

provided before discontinuance of service for any reason. The proposed amendments will substantially impede the utilities’ ability to provide safe and reliable service. For customers who have not provided a means of contacting them electronically, implementation of the proposed rule makes it necessary for utilities to send notice by mail and attempt to make in-person contact or leave a door hanger prior to disconnecting service. Moreover, the commenter’s current systems would still require that each potentially impacted customer be manually identified before any electronic notice could be sent. The commenter strongly recommends that the Board not implement the proposed modifications. At a minimum, the phrase “to the extent reasonably possible” should not be stricken from the regulation in recognition of the fact that there are circumstances which will require prompt action by the utilities. (JCP&L)

RESPONSE TO COMMENTS 1, 2, 3, AND 4: Board staff originally deleted the phrase “to the extent reasonably possible” in the notice of proposal. After reviewing comments against that approach, the Board proposes to keep this language. While the Board believes that it is important that customers be notified when a utility suspends, curtails, or discontinues service for any reason other than nonpayment and that two forms of notification is preferred, the Board believes that there are times when this is not reasonably possible and the utilities should be able to disconnect service without providing two forms of notice. There are times when requiring two forms of notice will cause delayed restoration that can lead to the prolonged existence of hazardous conditions. Prompt action to disconnect a customer’s service may be necessary for the purpose of making repairs, complying with any governmental order or directive, or mitigating hazardous conditions that may place customers and utility employees at risk of physical harm or death. Some customers have not provided a means of contacting them electronically and have not provided current phone information. When a utility needs to disconnect one of these customers, implementation of the proposed rule would make it necessary for the utility to send notice by mail and attempt to make in-person contact or leave a door hanger prior to disconnecting service. Waiting until a customer is reached by mail would cause significant delays before a utility could disconnect service. In these instances, the Board believes that the amendment, as originally proposed, would substantially impede the utilities’ ability to provide safe and reliable service. Based on the foregoing, the Board proposes to keep the language “to the extent reasonably possible” in the rule.

Effect of Proposed Change on Impact Statements Included in Original Proposal

The change to the proposed amendment will not affect the impact statements included in the original notice of proposal. The change clarifies that the specified two forms of reasonable notice that must be provided to the customer when a utility suspends, curtails, or discontinues service for any reason other than nonpayment must be provided to the extent reasonably possible. This change will not affect the Social, Economic, Jobs, Agriculture Industry, or Racial and Ethnic Community Criminal Justice and Public Safety Impacts; the Federal Standards Statement; the Regulatory Flexibility Statement; or the Housing Affordability or Smart Growth Development Impact Analyses, as published in the original notice of proposal.

Full text of the proposed substantial change to the proposed amendments follows (deletions from proposal indicated in italicized cursive brackets {thus}):

SUBCHAPTER 3A. DISCONTINUANCE AND RESTORATION OF SERVICE

14:3-3A.1 Basis of discontinuance of service

(a)-(c) (No change.)

(d) When a utility suspends, curtails, or discontinues service for any reason other than nonpayment, the utility shall provide reasonable notice to the customer{[, to the extent reasonably possible{)]. **Such notice may include, but is not limited to, the use of two or more of the following: mailings, text messages, email, telephone calls, door hangers, and/or in-person contact with the customer. The utility shall provide proof of such notice to Board staff upon request.**

(e) (No change.)

(a)

**BOARD OF PUBLIC UTILITIES
Electric Service**

Proposed Readoption with Amendments: N.J.A.C. 14:5

Proposed New Rule: N.J.A.C. 14:5-2.10

Authorized By: New Jersey Board of Public Utilities, Joseph L. Fiordaliso, President, Mary-Anna Holden, Dianne Solomon, Upendra Chivukula, and Robert M. Gordon, Commissioners.
 Authority: N.J.S.A. 48:2-12, 48:2-13, 48:2-16, 48:2-25, and 48:3-96.
 Calendar Reference: See Summary below for explanation of exception to calendar requirement.
 BPU Docket Number: EX21091121.
 Proposal Number: PRN 2022-102.

The deadline for comments on this matter is 5:00 P.M. on October 14, 2022. Please submit comments directly to the specific docket above using the New Jersey Board of Public Utilities’ (Board) Public Document Search (publicaccess.bpu.state.nj.us) tool and the “Post Comments” button. Written comments may also be submitted to:

Secretary of the Board
 ATTN: EX21091121
 44 South Clinton Ave., 1st Floor
 PO Box 350
 Trenton, NJ 08625-0350
 Phone: 609-292-1599
 Email: board.secretary@bpu.nj.gov

All comments are considered “public documents” for purposes of the State’s Open Public Records Act. Commenters may identify information that they seek to keep confidential by submitting it in accordance with the confidentiality procedures set forth at N.J.A.C. 14:1-12.3.

