

# CONSUMER ASSISTANCE HANDBOOK

A Guide from  
The New Jersey Department of the Public Advocate,  
Division of Rate Counsel  
For Cable Television, Electric, Natural Gas,  
Telecommunications, Water and Wastewater Customers

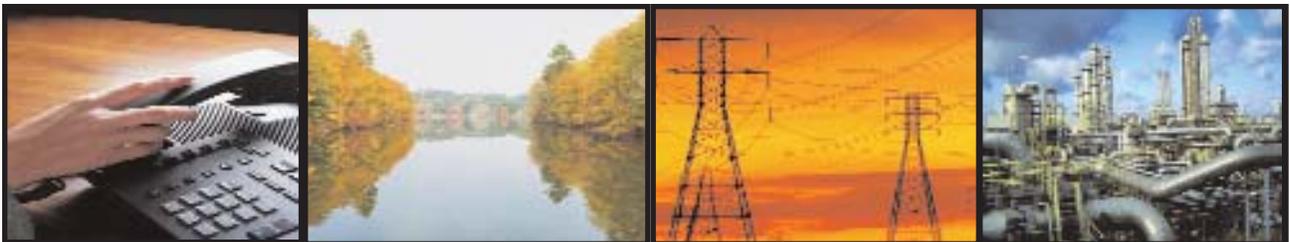


Jon S. Corzine  
Governor

**2006 Edition**



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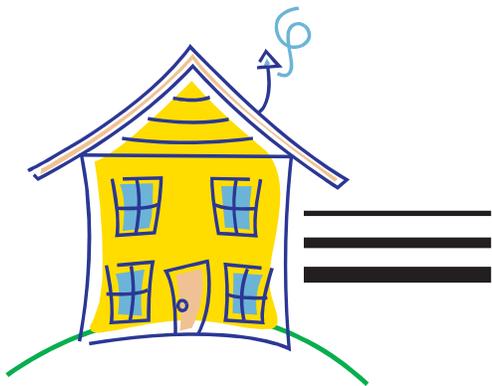


# RATE COUNSEL CONSUMER ASSISTANCE HANDBOOK

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June 2007

Dear Friends:

We are pleased to present the most recent revision of Rate Counsel's *Consumer Assistance Handbook*.

As utility providers change, consumers face complex decisions when choosing their suppliers of electric, natural gas, water, wastewater, cable and telecommunications services. These opportunities for change mean consumers must consider and understand a great deal of information before they can make informed decisions.

To help you make these decisions, the Division of Rate Counsel has prepared this *Consumer Assistance Handbook* providing specific information regarding your utility providers and information for you to consider when selecting electric, natural gas or telecommunications providers and to help you to understand why water, sewer and cable television rates have risen so rapidly in recent years.

In this *Handbook* you will also find your rights as a consumer and useful hints on what to do during drought conditions, other weather emergencies that affect your energy and water services, financial assistance programs and who to contact if you are having problems. A glossary of terms in each subject area is also provided as well as important contact numbers if you need assistance during emergencies.

We hope this handbook will help you in making informed choices. For more assistance, you can access information about New Jersey's essential services on Rate Counsel's website at [www.rpa.state.nj.us](http://www.rpa.state.nj.us) in Spanish and English and can request materials from this office by e-mail or by US mail at the above address.

Please do not hesitate to contact us by mail or website if you have problems this *Handbook* does not address.

We look forward to continue working with you in the future on behalf of the best interests of all state ratepayers.

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# NEW JERSEY DIVISION OF RATE COUNSEL *CONSUMER BILL OF RIGHTS*

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## INTRODUCTION

The Division of Rate Counsel developed this **Consumer Bill of Rights** in collaboration with the National Association of State Consumer Advocates, whose members are advocates from other states throughout the nation, to focus attention on the fundamental ratepayer rights that must be protected — no matter what form utility deregulation or restructuring takes — so that consumers will continue to receive safe, adequate, and reliable cable television, electric, natural gas, telecommunications, water and wastewater services. These essential services must be available for all New Jersey ratepayers.

The deregulation of the electric, natural gas and telecommunications marketplaces in New Jersey and nationally means, among other things, that consumers may choose the companies that supply their electric, natural gas and some telecommunications services.

Although competition is supposed to provide consumers lower rates, new technology and more effective services, competition also raises unique consumer protection issues, including whether providers have an obligation to serve low-income residents in dense urban markets or high cost rural areas and how disputes between customers and their suppliers will be resolved.

Because these lifeline services are basic necessities for every New Jersey consumer of electric, gas, telecommunications and water services, Rate Counsel continues to support consumer protections including the Consumers Bill of Rights, on the following page.

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## CONSUMER BILL OF RIGHTS

- ∩ All consumers must have access to reliable, safe, and affordable energy, telecommunications, and water services.
- ∩ All consumers, including low-income consumers, must be ensured affordable energy, telecommunications and water services through appropriate state and federal policies.
- ∩ All consumers must receive the benefits of new services, technological advances, improved efficiency and competitive prices.
- ∩ All providers of electric, gas, telecommunications and water services must be required to hold licenses as a condition of doing business in New Jersey, and appropriate financial and operational bonds or other requirements must be established and enforced.
- ∩ Standards for protecting consumers in matters such as deposit and credit requirements, service denials and terminations, and deferred payment provisions must be applied to all service providers.
- ∩ All consumers must be protected from anticompetitive practices of providers of electric, gas and telecommunications services.
- ∩ All consumers must be protected from price increases resulting from inequitable cost shifting.
- ∩ Sufficient enforcement resources must be provided to ensure that consumers receive the benefits of this Bill of Rights.
- ∩ All consumers must be protected from unfair, deceptive, unconscionable and fraudulent practices on the part of any provider of electric, gas, or telecommunications services, including practices such as slamming, cramming, pyramid schemes, and deceptive information regarding pricing and terms and conditions of service.
- ∩ All consumers must be given unbiased, accurate, and understandable information concerning the price and terms of service, and in a form that allows simple price and term comparisons. This information must include disclosures about the generation resource mix, the environmental characteristics of their energy purchases, and the safety of potable water supplies.
- ∩ All consumers are entitled to protection of their privacy and must be protected from use of their consumer records or payment history without their express, informed consent.
- ∩ All consumers must have access to an independent administrative process that provides a simple, quick, and effective means of resolving complaints about service and bills from all utility service providers.
- ∩ Standards must be established to ensure quality safe service, so that all consumers receive quality service, including high levels of customer services.

# TELECOMMUNICATIONS SERVICES

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# TELECOMMUNICATIONS SERVICES

## I. INTRODUCTION



The intent of the Federal Telecommunications Act of 1996 (Federal Act) was to open all telecommunications markets to competition so that consumers could enjoy the benefits of increased choices, reduced prices, expanded services, and enhanced technology and innovation. This new telecommunications market is described in several sections of the Federal Act which significantly altered the legal and regulatory framework governing the marketplace for local exchange telecommunications services. Throughout the country, before the passage of the Federal Act, each local market was served by one local exchange carrier, or LEC. In New Jersey that was Bell Atlantic (now Verizon) or United Telephone depending on the part of the state in which you lived.

