efficient unit with the **Energy Star** label.

FLIP THE SWITCH

Turn off lights, TVs and computers when not in use. They make air conditioners work harder.

DON'T WASTE YOUR AC

Close cooling vents or turn off window air conditioners in unused rooms and close the door.

LET A COOL BREEZE IN

Open windows during moderate weather instead of using your air conditioner.

ADJUST YOUR SCHEDULE

To stay comfortable during the hottest hours of the day, do your cooking, laundry and bathing in the early morning or late evening. These activities increase the level of humidity in your home, making it less comfortable and forcing the air conditioner to work even harder.



Celebrating Asian Pacific American Heritage Month at the Division of the Ratepayer Advocate are Virginia Ng, National Vice President of Chapter Development and Finance, Organization of Chinese Americans, Kara Yu Schnure, President, Greater Southern NJ Korean American Association, Ratepayer Advocate Seema M. Singh, Ludivina Hughes, Assistant Director, NJ Department of Banking and Insurance, Office of Consumer Finance, Bichlien Hoang, Executive Program Manager, Institute of Electrical and Electronics Engineers, Vicki Chen, Vice President, The Asian American Heritage Council.



Ratepayer Advocate Seema Singh with Chief of Staff Kimberly Holmes and Litigation Manager Paul Flanagan.

Message from the Director

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my office is available to help them.

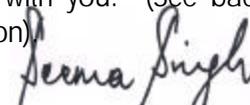
Consumers also express their concerns about the impact of the many mergers and acquisitions in the telecommunications, gas and electric industries on costs and services.

Be assured that the Ratepayer Advocate will study the merger proposals very carefully from the perspective of their impact on ratepayers. Their consequences for ratepayers are potentially great. For example, the merger between PSEG and Exelon will create one of the biggest gas and electric companies in the United States.

We also receive many questions about continuing increases in cable TV bills. One of our presentation topics, "Understand Your Cable TV Rights," provides information about cable rates and the fact that the federal government has taken away most of the authority to regulate cable TV rates from the states and that your federal legislators should be contacted about your cable TV concerns.

My sincere thanks to all the ratepayers I have met at local libraries, at senior citizen groups, at community centers and at town halls. This very rewarding exchange of information helps me and my staff know what concerns you. We also hope you find our presentations helpful to you.

If I haven't yet visited in your community, call my office today and schedule a presentation with us. I look forward to meeting with you. (See back page for consumer topics and how to schedule a presentation).


Seema M. Singh
Ratepayer Advocate

CONSUMER ADVICE

How do I go about finding out what my options are for choosing an electric and natural gas supplier? Is there a website that lists the companies I have to choose from and their rates?

The Board of Public Utilities' web site lists natural gas and electric suppliers licensed to serve customers in New Jersey at www.bpu.state.nj.us/home/energy.shtml.

Telephone numbers are provided so that you can inquire as to the current rates and products of these companies.

For a list of electric suppliers, under the heading **Electric Customer Shopping Information** click on **Electric Suppliers**, and then select **Electric Generation Suppliers by Utility Service Territory**. For a list of Natural Gas suppliers, under the heading **Energy Supplier Information** click on **List of Approved Natural Gas Suppliers by Utility Service Territory**.

Be aware that switching energy suppliers does not guarantee that you will save money. However, you may find suppliers that provide cleaner electricity produced from renewable sources. Be sure to carefully read all the terms and conditions being offered by competitive suppliers.

You can find more information about shopping for a new energy supplier in our Consumer Assistance Handbook, and our Conservation Handbook gives you suggestions for conserving energy, and thereby saving money, in your home. These and other publications are available on our website at www.rpa.state.nj.us via the "Publications" link.



Ratepayer Advocate Seema M. Singh discusses the benefits of conserving energy with a group from the Morris County Council of Older Persons Organizations in Morris Plains on July 15.

"Be aware that switching energy suppliers does not guarantee that you will save money."

If you do not understand a term or provision of the contract and are not getting a satisfactory answer, do not enter into the deal. Some contracts make it possible for the energy supplier to change your rates according to market price fluctuations in any given month (commonly referred to as a variable rate contract). Under such a contract you may end up paying more for energy in a given month than if you remained with your current utility.

Ratepayer Advocate Seema M. Singh Urges Conservation as Gas Utilities Seek Increases

In Spring 2005, New Jersey's four natural gas utilities filed petitions with the Board of Public Utilities to raise monthly rates. If approved, the average residential customer will see an increase of anywhere from \$3.55 to \$12.25 in their average monthly gas bill. (See chart below)

The increase requested by each utility company differs because a range of factors, including bulk buying and hedging prices differs for each. Ratepayer Advocate Seema Singh attributes some of the rate increase requests to the soaring price of natural gas, which is rising steadily because

of supply shortages and a booming economy.

"I have significant concerns about the extent of the requested increases and our evaluations will focus on the critical issues of whether the companies' proposals allow ratepayers to pay the lowest rates possible consistent with receiving safe, reliable and proper service," Singh said.