The agency proposal follows:

Summary

The New Jersey Board of Public Utilities is proposing to readopt with amendments and a new rule, the provisions at N.J.A.C. 14:5, Electric Service, which were scheduled to expire on July 22, 2022, pursuant to N.J.S.A. 52:14B-5.1.c. As the Board filed this notice of readoption with the Office of Administrative Law prior to that date, the expiration date is extended 180 days to January 18, 2023, pursuant to N.J.S.A. 52:14B-5.1.c(2). The Electric Service rules delineate the requirements that electric distribution companies (EDCs), subject to the jurisdiction of the Board, must abide by in such areas as the construction, inspection, and maintenance of a utility plant, the testing and accuracy of electric meters, residential underground extensions, vegetation management, and the maintenance and preservation of records and accounts. The rules are necessary in that they relate directly to the provision of safe, adequate, and proper service by regulated New Jersey EDCs.

The substantive provisions of the chapter proposed for readoption with amendments and new rules by the Board are summarized as follows:

N.J.A.C. 14:5-1.1 delineates the scope and applicability of Chapter 5 and is proposed for readoption without amendment. Specifically, this section states that all EDCs are required to comply with the provisions at Chapter 5 and the provisions of the Board’s rules for all utilities contained at Chapter 3.

N.J.A.C. 14:5-1.2 includes a list of definitions for terms that are used throughout Chapter 5. The section is proposed for amendment to add the following newly defined terms: “AMI” (advanced metering infrastructure), “assisted living facility,” “danger tree,” “full time equivalent,” “hospital,” “interruption, extended,” “nursing home,” and “total number of customers served.” The terms “assisted living facility,” “hospital,” and “nursing home” were added to define their use at new N.J.A.C 14:5-8.11(e); “danger tree,” “interruption, extended,” and “total number of customers served” were added to clarify their use in other definitions; and “AMI” and “full time equivalent” were added as new

terms to existing provisions. This section also contains proposed amendments to the definition of “wire zone” to specify the currently implemented version of the North American Electric Reliability Corporation (NERC) FAC-003 standard and “major event” to clarify when a major event can be declared, the duration of an event, and situations limiting its use.

N.J.A.C. 14:5-2.1 pertains to the applicable standards for plant construction. This section is proposed for amendment to update the reference for the National Electrical Safety Code (NESC) to its current version, which was already effective and incorporated by reference pursuant to subsection (b), and to update how to access the electronic version of the document. The NESC is updated every five years and offers guidance to safeguard people when electrical supply and communication lines are designed, installed, operated, and maintained. This change clarifies and ensures that the most current code is followed.

N.J.A.C. 14:5-2.2 pertains to the separation and protection of communication and supply conductors or cables that are buried in the earth and is proposed for readoption without amendment. Subsection (a) delineates the requirement that buried communication and supply conductors be separated by specified distances, depending on the type of material used to separate the buried cables. Subsection (b) provides four exceptions to the main requirement contained at subsection (a).

N.J.A.C. 14:5-2.3 pertains to the protection of buried supply conductors and cables at all crossings that are above communication conductors or cables and is proposed for readoption without amendment. Subsection (b) provides two exceptions to the main requirement at subsection (a).

N.J.A.C. 14:5-2.4 pertains to the protection of communication and supply conductors or cables that are installed in the same trench generally parallel to each other and is proposed for readoption without amendment.

N.J.A.C. 14:5-2.5 requires fault protection for cables where buried communication and power supply conductors of 550 volts or more between conductors are installed in the same trench without separation and is proposed for readoption without amendment.

N.J.A.C. 14:5-2.6 requires each EDC to properly identify its underground cables and is proposed for readoption without amendment.

N.J.A.C. 14:5-2.7 requires specific ground protection where communication and power supply conductors are buried in the same trench without separation and is proposed for readoption without amendment.

N.J.A.C. 14:5-2.8 pertains to the required depths for communication and power supply cables of over 550 volts between conductors that are buried in the same trench without separation or mechanical protection and is proposed for readoption without amendment. This section also specifies the depth that the cables should be buried.

N.J.A.C. 14:5-2.9 requires EDCs to inspect and maintain street lighting lamps and accessories pursuant to established industry practice. This section heading and subsection (a) are proposed for amendment to clearly identify street light rules and remove references to inspection of property.

Proposed new N.J.A.C. 14:5-2.10 requires EDCs to perform safety and service inspections before reinstalling equipment in its system. This language is relocated from N.J.A.C. 14:5-2.9(a).

N.J.A.C. 14:5-3.1 pertains to the supply of polyphase service and defines that term and is proposed for readoption without amendment.

N.J.A.C. 14:5-3.2 pertains to the adequacy of service provided by EDCs. This section sets forth the requirements for the standard average value of voltage for EDCs supplying electric energy on a constant potential system and requires EDCs supplying alternating current to adopt and maintain a suitable standard frequency and is proposed for readoption without amendment.

N.J.A.C. 14:5-3.3 sets forth the conditions under which main service cabinets or cabinets enclosing main fuses or breakers may be sealed and is proposed for readoption without amendment.

N.J.A.C. 14:5-3.4 requires the grounding of secondaries to be in accordance with the NESC and is proposed for readoption without amendment.

N.J.A.C. 14:5-3.5 sets forth those instances in which an EDC may refuse to connect with a customer’s installation and is proposed for readoption without amendment.