The Act and the regulations established by the Federal Communications Commission (FCC), is implemented in New Jersey by the Board of Public Utilities. It was intended to eliminate prior statutory, regulatory, and economic barriers to competition which had resulted in a virtual monopoly by LECs in their respective markets. Congress envisioned competition in the local telephone market developing in three ways: through (1) facilities-based competition: construction of new networks by competing carriers; (2) unbundled network elements, or UNEs: the ability of competitors to purchase elements of the incumbent's network and combine them with their own facilities; and (3) resale of existing LEC services.

But as this Handbook is being prepared in 2006, the hope that New Jersey would be open for residential and small business telecommunications competition has grown dim. The FCC and Department of Justice approval of the mergers of SBC/AT&T and Verizon/MCI has all but eliminated any hope for mass market competition. In 2005, several other FCC decisions continued to undermine the regulatory role of the states. The reclassification of Digital Subscriber Lines (DSL) from a telecommunications service to an information service, the reopening of a public comment period on petitions for declaratory rulings calling for federal preemption of state Do Not Call legislation, and the classification of Voice over Internet Protocol ("VoIP") service

as an interstate service not subject to state regulation has many states, including New Jersey, very concerned.

Rate Counsel supports telecommunications competition in New Jersey. We believe that vigorous competition holds the best prospects for providing the greatest benefits to New Jersey's economy as well as to all New Jersey's consumers of telecommunications services. Since New Jersey has the highest population density of all the states in the nation, New Jersey should be among the lowest cost jurisdictions for delivery of network services of all kinds, including telecommunications.

In every telecommunications proceeding, Rate Counsel's efforts on behalf of the state's ratepayers seek to ensure that the prices charged by carriers to consumers as well as competing carriers wishing to interconnect their networks, reflect the inherent economies of providing telecommunications in a high population density environment. It is our firmly held position that competitive pricing and advanced technology will encourage businesses, large and small, to remain in the state and to consider relocation in New Jersey while low income, retired persons, and others on limited incomes should not be excluded from access to the sophisticated technology essential to educational and economic success now and in the future.

## II. SMART CHOICES FOR SMART CONSUMERS: SHOPPING FOR LOCAL TOLL AND LONG DISTANCE CALL PLANS

New Jersey residents can save money on their monthly phone bills by being careful about choosing local toll call and long distance carriers to serve their calling needs. Changes in the law now allow different companies to offer subscribers local toll and long distance telephone services. To obtain the benefits of competition in toll and long distance services, consumers need accurate and detailed information concerning the call options available to them.

### Components of your telephone bill: what are all these charges?



Telephone bills for local, toll, and long distance service are often prepared by your local service provider. These bills contain charges for local service, and may include charges for long-distance service (provided by your long-distance carrier, which may be a separate entity) as well as various charges for collect calls, calling card charges, 900 charges, plus taxes and fees established by the federal government at the same time. Some long distance carriers like AT&T directly bill their customers, so that you may receive a separate bill for your long distance service.

The local service charge covers services provided by your local telephone company. These charges include basic service fees for standard, local telephone service, and may also include additional charges for optional features, such as call-waiting or voice-mail. Toll charges are for calls that go outside the local calling area, but do not cover enough distance to be classified as “long-distance.” New Jersey has relatively small local calling areas, therefore, many of your calls may be billed as regional toll calls. Long distance calls are those carried by your long-distance, or inter-exchange carrier.

### What is a local toll call?

A local toll call is a phone call that doesn’t cover enough distance to be a long distance call, but that travels too far to be a local call. Your local telephone company used to be the only carrier allowed to handle your local toll calls but changes in the law now allow you to choose a local toll call provider in the same way that you choose a long distance provider. Consumers can now also choose two different toll carriers; one for their local toll calls and another for their long distance calls. But, this added choice makes selecting the right carriers even more important.



### How to choose the right calling plan.

One way to save money on local toll and long distance service may be to enroll in a calling plan. There are many calling plans to choose from. While phone companies provide that information, it can be confusing to make comparisons among their rate plans. **[For contact information for incumbent local exchange carriers doing business in New Jersey, see page A - 16.]**

Before selecting a carrier, determine your local toll call and long distance calling habits by closely examining your monthly phone bill and answering the following questions.



- **How many local toll and/or long distance calls were made each month?**
- **On average how long was each call?**
- **What days of the week and times of day were these calls made?**
- **What rate per minute is currently being charged for local toll and long distance calls?**
- **Is there a flat monthly fee, or is there a minimum spending limit?**

**How to get information.**

Request written information from local toll or long distance providers so you can compare their rates and available calling plans to determine which plan best suits your needs. Some carriers may offer discounts if they provide both local toll and long distance service.

For more information on long distance rate plans, Consumer Action, a non-profit advocacy and education organization, offers a free guide to long distance calling plans. Send your request to:

**Consumer Action**  
**116 New Montgomery Street, Suite 223**  
**San Francisco, California 94105**



**How to decide whether to switch carriers.**

Carefully review the information you have collected to determine whether you will save money if you choose other local toll or long distance carriers. **Here are some questions to consider before you change:**

- **What are the available rate plans?**
- **Which rate plan is best given the volume of calls made and calling patterns?**
- **How does your present company measure the length of a phone call for billing purposes? Does it bill by the minute? Every six seconds? Every second? What about the other plans?**
- **Does your present company charge more for the first minute? What about the other plans?**
- **Are there any monthly charges associated with your plan?**



### What about the other plans?

- Does your company offer flat rate plans (one rate for unlimited calls) or measured service (additional charge for calls exceeding a set limit)?

#### What about “dial around” plans?

If you’re unsure about switching your present local toll or long distance carrier, you may want to try one of those access code, or “dial-around” plans — the seven-digit numbers you’ve seen advertised on TV and on those stickers you receive in the mail. To use these plans, you simply dial a seven digit access code before dialing a telephone number. The access code allows you to place a call using another carrier besides your presubscribed long distance carrier. **But, even though some of these plans promise that their rates are lower than your present long distance carrier, before you try them, you should request written information about these plans to determine if you actually will pay less.** In many cases, the dial around plans advertised compare their own rates to the highest available rates offered by long distance carriers. In fact, long distance carriers may offer one-rate plans or calling plans that charge significantly less. For example, the dial around services may also charge you an additional monthly fee the first time you access the dial-around service (even if you only use their service for that single call).

#### What other charges may be on your phone bill?

Telephone bills often include federally-mandated charges such as the **Federal Universal Service Fund (USF)**, and **Subscriber Line Charge (SLC)**.

#### Federal Universal Service Fund (USF)



The USF is a federally-mandated and administered fund that is distributed to local telephone companies to provide affordable telephone service to some consumers: for example, those with low incomes, those living in high cost areas, to schools and libraries, and rural health care providers. These carriers incorporate these funds into their revenue pool, and are thereby able to reduce the monthly service fees that their subscribers pay. The USF seeks to ensure that phone service is available and affordable for all subscribers, ensuring telephone connectivity throughout the nation.