If approved by the BPU, the increases would take effect October 1, 2005. Last year the utilities received increases ranging from 2 percent to 7.6 percent.

"Whatever the final decision regarding the requests to raise rates, I want to remind New Jersey residents that energy conservation can help offset price increases."
Seema M. Singh, Ratepayer Advocate

| Company* | Rate Per therm | Percent Increase | Monthly Bill Increase | Average Monthly Bill |
|------------------------|----------------|------------------|-----------------------|----------------------|
| PSE&G | 0.8652 | 10.6% | \$12.25 | \$129.12 |
| Elizabethtown Gas | 0.8724 | 2.8% | \$3.55 | \$129.45 |
| New Jersey Natural Gas | 0.9335 | 4.2% | \$5.40 | \$134.93 |
| South Jersey Gas | 0.9295 | 4.6% | \$5.88 | \$138.61 |

*Chart based on an average residential customer using 100 therms per month.

RATEPAYER ADVOCATE IN THE NEWS

Exelon's Deal for Public Service [Enterprise Group] Faces all Manner of Opposition

In more than 36 filings with a federal agency, opponents say the \$12 billion deal would create an industry behemoth that could wield undue power in setting prices for electricity and gas throughout the region.

"It is going to create the largest utility in the United States and the largest power generator," New Jersey Ratepayer Advocate Seema Singh said. "When you have such large market power, you...have a monopoly, and that's not good for consumers."

--*The Sunday Star Ledger*, May 8, 2005

[Ratepayer Advocate] Takes Stand Against Carriers' Refund Petition to FCC

The state [R]atepayer [A]dvocate...filed comments with the FCC yesterday asking it to deny the request from regional Bell operating companies (RBOCs) and other carriers to treat their refund obligations to independent payphone service providers as an "extraordinary event."

"The refund obligations of the [RBOCs] and other carriers should not be passed on to ratepayers," [Ratepayer Advocate] Seema Singh said. "It is unfair to require consumers to pay for the refunds when the telephone carriers improperly assessed these charges in the first instance."

The state [Ratepayer Advocate] said it is the sole responsibility of the RBOCs and other carriers to cover such payments.

--*TR's State News Wire*, May 27, 2005

Two Utilities Seek Increases in Gas Bills

Elizabethtown Gas and New Jersey Natural Gas yesterday filed proposals with the state to raise monthly bills for their residential customers 2.8 percent and 4.2 percent, respectively, blaming higher wholesale gas prices.

New Jersey Ratepayer Advocate Seema Singh blamed the rate increases on the soaring price of natural gas, which has risen steadily because of supply shortages and a booming economy.

"There are multiple factors that are leading to these increases," said Singh, who urged consumers to limit the effect of the increases by conserving how much energy they use.

--*The Star Ledger*, June 2, 2005

Division of the Ratepayer Advocate to Participate in CERT Program



Ratepayer Advocate Seema M. Singh and Sgt. Joseph Geleta, pictured at the Governor's Volunteer Awards ceremony, have been working to promote the volunteer program, CERT-- Community Emergency Response Team. Geleta serves as the state coordinator for CERT.

Ratepayer Advocate Seema M. Singh has been working to promote an important volunteer program called CERT (Community Emergency Response Team) throughout the state. The CERT program, sponsored by the Federal Emergency Management Agency (FEMA) enables adult members of the community to assist first responders in emergencies, including fires, floods and cases of lost or kidnapped children.

Singh, a strong advocate of community service, is working with Sarah A. Thoma, Executive Director of the Governor's Office Of Volunteerism, and Sergeant Joseph Geleta, State Coordinator for the CERT program, to create a greater awareness of the program.

Staff members of the Division of the Ratepayer Advocate will participate in CERT training in September.

In the event of emergencies, CERT members provide critical support to first responders, provide immediate assistance to victims and organize spontaneous volunteers at a disaster site. CERT members also work with non-emergency projects that help improve the safety of the workplace and their community. CERT training requires 20 hours of instruction over an eight-week period. For more information on the CERT program, call 1-877-237-8411 or visit www.state.nj.us/njoem/emb_cert.html.

Acting Governor Codey's Advisory Council on Volunteerism and Community Service

Ratepayer Advocate Seema M. Singh was recently appointed by Acting Governor Richard J. Codey to serve on the Governor's Council on Volunteerism and Community Service.

The Governor's Advisory Council on Volunteerism and Community Service encourages the expansion of volunteerism and community service in New Jersey by advising and supporting the mission of the Governor's Office of Volunteerism.

"Community service and volunteerism have always been an important part of my professional and personal life and I look forward to serving on the council to advance the spirit of volunteerism in New Jersey," said Singh.

In her first duty as a council member, Singh participated in the Governor's Volunteer Awards at the Statehouse on July 29, 2005. The ceremony honored 14 individuals and three organizations for their outstanding dedication, commitment and spirit of service to New Jersey.