N.J.A.C. 14:5-3.6 requires EDCs to report accidents in accordance with the requirements at N.J.A.C. 14:3-6.4 and is proposed for readoption without amendment.

N.J.A.C. 14:5-4.1 describes the equipment to be maintained by EDCs for the testing of electric meters and to the inspection of such equipment and is proposed for readoption without amendment. Specifically, subsection (a) requires the EDCs to have a testing lab and the equipment necessary to test the accuracy of the meters. Subsection (b) requires the EDCs to have portable meter testing devices. Subsection (c) requires the EDCs to have the proper equipment to test the accuracy of portable watt-hour meters and subsection (d) requires watt-hour meters to be certified. Subsection (e) requires all portable meters to be checked against reference standards at least once a week and subsection (f) allows the instruments and standards referenced in this section to be certified by a standardizing laboratory that has been approved by the Board.

N.J.A.C. 14:5-4.2 requires the periodic testing of electric meters according to the schedule contained at subsection (a). Subsection (b) identifies how the kilowatt rating of a direct current meter may be determined. Subsection (c) states how all alternating current watt-hour meters installed on customers’ premises shall be tested. The section is proposed for readoption without amendment.

N.J.A.C. 14:5-4.3 pertains to the accuracy of electric meters and is proposed for readoption without amendment. Subsection (a) states the percentage of error registration that is acceptable in a meter. Subsection (b) prohibits a meter that registers “no load” from being put into service or remain in service. Subsection (c) stipulates how the accuracy of a meter shall be determined during periodic testing. Subsection (d) identifies what “light load” is and subsection (e) identifies how accuracy shall be determined for complaint testing.

N.J.A.C. 14:5-4.4 requires that all electric meters installed outdoors must be compensated for temperature variations and is proposed for readoption without amendment.

N.J.A.C. 14:5-4.5 pertains to the adjustment of electric meters after testing and the testing for accuracy prior to installation and is proposed for readoption without amendment.

N.J.A.C. 14:5-5.1 pertains to the governance of extensions of electric service and is proposed for readoption without amendment. Specifically, extensions are governed by the provisions set forth at N.J.A.C. 14:3-8.

N.J.A.C. 14:5-6.1 adopts by reference the Uniform System of Accounts (USOA) for Class A and B Electric Utilities promulgated by the Federal Energy Regulatory Commission (FERC). The purpose of the USOA is to require the affected electric utilities to adopt a uniform system of accounting by which to keep their books, records, and accounts in a manner that will afford an intelligent understanding of the conduct of their business. The USOA creates a series of accounts and a related numbering system by which to record various financial transactions pertaining to operating expense accounts, utility plant accounts, balance sheet accounts, income accounts, operating revenue accounts, and operation and maintenance expense accounts. The website containing information about the USOA has been updated. This provision is proposed for readoption with minor technical edits.

N.J.A.C. 14:5-6.2 adopts by reference, rules proposed for adoption by the states and by the National Association of Regulatory Utility Commissioners governing the preservation of records by electric utilities and is proposed for readoption without amendment. This section specifies that particular types of records are to be placed into certain categories and establish period of times during which such records should be maintained. The categories established by the rules include corporate records, automatic data processing records, general accounting records, insurance records, operation and maintenance records, personnel records, plant and depreciation records, purchase and store records, revenue accounting and collecting records, tax records, and treasury records.

N.J.A.C. 14:5-7.1 establishes guidelines that EDCs must adhere to in constructing overhead transmission lines and is proposed for readoption without amendment.

N.J.A.C. 14:5-8.1 sets forth the purpose and scope of Subchapter 8, as it pertains to measuring reliability and ensuring the quality of the electric service being delivered to New Jersey customers by EDCs, and is proposed for readoption without amendment.

N.J.A.C. 14:5-8.2 pertains to reliability performance levels and is proposed for readoption without amendment. Specifically, the section requires the EDCs to perform better than the minimum reliability levels at N.J.A.C. 14:5-8.5 and that failure to maintain these levels may result in penalty.

N.J.A.C. 14:5-8.3 pertains to service reliability programs and procedures. This section requires EDCs to ensure that they maintain minimum reliability levels for their respective operating areas and is proposed for readoption without amendment.

N.J.A.C. 14:5-8.4 requires EDCs to consider power quality in the design and maintenance of their distribution power-delivery system components and to maintain power quality programs designed to promptly respond to customer reports of power quality problems and is proposed for readoption without amendment.

N.J.A.C. 14:5-8.5 pertains to individual circuit reliability performance and is proposed for readoption without amendment. Subsection (a) requires EDCs to identify the reliability of their circuits on a predefined basis and subsection (b) requires EDCs to improve the reliability of their poor performing circuits. Subsection (c) requires EDCs to review their previous two reports in order to address the reliability performance for their operating areas. Subsection (d) requires EDCs to examine the equipment and circuits for operating areas that have values higher than the minimum performance level of Customer Average Interruption Duration Index (CAIDI) and System Average Interruption Frequency Index (SAIFI) in two of the past three reports. Additionally, the worst performing circuits and equipment serving those circuits shall be identified and corrected.