#### Subscriber Line Charges (SLC)

The revenue from the SLC is distributed to local telephone companies. The SLC is a creation of the federal government and is not a tax. The charge is intended to pay for the cost of the local telephone network that is connected to your home or business. According to federal regulations, the SLC cannot exceed \$5.00 for a primary residential line. For a secondary line, i.e., any second line installed at a residential address, regardless of whose name the line is billed under, the SLC can be as much as \$7.00. For businesses, the maximum SLC for a primary line is \$5.00; the maximum SLC for a multi-line business line is \$9.20 per line. The maximum monthly charge for each primary residential, and single-line business subscriber increased to \$6.00 as of July 1, 2002 and to \$6.50 as of July 1, 2003.

### III. SHOPPING TIPS FOR THE INFORMED PHONE CUSTOMER



#### **☎Examine Your Old Telephone Bills to Save Money**

- Before you can comparison shop, you need to know how much you currently spend on phone service, whom you call most often and when you call them. Check your last phone bill (or, better yet, your last three phone bills). Look for the plan that gives you the best rates at the times you usually make most of your calls.

**☎Always Ask If There's a Better Deal** - The calling plan being promoted by long distance or local toll call telephone companies may not be the cheapest plan. Always ask what other plans are available at lower rates.

**☎Every Second Does Count** - It is very important to check out what increments of time a company uses to bill. All phone companies charge based on the duration of your phone call, but they don't all tell time the same way. Some companies will bill you by the minute; others will charge in smaller increments, such as six seconds. If you make a large number of very short calls, whole-minute billing may eat away at any low rate offered. This seemingly small item...billing time increments... can make a big difference over the course of a year's worth of phone bills.

**☎Know Your Calling Patterns** - Many plans charge based on the time of day that you place the call or whether the call is placed on a week-day or weekend. If you make calls at various times of the day and week, it's hard to beat the plans that offer a single flat rate so that the rate is the same no matter what time you call.

**☎Define Off-peak Hours** - If you do choose a phone plan that charges based on whether the call is made during on-peak or off-peak hours, make sure you know when off-peak hours begin. In the past, long distance

companies charged "evening" rates for calls made between 5 p.m. and 11 p.m. while "night rates" started at 11 p.m. But, no longer. Your rates will either be "peak" like the old higher "day rates," or "off-peak." These lower rate "off peak" hours may not begin until 7 p.m.

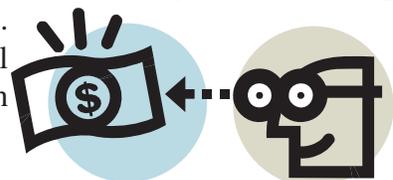
**☎Don't Make Assumptions** - Your current long distance or local toll call company may be offering new, low rates to attract new customers. Don't assume you'll automatically be getting this new deal. You need to call the company and request the lowest rate available.

**☎The More Things Change** - Keep in mind that rates are always changing. Shop around periodically for lower rate offerings and watch for special promotions.

**☎What Have You Done For Me Lately?** Carriers may charge a switching fee per phone line every time you change your local toll call or long distance provider. (That means a separate charge for switching to a new local toll provider or long distance provider). Ask your new provider to pay that switching charge (or PIC charge) to your local phone company. For that matter, if your new calling plan includes a monthly fee, ask for the fee to be waived.

**☎Don't Feel Pressured** - An "average" consumer spends hundreds - and sometimes, thousands annually for local, local toll, and long distance services. Treat telephone service as you would any other major purchase, and take the time to make an informed decision. If you are not sure you want to switch companies, state clearly that you are interested only in receiving information.

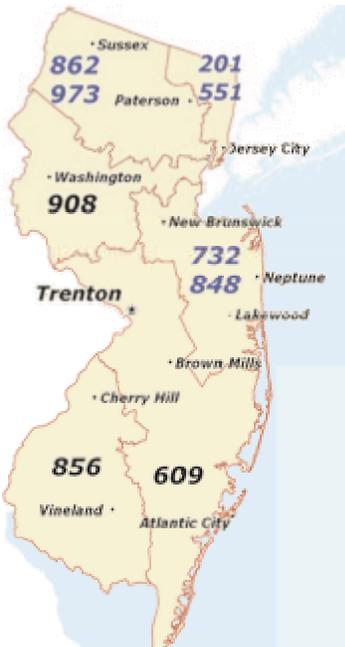
Request all information in writing!



## IV. HAS YOUR AREA CODE CHANGED?

**What is the effect of new area codes on consumers?**

In the last ten years, the number of area codes in New Jersey has more than doubled from three (201, 609, 908) to a current total of seven! However, the introduction of these new area codes does not — and should not — affect consumer's rates.



- Between 1997-1999, three new area codes were added in New Jersey: (973, 732, 856). The introduction of these new area codes were implemented by a method known as a “geographic split”, in which the existing geographic areas were split in two to create a new area code. Customers in the new geographic areas were assigned the new area codes, and were required to change their area codes.
- In March 2001, the Board of Public Utilities approved three new area codes in the existing geographic areas covered by 201, 973, and 732. These new area codes: (551, 862 and 848) were implemented through a method, called an “overlay” in which the new area code is added to the existing geographic area. These geographic areas now have two area codes, and new numbers use the new area codes, as noted on the map.

**201 / 551**  
**973 / 862**  
**732 / 848**

- With the introduction of these new “overlay” area codes, “ten-digit dialing” was introduced. Prior to the area code changes, when your friend had the same area code as you, all you had to do was dial the seven-digit number to call. But now, if you live in one of the geographic areas where a new “overlay” area code was implemented you must dial all 10 digit telephone numbers, including an area code for every call you make. Even if you’re dialing across the street, or next door, you must dial all ten-digits of the number you are calling for every call. But, even though you dial more digits, it should not affect the charge for the call.
- Rates for telephone calls, whether they are local, local toll or long distance, are determined primarily by distance, not by whether consumers make calls outside their area codes. Therefore, even though your friend used to have the same area code as you but now has a different area code, there is no change in the distance of the call and there should be no change in the charge for the call.

## V. CONSUMER RIGHTS AND FINANCIAL ASSISTANCE PROGRAMS

### Telephone Disconnection

**If you do not pay your telephone bill in full, your service can be disconnected.** However, while you have a responsibility to pay your telephone bill in a timely fashion, your local telephone provider also has responsibilities to you, such as providing you proper notice of its' intention to discontinue your service and offering you an opportunity to submit payment.

