



State of New Jersey
DIVISION OF RATE COUNSEL
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Governor

SHEILA OLIVER
Lt. Governor

BRIAN O. LIPMAN
Director

March 18, 2022

Members of the Senate Law and Public Safety Committee
P.O. Box 099
Trenton, N.J. 08625

RE: S2356/A3671 (Extends prohibition on certain utility discontinuances for certain customers)

Members of the Senate Law and Public Safety Committee:

I write this letter of support on behalf of the Division of Rate Counsel regarding S2356 (Extends prohibition on certain utility discontinuances for certain customers.), which is up for consideration before the committee on March 21, 2022. I regret that I am unable to make the committee meeting, but hope you will consider our comments on this urgent and important bill that will help protect ratepayers who are struggling to pay their utility bills in these challenging times.

As you are aware, Rate Counsel represents and protects the interests of all utility customers – residential customers, small business customers, small and large industrial customers, schools, libraries, and other institutions in our communities. Rate Counsel is a party in cases where New Jersey utilities seek changes in their rates or services. Rate Counsel also gives consumers a voice in setting energy, water, and telecommunications policy that will affect the rendering of utility services well into the future.

Rate Counsel supports this bill as it could serve as a lifeline to many customers who are struggling to pay past due and current utility bills in addition to all their other expenses (food, health care, shelter, child care, etc.). This pandemic has been especially financially challenging to many households and families. Although the utility shut-off moratorium recently ended on March 15th, it is clear that many ratepayers are still struggling to pay their utility bills and other expenses (nearly 1,000,000 utility customers are in arrears). Many of these ratepayers are facing the real threat of losing utility service and are seeking the help they need to pay their bills. It would be inherently unfair to shut off services to ratepayers while they seek help. Giving these ratepayers in need the time to allow the process to work without penalizing them is a significant protection. Conversely, shutting off service for those in need and are in the process of obtaining help, is unreasonable. Rate Counsel asks you to support this bill. The pandemic has not stopped utilities from asking ratepayers to pay additional rate increases approved by the Board of Public Utilities over the past two years. The need for help is real, and the protections must be in place for our ratepayers.

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This bill provides that, if a residential customer submitted an application for utility assistance before June 15, 2022 to a state agency but has not received a determination from the appropriate State agency, the provisions of Executive Order No. 246 of 2021 concerning a grace period for residential customers will remain in effect for 60 days after the customer submitted the application. If the customer completes the application, any local authority, municipal utility, public utility, or rural electric cooperative within the residential customer's service territory is to continue to provide electric, gas, sewer, or water service to that residential customer until such time as the application is approved or rejected by the appropriate State agency. Each State agency that administers a utility assistance program must submit a written biweekly report to each utility, listing the customers who have either submitted or completed an application, as well as the protections of this bill. The bill also requires the State agency that administers the utility assistance program to approve or reject each application for assistance within 90 days of submission of a completed application, and to report certain details of its determination to each utility within three days.

The bill also clarifies the protection of residential real property from the placing, sale or enforcement of liens, whether or not the lien has been sold or struck off to the municipality prior to January 1, 2022. If a residential customer has appealed a State agency's denial of a utility assistance program application, the bill would extend these lien protections until the conclusion of administrative review by the State agency.

We urge you to pass this bill as that will help keep the essential services of water, electric and gas available to the State's most vulnerable residents.

Please let us know if you have any questions. We very much appreciate the opportunity to share our comments on behalf of the State's ratepayers. Please feel free to contact our office if you have any questions. Thank you for your attention to these important matters.

Sincerely,

/s/ Brian O. Lipman

**Brian O. Lipman, Director
NJ Division of Rate Counsel**

cc: Senator Brian Stack
Senator Vin Gopal
Assemblyman Raj Mukherji
Assemblywoman Cleopatra Tucker
Assemblyman Paul Moriarty
Assemblywoman Britnee Timberlake
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Jessica Murray, Chief of Staff for Sen. Greenstein
Thomas Kelly/Amanda Holland, OLS Aides
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Michelle McArthur, Secretary to the Committee

Susan McClure, Managing Attorney for Water and Wastewater, Rate Counsel

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