N.J.A.C. 14:5-8.6 requires each EDC to have inspection and maintenance programs for all their distribution facilities and is proposed for readoption without amendment. Subsection (a) requires that a significant portion of the inspection programs should be focused on mitigating the causes of service interruption. Subsection (b) requires compliance plans for inspections, maintenance, and recordkeeping. In addition, subsection (c) requires all EDCs to maintain records of inspection and maintenance activities. Subsection (d) requires each EDC to track and report "hazard trees" that cannot be mitigated.

N.J.A.C. 14:5-8.7 requires the EDCs to submit quarterly reports. Subsection (a) requires the EDCs to track and report outage data, excluding IEEE 1366 momentary outages and major events, that includes: outage type (primary, secondary, or service line, specific equipment), circuit ID and type, source substation, number of customers on the circuit, municipality where outage occurred, number of customers affected by this outage, start date/time of outage, total duration of outage in minutes, and the cause of outage (for example, vegetation, equipment failure, outside influence). The section also specifies that each EDC may use its own method for identifying the type of outage, that an explanatory summary of unique circumstances or potential problems identified, and glossary of terms be provided, and that all outage data must be submitted in a Microsoft Office Excel spreadsheet file with the explanatory summary in another Microsoft Office or Adobe Acrobat compatible format. Proposed new subparagraph (a)1x will require the SAIFI and CAIDI calculations for the quarter reported and year-to-date. Subsection (b) requires the EDCs to submit an additional Microsoft Office Excel spreadsheet detailing outages at the substation level. This information will include the substation ID, number of outages experienced at each substation due to substation specific equipment, duration of outages, number of customers affected by each outage, and require an explanatory summary of any unique circumstances or potential problems identified. Subsection (c) requires the quarterly reports be submitted in an electronic form, both in redacted and unredacted forms, in order to protect security sensitive information.

N.J.A.C. 14:5-8.8 provides for the submission by EDCs of an Annual System Performance Report, by May 31st of each year and sets forth the components of such report. The proposed amendments at subsection (a) require filing of public and confidential versions of the report and specifies that Rate Counsel will determine if the information submitted to them is to be in electronic format. Subsection (b) requires EDCs to include their electric service reliability performance operating areas in relation to their SAIFI and CAIDI levels, with a summary value for each EDC's service territory as a whole in relation to their minimum service reliability

levels for those metrics. In addition, the annual report must reflect for the previous calendar year and previous 10 years. Subsection (c) contains a list of the items that should be included in the EDC's annual report, including requirements for information on each EDC's stray voltage program and planned vegetation management activities. Subsection (d) requires hazard tree information, as required at N.J.A.C. 14:5-8.6(d)3. Subsection (e) requires EDCs to include a summary of each major event. Subsection (g) requires that eight percent of its worst-performing circuits are identified in each of its operating areas and further states that the EDCs are required to list the circuits that were addressed, and the work completed to address them during the applicable performance year and identified at the end of the applicable performance year to be addressed in the next performance year and report this in the Annual System Performance Report. Additionally, the EDC must implement mitigation for these circuits for no longer than one year from submission of the Annual System Performance Report and that, if the EDC contends the mitigation work cannot be completed within that timeframe, the EDC must provide a detailed explanation to the Board of the reasons.

N.J.A.C. 14:5-8.9 requires that EDCs submit a report within 15 days of a "major event" and includes a list of the items and summaries that should be included in that report. The proposed amendments change the reporting deadline to 20 days. The list has been expanded to include proposed amendments requiring EDCs to do a thorough investigation of their performance before, during, and after a "major event." The proposed amendments will provide additional information regarding the number, types, and locations of damaged equipment, a list of communications with the public and emergency management officials, detailed outage tracking, a list of estimated restoration times issued by the EDCs, issues hampering restoration, and comprehensive mutual aid contact lists for the Board to better evaluate EDC storm performance. Additionally, references to "crews" have been replaced with full-time equivalents (FTEs).

N.J.A.C. 14:5-8.10 sets forth the criteria for the establishment of service level values for each EDC's CAIDI and SAIFI levels; requires a review, analysis, and corrective action if the minimum reliability level is not met; and states that the Board may adjust this minimum reliability level after considering various factors. Proposed amendments at subsection (a) change the benchmark standard of a five-year average CAIDI and SAIFI from the years 2010-2014 to the "previous five years." The use of a moving average to establish performance levels is reasonable and will help to adjust those levels upward as an EDC with a subpar track record improves its performance.

N.J.A.C. 14:5-8.11 sets forth standards for the prompt restoration of service by EDCs. Subsection (a) requires EDCs to begin to restore service to an affected area within two hours of notification by two customers or more. Further, subsection (a) requires EDCs to begin the prompt restoration of service if they are made aware of an outage by their "operating management system." Subsection (b) limits this section to disruptions of service that are not caused by a major event. Subsection (c) states that EDCs shall place the highest priority on responding to emergency situations. Subsection (d) states that when the EDC is unable to respond within the two hours required at subsection (a), they shall respond as soon as the situation permits. Proposed new subsection (e) sets forth the requirements at P.L. 2021, c. 29, which requires EDCs to give priority to an assisted living facility, hospital, chronic or acute renal dialysis facility, and clinical or research laboratory or institute, after an extended power outage following a major event.