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**Here are some important rights affecting telephone disconnection.**

- A notice of disconnection must require payment at least 15 days after the date postmarked on the envelope containing the disconnect notice.
- As long as your payment is received within two full business days of the due date printed on the bill, your payment shall be considered “on time” by your carrier.
- If you have not paid your bill in a timely manner, the carrier may discontinue service. However, it must provide at least 10 days written notice of its intention to discontinue. This notice cannot be served until the 15 day period for payment has ended.
- A new notice is required every time a carrier intends to discontinue service for non-payment except when, in response to a notice for disconnection, a customer submits a check for “insufficient funds”.
- Your telephone carrier must make good faith efforts to determine which residential customers in danger of being disconnected are over the age of 65 and must make good faith efforts to notify these customers by telephone as well as by mail.
- **Any notice of disconnection must include the following information:**
  - ◆ A statement that the carrier is subject to the jurisdiction of the Board of Public Utilities, and provide the Board of Public Utilities' telephone number;
  - ◆ A statement that in the event the customer is unable to pay the bill or wishes to contest the bill the customer should contact the carrier and provide a telephone number or address to contact;
  - ◆ A statement that if the customer is unable to pay the entire bill, he may contact the carrier to discuss the possibility of entering a deferred payment program;
  - ◆ The carrier must make a good faith effort to offer a deferred payment program, and may not require more than 25% of the amount due as a down payment;
  - ◆ If customers' financial circumstances change significantly due to factors beyond their control, the carrier must renegotiate or amend the deferred payment program;
  - ◆ Any deferred payment program that will last longer than two months must be in writing;
  - ◆ If customers do not make their deferred payments on schedule, the carrier can disconnect service after providing proper notice;
  - ◆ Current rules now allow consumers to maintain local telephone service even if the non-local telephone bill has not been paid, provided the cost of local service has been paid.



## Telephone Bill Assistance Programs Lifeline and Link-Up

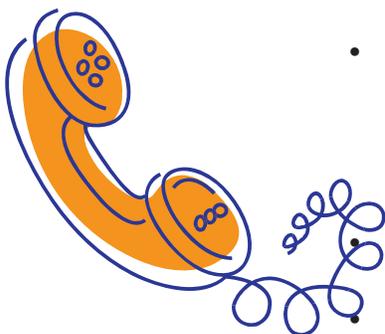
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Federal assistance programs are available from the state's three local telephone providers (Verizon New Jersey, Sprint/United and Warwick Valley) for residential subscribers who qualify. These programs include the Lifeline Assistance Program, offering reductions in the bill for monthly telephone service and Link-Up, offering reductions in charges to obtain service.

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### What is Lifeline?

Lifeline is a federally funded program which helps residential consumers needing financial assistance to maintain monthly telephone service at a reduced rate. Services include:



- Credits on your monthly telephone bill ranging from \$5.25 to \$7.00, depending on your local telephone service provider. The credit represents a waiver of the federal subscriber line charge and/or monthly service charge for residential telephone service.
  - Access to 911 emergency operators.
  - Access to toll free 800/888/877 Services.
  - Access to Directory Assistance Services.
  - Free Toll Restriction Options.
  - Access to certain privacy services, such as Call Trace, Call Block and Caller ID which must be separately purchased.
- Other optional services, such as three-way calling and call waiting are not permitted under the lifeline program.**

Types of calling plans available under the Lifeline program will vary based upon the offerings of your local telephone service provider. Verizon-New Jersey Lifeline customers are now permitted to use its Lifeline Credit for unlimited flat rate service.

As a result of the Board of Public Utilities' approval of a new Alternative Plan of Regulation for Verizon New Jersey (PAR-2) in 2003, eligible participants began to be automatically enrolled in Lifeline. (See the eligibility criteria for Lifeline on the following page)

### What is Link-Up?

Link-Up is a federally funded program which helps consumers who need financial assistance to obtain new telephone service. Link-Up provides financial support for the one-time cost of becoming connected to the network. For consumers eligible for Lifeline service, the Link-Up program provides:

- A reduction of the up-front service connection charge equal to one half of such charges or \$30 (whichever is less).
- An interest-free deferred payment plan for service connection charges which can not exceed \$200.

### How do I qualify for Lifeline and Link-Up?

To be eligible for these programs, you must be a current participant in one of the following New Jersey State programs:



- Food Stamp Program
- General Assistance (GA)
- Home Energy Assistance Program (LIHEAP/HEAP)
- Lifeline Utility Credit/Tenants Lifeline Assistance
- Pharmaceutical Assistance to the Aged and Disabled (PAAD)
- Supplemental Security Income (SSI)
- Medicaid
- Temporary Assistance to Needy Families/Work First New Jersey (TANF/WFNJ)

### *Special Notes on Qualifying for Lifeline and Link-UP*

For seniors to be dependents for Federal Income Tax purposes, they must be sixty years of age or older.

**Sprint/United Telephone Company** also allows applicants who are able to provide proof of income at or below the annual United States Census Poverty Level Guidelines to qualify for these assistance programs. Applicants who wish to be certified for Lifeline pursuant to the low-income option must provide the company one of the following:

- ☎ Currently filed State Income Tax Form
- ☎ Currently filed Federal Income Tax Form, or
- ☎ Equivalent documentation as defined by United Telephone.



### How do I apply?

Contact your local telephone provider to obtain an application for Lifeline or Link-Up. Customers must complete an application form that verifies their receipt of benefits. Contact the local or state agency that administers the assistance that qualifies you for Lifeline or Link-Up benefits, such as your Municipal or County Welfare Offices, the New Jersey Department of Human Services, or the New Jersey Department of Health and Senior Services to complete the portion of the form that verifies you are receiving benefits. Contact your local telephone service provider after you have completed the form to arrange for Lifeline and Link-Up service.

## VI. TELECOMMUNICATIONS SERVICES FOR THE DEAF

As a result of the passage of the Federal Americans with Disabilities Act (ADA), all states are required to provide Telecommunications Relay Service (TRS), which gives people who are deaf, hard of hearing, or speech impaired the ability to communicate with others using telecommunications network services for the deaf (TRS).

### What is TRS?

TRS enables people with hearing or speech disabilities to conduct telephone conversations with others, whether or not they have hearing or speech disabilities. Persons with hearing disabilities use a device that operates as a text telephone (TTYs), by typing in text that is sent out over regular phone lines. The text is directed to hearing persons who serve as communications assistants (CA) at a “relay center”. They read the text and relay the content of calls by human voice to hearing persons at the receiving end of the call. For example, a TTY user may telephone a voice user by calling a relay center, where a CA will place the call to the voice user. Once connected, the CA relays the conversation between the two parties by reading the caller’s typed messages aloud to the hearing person receiving the call, and typing in the response of the hearing person, which is in turn transmitted to the hearing disabled caller as written text through the TTY.



**TRS can also be used by hearing persons wishing to place calls to those with hearing disabilities. TRS is available 24 hours a day, 7 days a week and can be accessed by simply dialing 711.**



## VII. BEWARE OF TELEMARKETING FRAUD

### Slamming and Cramming

Slamming and cramming cause many consumer complaints before state and federal authorities. “Slamming” refers to the unauthorized switching of a customer’s long-distance carrier. Although the federal government has established guidelines for long-distance carrier switches, the use of “fine print” and other deceptive devices are often used by unscrupulous carriers in violation of the law to sign up additional customers. The Federal Communications Commission (FCC) has passed slamming rules that enable customers to seek relief without filing a complaint with the FCC. Instead, customers are directed to call their local and long-distance service providers, and the long-distance carrier which “slammed” them. Customers are not required to pay any charges incurred for the first 30 days after the unauthorized switch. If a customer pays any charges, the “slamming” carrier is required to forward that payment to the original long-distance provider, which is in turn obligated to refund the customer any amount paid in excess of charges that would have been incurred had service with the original provider been maintained.