Ratepayer Advocate Seema M. Singh joins members of the Governor's Advisory Council on Volunteerism and Community Service at the Governor's Volunteer Awards ceremony at the Statehouse on July 29.

WHAT'S HAPPENING IN TRENTON



Ratepayer Advocate Monitors Verizon's Proposed Statewide Franchise for Cable TV

Ratepayer Advocate Seema M. Singh is closely monitoring a proposal from Verizon New Jersey seeking a statewide franchise to provide cable TV service to New Jersey's municipalities.

Verizon wants to enter the cable TV market

by selling television service over a high-speed fiber-optic network and has approached the state Legislature to request legislation that allows for a statewide franchise for cable TV service which would eliminate the requirement for the company to negotiate individual cable franchises in each of the state's municipalities.

Singh attended a June 15 seminar on the issue sponsored by the New Jersey League of Municipalities at the National Guard Armory in Lawrenceville. At the invitation of Plainsboro Mayor Cantu, President of the League, a packed room of local officials heard from a panel of experts on the issue, including Assemblyman Wilfredo Caraballo, chairman of the Assembly Telecommunications & Utilities Committee; Jeanne Fox, President of the Board of Public Utilities; Dennis Bone, President of Verizon New Jersey; Karen D. Alexander, President of

the NJ Cable Telecommunications Association; Al LiCata, Bernards Township Councilman; and John Belardo, Esq., special counsel for the League.

Verizon contends its entry into the cable marketplace will establish a competitive environment, which will improve services at lower costs. The cable industry says that while it supports a

competitive climate, Verizon is seeking special treatment through the statewide franchise process.

Reaction from municipal officials at the seminar was mixed. While they welcome better services and lower prices, many officials said they needed more details before they could support the proposal. Some expressed concerns over losing the ability to negotiate local franchises.

Assemblyman Caraballo announced that the legislation would not be considered before the summer recess of the Legislature and that the issue may be taken up in the fall.

Ratepayer Advocate Singh plans to work closely with the Legislature, the BPU, the state's municipalities, Verizon and the cable industry on this important issue to ensure that New Jersey's cable customers receive the best services at the lowest costs possible.

The Ratepayer Advocate supports competition in the cable TV market, but wants to ensure that there is a level playing field for all competitors.

The Ratepayer Advocate believes statewide franchise legislation should include the following:

- ✦ Existing municipal services and payments continued at least at current levels.
- ✦ Regulation by the Board of Public Utilities maintained to the largest extent possible.
- ✦ Specific and strong protections imposed to guarantee that all municipalities are serviced in a timely fashion.
- ✦ Specific timelines and plans on rollout and expansion of service.
- ✦ A requirement for basic cable service at a reasonable cost for those who do not want enhanced services.
- ✦ Adequate protections to prevent cross subsidization between telephone and cable TV subscribers.

Message from the Acting Governor

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Acting Governor Richard J. Codey announced a new coastal initiative to protect the integrity and economic viability of the Jersey Shore at the Summit on the Shore III on April 20.

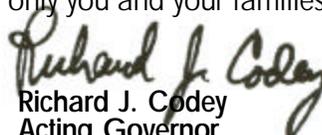
development that affects and discharges pollutants into the streams. Under the state's stormwater rules, C1 waterbodies are protected from new development within a 300-foot buffer on either side of the waterway.

Ratepayer Advocate Seema Singh is a strong proponent of conservation as a way to protect our natural resources to ensure the availability in New Jersey of safe drinking water at reasonable rates. My Administration has made the preservation of water resources to protect and provide future generations with abundant and clean drinking water one of our major priorities.

We encourage all residents to think about how they might be able to help by participating in community cleanups to keep debris from polluting our waters. While you are enjoying some of our state's wonderful beaches or one of the tributaries, think not only about the state's water supply but also about the earth's

water supplies: 75 percent of the earth is covered with water, only 1 percent of it is available for human use.

New Jersey must remain active in the struggle to preserve the quality of our drinking water. We are committed to protecting our state's critical water resources and will continue to work to save our drinking water and ecologically sensitive habitats for the future. Please join me in this effort which will protect not only you and your families now, but also the generations to come.


Richard J. Codey
Acting Governor
State of New Jersey

REQUEST A SPEAKER FOR YOUR ORGANIZATION

Ratepayer Advocate Seema M. Singh will come to a location of your choice and speak about consumer issues including: Conservation Tips, Understanding Your Utility Bill, Financial Assistance Programs, Clean Energy Programs, Cable TV Regulation, Voice Over Internet Protocol and Water Conservation.



Name _____

Organization _____

Topics of Interest _____

Date & Time Preferred _____

Number of Participants _____

Address & Phone _____

Speakers can be scheduled during day and evening hours. The seminars, complete with power point presentations, can be tailored to meet your audience's specific needs. We also provide educational materials for distribution.

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