N.J.A.C. 14:5-8.12 pertains to the outage management systems to be implemented by each EDC. Proposed amendments refer to advanced distribution management systems (ADMS) as an alternative to outage management systems (OMS).

N.J.A.C. 14:5-8.13, proposed for readoption without amendment, sets forth the penalties for violations of the reporting and planning and program submission requirements and for other violations of the subchapter.

N.J.A.C. 14:5-9.1 pertains to the purpose and scope of the vegetation management standards contained in Subchapter 9 and is proposed for readoption without amendment.

N.J.A.C. 14:5-9.2 is reserved.

N.J.A.C. 14:5-9.3 pertains to the general requirements that EDCs must abide by in the performance of vegetation management activities and is proposed for readoption without amendment.

N.J.A.C. 14:5-9.4 pertains to the requirements placed upon EDCs for a vegetation management maintenance cycle and is proposed for readoption without amendment.

N.J.A.C. 14:5-9.5 pertains to hazard trees and is proposed for readoption without amendment. Specifically, this section requires that the EDCs must attempt to obtain permission to remove or mitigate identified hazard trees, that if permission is not necessary, the EDC shall arrange to remove or mitigate the hazard tree as part of scheduled vegetation management work to be performed during the current year, unless the vegetation manager (VM) determines that the condition of the hazard tree poses an imminent risk of failure, in which case, the EDC shall remove or mitigate the hazard tree as soon as practicable and that the EDC is required to comply with recording and reporting requirements at N.J.A.C. 14:5-9.9(d)2.

N.J.A.C. 14:5-9.6 pertains to the technical standards of vegetation management, which requires that the EDCs ensure that vegetation management is conducted in accordance with the standards in the publications list at subsection (a) and is proposed for readoption with an update to the web address to obtain the “Best Management Practices, Utility Pruning of Trees, 2004.”

N.J.A.C. 14:5-9.7 pertains to the requirements on EDCs for transmission line vegetation management. The proposed amendment to the rule changes the reference from NERC FAC-003-3 to the currently implemented version of the NERC FAC-003 standard.

N.J.A.C. 14:5-9.8 pertains to distribution line vegetation management and is proposed for readoption without amendment. This section requires all EDCs to inspect and trim vegetation in order to maintain the appropriate horizontal clearance on their distribution lines. Furthermore, on January 1, 2016, all EDCs were mandated to remove any overhanging vegetation in the lock out zone (meaning from the substation or switching station and continues to the first protective device) on the distribution lines. Mature trees may be exempt from the requirements of this section at the reasonable discretion of the EDC’s vegetation manager.

N.J.A.C. 14:5-9.9 pertains to the training, recordkeeping, monitoring, and reporting requirements for EDCs and is proposed for readoption without amendment.

N.J.A.C. 14:5-9.10 pertains to the requirements for public notice that the EDCs are expected to abide by to provide their customers with sufficient notice of upcoming planned vegetation management activities and is proposed for readoption without amendment.

N.J.A.C. 14:5-9.11 pertains to the outreach programs that EDCs are required to conduct to let the public know about the importance of vegetation management activities and is proposed for readoption without amendment.

N.J.A.C. 14:5-9.12 pertains to the penalties that an EDC is subject to for failure to comply with the vegetation management rules and is proposed for readoption without amendment.

As the Board has provided a 60-day comment period on this notice of proposal, this notice is excepted from the rulemaking calendar requirements set forth at N.J.A.C. 1:30-3.1 and 3.2, pursuant to N.J.A.C. 1:30-3.3(a)5.

Social Impact

The rules proposed for readoption with amendments and new rule relate directly to the provision of safe, adequate, and proper service by New Jersey EDCs. Said rules are necessary to ensure that an electric distribution system is constructed and installed pursuant to acceptable standards and is maintained and inspected in a manner that will protect the safety and well-being of the public. The amendments and new rule will ensure that the State’s EDCs continue to provide safe and reliable service to their customers. Amendments that have been proposed to achieve this goal include: 1. clearly defining and limiting the scope of major events for more accurate reliability metrics; 2. enhancing Major Event Report requirements in order for the Board to better understand and evaluate EDCs’ storm response; and 3. requiring EDCs to prioritize the restoration of hospitals, assisted living facilities, nursing homes, dialysis centers and certain medical facilities, and labs. These changes will

increase the accuracy of reliability metrics and allow the Board to better evaluate storm performance, increasing EDCs’ accountability in providing reliable service. Therefore, these changes are anticipated to have a positive social impact for ratepayers and are expected to be well received by the public.