#### IF YOU HAVE BEEN SLAMMED:

-  Call your local telephone company and report that you have been slammed. Ask to be reconnected to your originally-selected long-distance carrier, and request that all “change of service provider charges” be taken off your bill.
-  Call your original long-distance provider and report the slam. Ask to be reconnected. The long-distance carrier will generally not charge for this switch.
-  Call the carrier that slammed you and instruct that all charges incurred during the first 30 days of “slammed” service must be removed from your bill. Any other charges should be reduced to the amount that would have been charged by your original carrier.

If you are not able to resolve complaints with the company that slammed you, you can file a complaint with the FCC:

**Federal Communications Commission  
Consumer and Governmental Affairs  
Attn: Bureau of Consumer Complaints  
Washington, DC, 20554 (Each federal agency in Washington, DC,  
has its own zip code; therefore, a street address is not necessary.)  
Telephone: (888) 225-5322 Fax: (866) 418-0232**



Complaints can also be filed over the Internet via the FCC’s web site at [www.fcc.gov/ccb/enforcement](http://www.fcc.gov/ccb/enforcement).

“Cramming” refers to billing telephone subscribers for unauthorized services, or for services that were not provided. Frequently, “crammed” charges are not fully explained, and the entities providing those services are not clearly identified. Consumers are urged to review their telephone bills carefully, to look for charges identified only as “service charge,” “membership,” “calling plan,” “other fees,” “service fee,” or similarly vague terms. Cramming may occur either intentionally, or unintentionally. In either event, customers should contact their local telephone company, and the company that billed for the service. Customers, when reviewing bills, should look for services or provider names that they do not recognize. Although a “cram” charge may be relatively small, the \$2.00 you may not notice can add up for the “crammer” who wrongfully assesses the charge on thousands of customers.

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## How to Complain

**Make sure you keep copies of all written complaints whether by hard copy or by e-mail and the dates and name of persons spoken with if you call.**

Complaints regarding cramming of in-state services or charges can be filed with the New Jersey Board of Public Utilities, at (800) 624-0241 or on their web site, [www.bpu.state.nj.us/home/SlammingComplaint.shtml](http://www.bpu.state.nj.us/home/SlammingComplaint.shtml).

Complaints can also be filed in person or by letter to their offices:

**New Jersey Board of Public Utilities  
Division of Customer Assistance  
2 Gateway Center, 8th Floor  
Newark, NJ 07102**



Complaints about charges for interstate or international telephone-related services should be directed to the FCC:

**Federal Communications Commission,  
Common Carrier Bureau, Consumer Complaints  
Mail Stop Code 1600A2  
Washington, DC 20554**

Complaints about non-telephone, “content”-related services (such as psychic lines or dial-a-joke) can be filed with the Federal Trade Commission (FTC). Information on filing a complaint can be obtained from the FTC either on the Internet at [www.ftc.gov](http://www.ftc.gov), by calling (202) 326-3128, or by writing the FTC:

**Federal Trade Commission  
Public Reference Branch, Drop H240  
Washington, DC, 20580**

## VIII. TELEMARKETING: HOW TO PROTECT YOURSELF FROM UNWANTED TELEPHONE SOLICITATIONS

Want to stop your dinner being interrupted by telemarketers asking you to change your phone company, buy life insurance or subscribe to a magazine? Do you wonder how a company obtained your name and number, whether their solicitation is legal and what you can do to limit the number of telephone solicitations you receive?



In May, 2003, the Governor signed legislation establishing the New Jersey Do Not Call law that allows the New Jersey Division of Consumer Affairs to keep tabs on the activities of telemarketers operating in the state and arms the Division with strong enforcement powers. Any individual who has signed up for the federal registry is automatically placed on the State's list and is covered under the law.

As of July 1, 2003, the federal "Do Not Call Registry" is available. You can register on the Internet at <https://www.donotcall.gov/default.aspx>. On the home page, click on "Register a Phone Number". You can also register by calling (888) 382-1222. The hearing impaired should contact (866) 290-4236.

### How do telemarketers get telephone numbers?

Often, telemarketers purchase names, addresses, telephone numbers and other personal information from companies, such as credit card companies and magazine publishers, to whom customers have given personal information.

Sometimes, sales organizations call telephone numbers in numerical order (973) 555-1000, 1001, etc., and do not know the names of the persons called.

An unlisted telephone number can be obtained from a directory assistance operator but a non-published number should be obtained from directory assistance.

### Are the telemarketers breaking the law?

There are federal and state laws which limit how and when telemarketers may contact you. These laws also protect your rights to limit unwanted telemarketing solicitations. Make sure you know your rights so that you can enjoy the consumer protection you are entitled to.



 Telephone solicitations are only permitted between 8 am and 9pm.

 Federal law requires a person making telephone solicitation to state the name of the individual caller, the name of the entity on whose behalf the call is being made and a telephone number or address at which that person or entity may be contacted.

 Solicitations from a computerized or artificial voice are generally prohibited except when the call is made by a non-commercial tax-exempt entity or when the message does not contain an unsolicited advertisement.

**How can we limit telemarketing calls to our homes?**

Do not give your personal information to commercial entities unless you are required to do so. If you do not want your personal information to be given out, send a request in writing to the company or individual telling them not give or sell your name and personal information to others. Ask for confirmation of your request in writing as well.

When you receive a telephone solicitation, tell the caller that you wish to be added to his “Do Not Call” list and that you do not want to receive any further solicitations from that person or entity. The FCC requires callers to maintain a list and honor your request for ten years.

**Some of these limitations may not apply to tax-exempt non-profit organizations. They may also not apply to calls made to a business telephone number.**

**Verizon New Jersey sells a service, for a fee over and above the fee for Caller I.D., that permits a customer to block certain calls.**

Write the Direct Marketing Association and let them know that you want to be removed from telemarketers lists. Make sure to include your name, telephone number and address. The Direct Marketing Association advises telemarketers that you do not wish to receive telephone solicitations. While this may not end telemarketing calls completely, it can cut down on the number of calls you receive. The Direct Marketing Association can be reached at the following address:

**Telephone Preference Service  
Direct Marketing Association  
P.O. Box 9014  
Farmingdale, New York 11735-9014**

**If you believe your rights have been violated, or if you have questions about telephone solicitations, contact:**

**National Do Not Call Registry  
Attn: DNC Program Manager  
Federal Trade Commission  
600 Pennsylvania Avenue, N.W.  
Washington, DC 20580  
[www.donotcall.gov](http://www.donotcall.gov)**

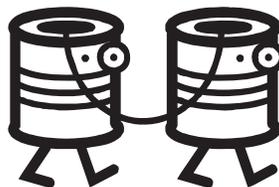
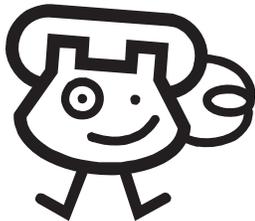


## IX. TELECOMMUNICATIONS COMPANIES DOING BUSINESS IN NEW JERSEY

Listed below are some of the telecommunications companies doing business in New Jersey. A more extensive list of Local Service Providers that have received authority to provide service in New Jersey is available on the internet at:

[http://www.bpu.state.nj.us/home/Tel\\_LocalExchangeCarriers.shtml](http://www.bpu.state.nj.us/home/Tel_LocalExchangeCarriers.shtml).

<u>PROVIDER</u>	<u>PRESIDENT/CEO</u>	<u>CONTACT INFORMATION</u>
<b>Sprint</b>	Tim Donahue	2001 Edmund Halley Dr. Reston, VA 20191 (703) 433-4000 (866) 839-5838 <a href="http://www.sprint.com/contactus/">http://www.sprint.com/contactus/</a>
<b>SBC</b>	Edward E. Whitacre Jr.,	175 E. Houston P.O. Box 2933 San Antonio, TX 78299-2933 (800) 222-0300 <a href="http://www.consumer.att.com/contact/">http://www.consumer.att.com/contact/</a>
<b>Verizon New Jersey</b>	Dennis Bone	540 Broad Street Newark, NJ 07101 (800) 427-9977 <a href="http://www22.verizon.com/customerSupport/contactus/contacts/">http://www22.verizon.com/customerSupport/contactus/contacts/</a>
<b>Warwick Valley Telephone Company</b> d/b/a WVT Communications	Herbert Gareiss, Jr.  Customer Service (NJ): (out of area):	47 Main Street PO Box 592 Warwick, NY 10990 (973) 764-8080 (800) 952-7642 <a href="http://www.wvtc.com">www.wvtc.com</a>



## X. TELECOMMUNICATIONS GLOSSARY

**Access:** Electronic connection to a telecommunications network. The ability of a user to enter the network.

**Access Charge:** Cost associated with connecting to a network. Local Exchange Carriers (LECs) collect access charges from both customers and long distance companies.

**Access Line:** The circuit that connects the calling party's location with a switching center.

**Area of Service ("AOS"):** The geographical area supported by a communication service.

**Base Rate:** The non-discounted "per minute" charge for Measured Service.

**Bell Operating Company ("BOC"):** The local (or regional) telephone company that owns and operates lines to customer locations and Class 5 Central Office Switches. BOC may refer to the 22 local telephone companies providing local service to a large portion of the U.S. Each BOC is owned by one of the seven RHCs (Regional Holding Companies) (not including Cincinnati Bell or Southern New England Telephone), which were created as a result of the 1982 divestiture of AT&T.

**Billing Account Number ("BAN"):** Used by telephone companies to designate a customer or customer location that will be billed. A single customer can have multiple billing accounts.

**Blocking:** A process that prevents certain types of calls to or from customer premise equipment, keeping users from accessing alternate networks or completing any non-billable calls.

**Board of Public Utilities:** Regulatory body that regulates utilities in the State of New Jersey.

**Billing Telephone Number ("BTN"):** The phone number associated, for billing purposes, with the working phone number.

**Call:** A completed switched communication (at a specified bandwidth) between two stations on a network. A call is originated by a "calling party", "calling station" or "caller". The destination or termination of a call is the "called party," "called station(s)," or "destination node" on the network.

**Call Duration:** The period of time that begins with Answer Supervision (destination off hook) and ends when the call is terminated.

**Called Station - Also known as Called Party Destination Node on the Network:** The telephone number to which a call is directed or terminated.

**Calling Card:** A telecommunications credit card with an authorization code for using a long distance carrier when customers are away from their homes or offices.

**Carrier:** Originally a long distance company that leases the facilities to carry a call; the term is now used to describe companies that resell other services without leasing facilities.

**Central Office (“CO”):** A facility of a telecommunications common carrier where calls are switched.

**Centrex:** A telephone company service that uses central office switching to route internal calls from one extension to another, to route incoming phone calls directly to the appropriate extension, and to handle direct dialing of outbound calls. Centrex uses a separate dedicated line between each telephone at the customer premises and the switch at the central office.

**Circuit:** A switched or dedicated communications path with a specified bandwidth (transmission speed/capacity).

**Division of Rate Counsel:** State agency which represents and protects the interests of all utility customers, including residential, business, commercial and industrial, whenever utility companies in New Jersey seek changes in the delivery of services and how much they charge for natural gas, electric, water, wastewater, telecommunications or cable TV services.

**Fiber-Optics:** A means for transmitting digital information (voice, video, data) over high purity, hair-thin fibers of glass in the form of digital signals. Bandwidth capacity of fiber optic cable is much greater than that of conventional cable or copper wire.

**Frequency:** The number of cycles per second of a electromagnetic transmission, usually described in hertz. Generally, high frequency transmissions can carry more information at greater speeds than low frequency transmissions.

**Hub:** A point or piece of equipment where a branch of a multi-point network is connected. In a telegraph network, signals appear as DC pulses at the hub. A network may have a number of geographically distributed hubs or bridging points.

**ILEC:** *Incumbent Local Exchange Carrier.* The traditional monopoly provider of local telephone service.

**Interexchange Carrier:** A company providing long-distance phone service.

**InterLATA Calling:** Communication between *Local Access Transport Areas* (“LATAs”). New Jersey currently has three LATAs. Phone calls between LATAs are long distance phone calls.

**IntraLATA Calling:** Communication within a LATA. Phone calls within a LATA but beyond a party’s local calling area are defined as local or regional toll calls.

**ISDN:** *Integrated Services Digital Network.* A technology that digitally enhances regular telephone lines to provide users much faster data connections and simultaneous transmission of both voice and data.

**IXC:** *Interexchange Carrier.* A company that provides long-distance service.

**LATA:** *Local Access Transport Area.* Geographic region set up to differentiate local and long distance calls; the area where a local exchange carrier provides local and regional toll call service, and access to long distance carriers for InterLATA service.

**LEC:** *Local Exchange Carrier.* The local or regional telephone company that owns and operates lines to customer locations.

**Municipal Utility:** A utility owned by the city. The Board of Public Utilities does not have jurisdiction to regulate matters dealing with municipal utilities, unless they service more than 1,000 customers outside of their geographic boundaries.

**POTS:** *Plain Old Telephone Service.* Basic voice phone service.

**Public Utility:** Privately owned business entity, subject to government regulation that provides to the public an essential commodity or service, such as water, electricity, transportation and telecommunications services.

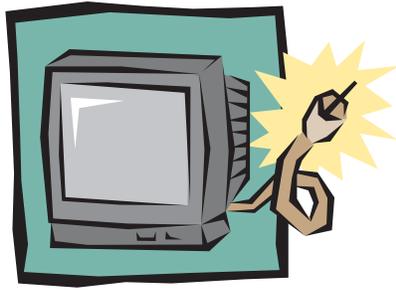
**Rates and Tariffs:** Standards published by telecommunications companies that define service availability, cost, and provisioning procedures.

**Regulation:** A rule or law established by the federal or state government which establishes the procedures that a utility must follow.

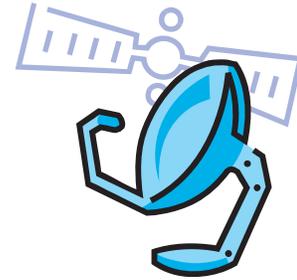
**Switch:** A device that routes a call by selecting the paths or circuits to be used for transmission of information and establishing a connection.