Economic Impact

As a result of the rules proposed for readoption with amendments and new rule, EDCs, as they have in the past, will incur expenses for, among other things, inspecting and testing their plant and meters and maintaining required records, conducting vegetation management activities, and providing notice of proposed vegetation management activities. Since these items represent appropriate business activities, all reasonable levels of costs associated with them will be passed along to ratepayers through rates for service. While the proposed amendments and new rule do include new reporting requirements, minimal economic impact is expected as a result of these changes.

Federal Standards Statement

Executive Order No. 27 (1994) and N.J.S.A. 52:14B-1 et seq., require State agencies that adopt, readopt, or amend State rules that exceed any Federal standards or requirements to include in the rulemaking document a Federal standards analysis. The NERC FAC-003-4 standard, Transmission Vegetation Management, which primarily relate to tree trimming requirements, applies only to transmission lines 69 kilovolts and above. The New Jersey EDCs operate a number of transmission lines, the loss of which may cause widespread outage to customers in New Jersey. Therefore, Chapter 5 requires all transmission lines in New Jersey to meet the NERC Minimum Vegetation Clearance Distances, and also requires the EDCs to remove all vegetation within the relevant EDC’s rights of way, such that no vegetation will fall into the line (N.J.A.C. 14:5-9.7(e)1). The Board’s rules also set forth vegetation management requirements for distribution lines that are not subject to the NERC FAC-003-4 standard.

N.J.A.C. 14:5-6.1 contains the adoption by reference of the USOA for Classes A and B Electric Utilities that have been promulgated by the FERC, as well as any subsequent amendments, revisions, deletions, and corrections, which FERC may make thereto. The remainder of the subject matter of the rules proposed for readoption with amendments is not the subject of any Federal law, rule, or regulation.

Jobs Impact

The Board does not anticipate that the rules proposed for readoption with amendments and new rule will either cause jobs to be generated or lost in any area of the State’s economy.

Agriculture Industry Impact

The Board does not anticipate that the rules proposed for readoption with amendments and new rule will have any impact on the agriculture industry of the State.

Regulatory Flexibility Statement

The rules proposed for readoption with amendments and new rule will not impose reporting, recordkeeping, or other compliance requirements on small businesses, as that term is defined in the Regulatory Flexibility Act, N.J.S.A. 52:14B-16 et seq., in that no regulated New Jersey EDC has fewer than 100 full-time employees.

Housing Affordability Impact Analysis

The rules proposed for readoption with amendments and new rule will have no impact on the affordability of housing in New Jersey and will not evoke a change in the average costs associated with housing because the rules pertain to the regulation of electric utilities.

Smart Growth Development Impact Analysis

The rules proposed for readoption with amendments and new rule will have an insignificant impact on smart growth and there is an extreme unlikelihood that the rules would evoke a change in housing production in Planning Areas 1 or 2, or within designated centers, under the State Development and Redevelopment Plan in New Jersey because the rules pertain to the regulation of electric utilities.

Racial and Ethnic Community Criminal Justice and Public Safety Impact

The Board has evaluated the rulemaking and determined that it will not have an impact on pretrial, detention, sentencing, probation, or parole policies concerning adults and juveniles in the State. Accordingly, no further analysis is required.

Full text of the rules proposed for re-adoption may be found in the New Jersey Administrative Code at N.J.A.C. 14:5.

Full text of the proposed amendments and new rule follows (additions indicated in boldface **thus**; deletions indicated in brackets [thus]):

SUBCHAPTER 1. SCOPE AND APPLICABILITY

14:5-1.2 Definitions

For the purposes of this chapter, the following words and terms shall have the following meanings, unless the context clearly indicates otherwise. Additional definitions that apply to this chapter can be found at N.J.A.C. 14:3-1.1.

...
“AMI” means advanced metering infrastructure, which is an integrated system of smart meters, communications networks, and data management systems that enables two-way communication between utilities and customers.

...
“Assisted living facility” means an assisted living residence or comprehensive personal care home licensed pursuant to N.J.S.A. 26:2H-1 et seq.

“Benchmark” means the **previous** five-year average [(2010-2014)] of CAIDI and SAIFI or a value determined by the Board.

...
“Full-time equivalent” (FTE) means a unit that indicates the workload of an employed person in a way that makes workloads comparable across various contexts. An FTE of 1.0 is equivalent to a full-time worker, while an FTE of 0.5 signals half of a full workload.

...
“Hospital” means hospital licensed pursuant to N.J.S.A. 26:2H-1 et seq.

...
“Interruption, extended” means an interruption of electric service to one or more customers for a period of at least 24 hours.

...
“Major event” means any of the following:

1. A sustained interruption of electric service resulting from conditions beyond the control of the EDC, which may include, but is not limited to, thunderstorms, tornadoes, hurricanes, heat waves, or snow and ice storms, which affect at least 10 percent of the customers in an operating area **within a 48-hour period. Exceeding this time period shall be justified in the Major Event Report.** Due to an EDC’s documentable need to allocate field resources to restore service to affected areas when one operating area experiences a major event, the major event shall be deemed to extend to those other operating areas of that EDC, which are providing assistance to the affected areas. **The duration of the major event shall be limited to the conditions initiating the event and conclude when the final customer outage is restored from the initiating event.** The Board retains authority to examine the characterization of a major event;

2. (No change.)

3. A sustained interruption occurring during an event, which is outside the control of the EDC, and is of sufficient intensity to give rise to a state of emergency or disaster being declared by State government. **The event is concluded upon the restoration of all customers affected by the initial event;** or

4. When mutual aid is provided to another EDC or utility, the assisting EDC may apply to the Board for permission to exclude its sustained interruptions from its CAIDI and SAIFI calculations, **if the aid provided affected the EDC’s ability to respond to those interruptions.** Interruptions occurring during a major event in one or more operating areas shall not be included in the EDC’s CAIDI and SAIFI calculations of those affected operating area(s). However, interruption data for major

events shall be collected, according to the reporting requirements outlined [in] at N.J.A.C. 14:5-8.9 and 8.10.

...
“Nursing home” means a nursing home licensed pursuant to P.L. 1971, c. 136 (N.J.S.A. 26:2H-1 et seq.).

...
“Wire zone” means the land located directly under the widest portion of a transmission line. For a horizontal transmission line, the wire zone is bounded on each side by a location on the ground that is directly under the outermost transmission wire or the transmission tower, whichever is wider. For a vertical transmission array, the width of the wire zone shall be determined using the minimum safe distance specified in the North American Electric Reliability Corporation (NERC) FAC-003, version [three] **four, which is incorporated herein by reference, as amended and supplemented, and available at www.nerc.com.**

SUBCHAPTER 2. PLANT

14:5-2.1 Plant construction

(a) The construction and installation of plant and facilities of EDCs must be in accordance with all of the following, as they applied at the time of construction:

1.-2. (No change.)

3. The [2012] **2023** National Electrical Safety Code, which is available at [<http://standards.ieee.org/nesc/>] <https://standards.ieee.org/products-services/nesc>.

(b) (No change.)

14:5-2.9 Inspection [of property] and repair of street lights

(a) Each EDC shall inspect lamps and street lighting accessories and maintain such service in accordance with N.J.A.C. 14:3-2.7(a) and established industry practice. [Whenever any transformers, high tension insulators, and equipment are removed from the system for any reason they shall be inspected as to safety and serviceability before being reinstalled in the same or other location.]

(b) (No change.)

14:5-2.10 Inspection of property

Whenever any transformers, high tension insulators, and equipment are removed from the system for any reason, they shall be inspected as to safety and serviceability before being reinstalled in the same or other location.

SUBCHAPTER 6. UNIFORM SYSTEM OF ACCOUNTS FOR CLASSES A AND B ELECTRIC UTILITIES

14:5-6.1 Adoption by reference of the Uniform System of Accounts

The Board adopts by reference the Uniform System of Accounts (USOA) for Classes A and B Electric Utilities that have been promulgated by the Federal Energy Regulatory Commission (FERC), as well as all present and subsequent amendments, revisions, deletions, and corrections, which the [Federal Energy Regulatory Commission] FERC may adopt, insofar as they relate to EDCs, subject to the jurisdiction of the Board, and are in accordance with the Board’s policies and procedures. Information about the [(USOA)] may be obtained at [<http://www.ferc.gov/legal/acct-matts/usofa.asp>] www.ferc.gov/enforcement-legal/enforcement/ac-counting-matters.

SUBCHAPTER 8. ELECTRIC DISTRIBUTION SERVICE RELIABILITY AND QUALITY STANDARDS

14:5-8.7 Quarterly reporting

(a) On a quarterly basis, each EDC shall prepare and submit a report to the Board’s Energy Division providing the following information regarding all outages experienced and recorded during each quarter (other than momentary outages, as defined by IEEE 1366 and major events, which shall be excluded). Each quarterly report shall be due within 60 days of the end of the quarter.

1. The quarterly outage reports shall provide the following information:

i.-vii. (No change.)

viii. Total duration of outage in minutes; [and]

ix. The cause of outage (for example, vegetation, equipment failure, outside influence)[.]; **and**

x. **The SAIFI and CAIDI calculations for the quarter and year to date.**

- 2.-4. (No change.)
- (b)-(c) (No change.)

14:5-8.8 Annual System Performance Report

(a) Each EDC shall submit to the Board an Annual System Performance Report by May 31 of each year **and shall include a public and confidential version.** The EDC shall also submit a copy of the report to Rate Counsel at the same time, which may be submitted electronically, at the discretion of [the EDC] **Rate Counsel.**

- (b)-(h) (No change.)