**Switching:** Process of routing communications traffic from a sender to the correct receiver (e.g. telephone switchboard)

**Unbundling:** This is the separation of the packaged service offerings that make up traditional utility service into basic components and offering each component separately with separate rates for each component.



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## CABLE TELEVISION

### I. INTRODUCTION

Escalating cable rates and the lack of competition in the provision of cable television services frustrate consumers in New Jersey and nationally. It is important to remember that starting in 1999 the federal government decided to deregulate cable rates and services leaving New Jersey regulators, Rate Counsel and legislators with limited authority to control rate increases.

New Jersey is one of the few states in the nation that still takes an active role in the regulation of cable television. In addition to local municipal review of franchises and service obligations, Rate Counsel is an active participant in Board of Public Utility review of cable television rate filings for basic service.

### II. REGULATORY AUTHORITY OVER CABLE TELEVISION

**Why did the US Congress deregulate the cable industry?**

When Congress deregulated the cable industry in the Telecommunications Act of 1996 (“Federal Act”), it assumed that the deregulated marketplace would encourage competition. The theory was, that competition would require cable operators to be more innovative and pro-consumer to maintain their market share. In this way, Congress anticipated that consumers would benefit from lower rates and new and innovative services.

**How is authority over cable TV operators divided between federal and state government?**

Congress divided authority over cable television rates and services between the federal and state governments. In New Jersey, the Board of Public Utilities, as local franchise authority, regulates rates for basic service. Basic service includes, at a minimum, local broadcast signals, public, educational and governmental access channels and charges for equipment necessary to provide service. The Federal Communication Commission (“FCC”) regulates the cable service programming tier (“CPST”). The CPST includes other tiers of programming -- such as the Discovery Channel, ESPN and Nickelodeon -- but it does not regulate premium channel offerings, such as HBO or Cinemax, or per-program offerings, such as Pay-Per-View. These premium channel offerings have never been subject to regulation.

**What controls does New Jersey retain over cable rates for basic service?**

In New Jersey, the local franchise authority is the BPU and cable operators may petition the Board for rate increases by filing FCC forms which are then reviewed by the Board and Rate Counsel. The Board and the FCC have authority to regulate a cable company’s basic rates only. When cable operators petition the Board of Public Utilities for basic rate increases, Rate Counsel closely reviews the requests and questions cable operators to determine if they are requesting unreasonable or unjustifiable rate increases. Often, Rate Counsel

challenges the reasonableness of rate increases proposed by cable companies in their petitions. As a result of these challenges, cable operators have been allowed to implement only minor basic service rate increases in recent years. In a few cases, cable operators have been required to refund overcharges with interest to consumers.

**How did the FCC's role in cable television change as of March 31, 1999?**

Pursuant to the Federal Act, the FCC's authority to regulate the Cable Service Programming Tier (CPST) set ended on March 31, 1999. This means that on March 31, 1999, the FCC lost all its previous authority to review CPST rates. Prior to March 31, 1999, the FCC could review a cable operator's CPST rate increases when it received two or more consumer complaints shortly after the rate increase was implemented. As the rising costs of many cable television bills indicate, however, the FCC's efforts to limit CPST rate increases did not limit rate increases. Rate Counsel will continue to support the need to limit basic service rate increases.

**What is the impact of the end of federal cable regulation?**

On March 31, 1999, when the FCC's authority to receive or act upon consumer complaints regarding cable television service for the CPST ended, it was not clear whether any consumer protection from cable rate increases remained. While the end of the FCC's authority did decrease the amount of consumer protection, state agencies, like the Board in New Jersey, are still permitted to regulate some aspects of cable service. State consumer advocates, like Rate Counsel, remain committed to protecting cable consumers to the fullest extent of the law. The FCC is also trying to maintain a role in protecting cable TV customers and has prepared the *Federal Communications Commission Cable Television Consumer Bill of Rights* which is included at the end of this section.

### III. CABLE RATES AND COMPETITION

**Without federal regulation, will rates for "premium" cable packages rise?**



As Rate Counsel predicted, there have been steady and unacceptable increases in cable rates. Both nationally and locally, federal cable rate deregulation has failed to encourage competition within the market. Competition between two or more franchised systems in the same service territory is practically nonexistent. Alternative service providers and technologies have yet to challenge cable operators' monopoly control in each municipality. But, notwithstanding rising rates, cable subscribership continues to grow resulting in a steady increase in the number of homes capable of receiving cable television and the number of consumer subscriptions to premium channels.

**What about non-cable programming?**

Non-cable video programming -- provided most commonly by satellite operators such as DirecTV or EchoStar (also known as Direct Broadcast Satellite providers or DBS or Satellite Master Antenna



Television providers or SMATV) -- has slowly increased its number of customers and its share of the market. However, this share still remains relatively small. Traditional cable operators continue to dominate the combined cable and non-cable video programming market in most markets. As of 2006, the FCC reports that DBS providers account for approximately 27% of the total cable video programming market. SMATV providers account for approximately 1.8% of the total cable market.

**How has the lack of competition affected cable rates?**

The absence of significant actual effective competition in the video programming market has permitted operators to increase cable rates continually. According to the FCC's most recent survey of cable rates, on the average, rates increased by 5.4% over the 12 month period ending January 1, 2004. The FCC also found that the average differential between competitive and noncompetitive cable operators was 7.3% over the same time period. These increases exceed the rate of inflation. Clearly, monopoly control of the cable market has permitted cable operators to continue to raise rates without any concern for loss of market share that would exist in a real competitive market.

**Will the cable industry maintain existing service rates?**

The answer is "probably". First, the Board still has the authority to regulate basic service rates and review cable operators' requests for increases. Second, many cable television operators have gone on record stating that the end of the FCC's authority will not affect their rates. Third, cable operators do not want to anger those members of Congress who supported deregulation of the CPST. Fourth, most cable operators support the argument made by consumer advocates around the country, including the New Jersey Rate Counsel, that deregulation must promote competition, not strengthen monopolies. Finally, cable operators do not want to price their services higher than satellite systems, which is beginning to compete effectively with cable operators for customers.

**Are cable television late fees regulated?**

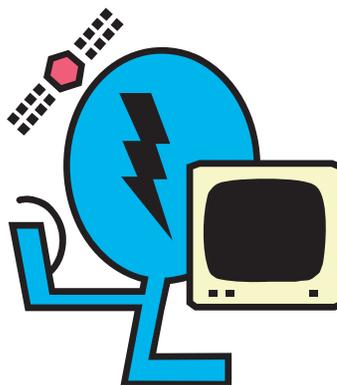
Cable television late fees are regulated by the Board. The Board's rules require that a cable television operator may not impose a late fee until the consumer's account balance is 30 or more days overdue. The Board's rules also require cable operators to clearly specify the amount of a late fee on their bill. But Board rules do not regulate the amount cable operators may charge for late fees. In 2003, Rate Counsel, then known as the Ratepayer Advocate, asked the Board to re-open a proceeding on the late fees charged to customers because of questions about the fairness of the late fees being imposed. Some late fees average over \$5.00 per month, while some operators charge as much as \$14.95. Rate Counsel continues to recommend that the Board review and revise its proposed late fee rule to a standardized maximum of \$2.00 or 6% of the monthly bill, whichever is less.