14:5-8.9 Major event report

(a) The EDC shall, within [15] **20** business days after the end of a major event, submit a report to the Board, which shall include the following:

- 1.-2. (No change)
- 3. The number of trouble locations and classifications, **damaged poles, damaged transformers, and estimated miles of wire replaced;**
- 4. The time at which the mutual aid FTEs and non-company contractor [crews] FTEs were requested, arrived for duty, and were released, and the mutual aid and non-contractor response(s) to the request(s) for assistance;
- 5. A timeline profile of the number of company line [crews] FTEs, mutual aid [crews] FTEs, non-company contractor line FTEs, and tree [crews] FTEs working on restoration activities during the duration of the major event; [and]
- 6. A timeline profile of the number of company [crews] FTEs sent to an affected operating area to assist in the restoration effort[.];
- 7. **A summary of emergency management contacts made by the EDC over the course of the outages, including contacts with county office of emergency management (OEM) coordinators, municipal OEM coordinators, mayors, business administrators, police chiefs, and fire chiefs;**
- 8. **A summary of any public communications made by the EDC before, and during, the course of the outages, including communications through radio, newspapers, television, social media, and the EDC’s website;**
- 9. **A list in sequential restoration order of all outage events that were restored, the number of customers restored associated with these events, and the time at which they were restored;**
- 10. **A list of all individual outage events that states the municipality, county, and number of customers affected for each event;**
- 11. **A summary statement regarding when high winds prevented restoration personnel from performing their job functions;**
- 12. **A list detailing the time and date of all requests made by the EDC to other utilities, including parent companies, subsidiaries, and/or “sister” companies, and/or outside contractors or subcontractors for mutual assistance. The nature of each request should also be specified;**
- 13. **The number of roads cleared of utility infrastructure;**
- 14. **A justification for this incident to be considered a major event, if the 48-hour threshold to reach 10 percent or more customer outages within an operating area is exceeded;**
- 15. **A summary of telecommunications sector issues that hampered restoration; and**
- 16. **A list of the estimated times of restoration (ETR) issued by the EDC throughout the restoration (global and operating areas ETRs).**

- (b) (No change.)

14:5-8.10 Establishment of reliability service performance level

(a) For each of an EDC’s operating areas, the reliability performance level is established as follows:

- 1. The operating area’s CAIDI benchmark standard is set at the five-year average CAIDI for the **previous five years** [2010-2014];
- 2. The operating area’s SAIFI benchmark standard is set at the five-year average SAIFI for the **previous five years** [2010-2014];
- 3. (No change.)
- (b)-(c) (No change.)

14:5-8.11 Prompt restoration standards

- (a)-(d) (No change.)

(e) **An EDC shall give priority to an assisted living facility; hospital, chronic, or acute renal dialysis facility; clinical or research laboratory or institute that stores human blood, other human tissue, or human Deoxyribonucleic Acid (DNA); or nursing home for power restoration after an extended interruption following a major event, except when those power restoration efforts divert resources from power restoration efforts needed to maintain overall public safety. In all other cases, an EDC may exercise its discretion to prioritize power restoration to an assisted living facility; hospital; chronic or acute renal dialysis facility; research laboratory or institute that stores human blood, other human tissue, or human DNA; or nursing home after an extended interruption in accordance with the facility’s needs and with the characteristics of the geographic area in which power is being restored.**

14:5-8.12 [Outage] **Advanced distribution management systems (ADMS) and outage** management systems (OMS)

(a) Each EDC shall maintain an **ADMS or OMS** as described in this section.

(b) The **ADMS or OMS** shall consist, at a minimum, of a fully integrated geographic information system (GIS), a sophisticated voice response unit (VRU), a software driven outage assessment tool, and an energy management system/supervisory control and data acquisition (EMS/SCADA).

(c) The **ADMS or OMS** shall be able to digitally map the entire electric distribution system, group customers who are out of service to the most probable interrupting device that operated, associate customers with distribution facilities, generate street-map indicating EDC outage locations, improve the management of resources during a storm, improve the accuracy of identifying the number of customers without electric service, accurately communicate the number of customers without electric service and improve the ability to estimate their expected restoration time, accurately communicate the number and when customers were restored, and dispatch crews and/or troubleshooters [via] **through** computer (mobile data terminals).

(d) As part of the **advanced distribution management system or outage management system**, each EDC shall use appropriate cost benefit analysis for the purpose of adopting smart grid technology to improve reliability. The implementation of smart grid technology shall be reported in the Annual System Performance Report.

SUBCHAPTER 9. ELECTRIC UTILITY LINE VEGETATION MANAGEMENT

14:5-9.6 Technical standards for vegetation management

(a) Each EDC shall ensure that vegetation management conducted on its energized conductors is performed in accordance with the standards and accepted procedures set forth in the following publications, which are incorporated herein by reference, as amended and supplemented:

- 1.-3. (No change.)
- 4. Best Management Practices, Utility Pruning of Trees, 2004. This title is published by the International Society of Arboriculture and may be obtained at [<http://www.isaarbor.com/store/product.aspx?ProductID=65>] <https://www.isa-arbor.com/store/product/65/>;
- 5.-9. (No change.)

- (b)-(g) (No change.)

14:5-9.7 Transmission line vegetation management

- (a) (No change.)

(b) At a minimum, each EDC shall meet the requirements for minimum clearances between any transmission line and the closest vegetation, which are set forth in the North American Electric Reliability Corporation (NERC) [FAC-003-3] **FAC-003-4**, which is incorporated herein by reference, as amended and supplemented and available at www.nerc.com.

- (c)-(i) (No change.)