**Why does Rate Counsel support vigorous cable competition?**

The problems that New Jersey cable television consumers face are the problems confronted when consumers are being served by monopolies. Rates for service and equipment rise when there is no other provider to choose from. Obviously, the best form of consumer protection is if there are other competing video programming providers. But very few towns throughout the country have multiple cable providers. When they do, their rates are lower than the nationwide average, customer service is better and consumer benefits are greater. In some other communities where cable operators have refused to compete in the service territory of an incumbent, local governments have built their own cable television systems, either by themselves or in partnership with a local utility or other entity. These towns also can reap the benefits of competition.

**Why haven't satellite systems provided meaningful competition to the Cable Television industry?**

Nationally, the most significant competitors to cable television are **satellite systems**. If competition fails to develop between cable franchises, satellite operators may be the most effective competitor to the entrenched cable monopolies. But, satellite/DBS operators still face entry barriers. Prior to November 1999, DBS providers were prohibited from carrying local programming. This made it difficult for satellite providers to compete with cable providers since local programming is extremely important to subscribers. In November of 1999, Congress passed the Satellite Home Viewer Improvement Act ("SHVIA") which, among other things, permitted satellite providers to carry local channels such as ABC, CBS and NBC. This regulatory change permitted satellite providers to compete on a more significant level with cable companies. However, although satellite service is considered by the FCC to be available nationally, it may not actually be available because each and every subscriber may not be able to receive transmission because of line-of-sight problems. For subscribers to receive clear satellite signals, the satellite dishes attached to their homes must have an unobstructed view of the satellite. However, Rate Counsel is optimistic that technological developments will alleviate this problem in the future.



**What changes does Rate Counsel support to protect cable customers?**

Because of the continuous rate increases that New Jersey's cable consumers must pay to retain their cable services, Rate Counsel has determined that the present state of regulation does not adequately protect consumers. The current regulatory structure does not provide Rate Counsel, the Board of Public Utilities -- or any other arm of state government -- adequate authority to regulate cable television meaningfully in the interests of consumers. To obtain such authority, fundamental changes in federal laws that define the federal and state roles in cable rate regulation are needed. Only action by Congress can provide states with greater roles in regulating cable rates and services. In other words, Congress must fundamentally change the division of authority between federal and state government over cable rates.

**What does Rate Counsel plan to do until the federal government decides to provide New Jersey's legislators and the Board of Public Utilities a significant role in regulating cable operators?**

Rate Counsel will continue to represent ratepayers' interests by: (1) studying the cable television market to determine which current and proposed legislation promote competition and consumer choice; (2) filing comments on behalf of ratepayers at the FCC; (3) informing New Jersey's representatives in the federal government of our support for or opposition to proposed legislation affecting the competitive provision of cable programming; and (4) challenging petitions before the Board for unjustified rate increases for basic service rates.

In 2006, the Rate Counsel is recommending that Congress continue to implement policies which promote non-cable competitors, particularly, satellite providers, who constitute the most successful competitive alternative to cable operators' monopoly control of the video programming market at this time. Additionally, Rate Counsel supports the introduction of non-traditional providers, such as municipalities and utility companies into the cable programming market.

#### **IV. CABLE PROGRAMMING A LA CARTE**

**What is a la carte cable programming?**

*A la carte* programming offers cable consumers the option of subscribing to only the cable channels they want to watch rather than being forced to purchase a package or bundle of channels to get the channels they want.



**Will a la carte pricing help?**

Yes. In 2006 the FCC made an announcement reversing its earlier position, agreeing with the long-standing position of Rate Counsel that an *a la carte* cable selection of cable TV channels will save subscribers 3 to 13 percent on their cable bills in most cases. The next step is for the FCC to require cable companies to unbundle their packages of services.

It is time for consumers to start receiving the benefits of a truly competitive market for video programming. In those areas throughout the country where meaningful competition from a second cable provider exists, real savings and consumer benefits have been realized. Rate Counsel will continue to advocate that consumer benefits can grow exponentially in New Jersey if competition and choice are introduced to the state's marketplace.

## V. HOW TO COMPLAIN ABOUT CABLE TELEVISION RATES AND SERVICES.

Consumers have little redress if they have a complaint about their cable television rates. Rates for cable programming channels such as Pay-Per-View are totally unregulated. Since March 31, 1999, rates for upper tier services are deregulated. Only the basic service tier remains regulated. In New Jersey, the Board of Public Utilities regulates the basic tier but cable operators are able to request rate increases, provided those rate increases meet standards established in federal rules. As long as a cable operator follows the federal rules, the Board must permit the requested basic service tier rate increases. For these reasons, consumers are unlikely to receive any significant results by complaining to the Board about cable television rates.



Consumers have a greater opportunity for a remedy if they have complaints about their cable television operator's services. The Board has considerable authority to enforce rules and standards for cable television service. Such standards include rules against poor cable television reception or reception that is blacked-out entirely, or, if an operator fails to meet a service call commitment. In such cases, the Board can order a cable operator to provide limited refunds to consumers for the failure to provide proper service.

Consumers can register a complaint about cable television services with the Board by various means.

- A consumer can mail a complaint to the Board at:

Board of Public Utilities  
Attn: Office of Cable Television  
Two Gateway Center  
Newark, New Jersey 07102



- A consumer can also submit a complaint via email to the Board on its website at <http://www.bpu.state.nj.us>.
- A consumer can contact the Board's Division of Customer Relations by phone (973) 648-4436 or fax (973) 648-2836 or; the Office of Cable Television by phone (973) 648-3272 or fax (973) 648-4298 to register a complaint.
- **Rate Counsel strongly recommends that whatever method is used it should be simultaneously sent in writing, by mail, fax, or through the Internet and that the consumer should retain copies of all communications.**

## VI. THE FCC'S CABLE TELEVISION CONSUMER BILL OF RIGHTS

- Consumers should expect a fair deal from their cable company, with reasonable rates that fairly reflect the costs of doing business;
- Consumers should expect an explanation from their cable company whenever rates for the programming service tier are raised, particularly when cable companies attribute price increases to increases in the cost of obtaining programming;
- Consumers are entitled to write or call their cable companies whenever they have complaints about the cable services being provided on the various channels, or about program cost increases, and they should expect a speedy response;
- Consumers are entitled to file complaints with their local government regarding basic service tier cable rate increases and service quality.
- Consumers are entitled to provide their own inside wiring for cable hookups;
- Consumers will soon be entitled to purchase and use set-top boxes at competitive market prices;
- Consumers have a right to contact local, state and national advocacy groups with grievances that are not being adequately resolved by their cable operators; and
- Consumers unhappy with their local cable company should explore competitive alternatives for video programming service available from DBS and other providers.



To contact the FCC, write to the Federal Communications Commission, General Cable Inquiries, 445 12th Street, S.W., Washington, D.C. 20554, or call the FCC's toll free number at (888) 2252322 to have fact sheets describing various aspects of cable regulations mailed to you or to ask questions. You can also access recent Commission decisions regarding cable regulations via Internet at the FCC's Internet addresses on its website: <http://www.fcc.gov>.

**VII. CABLE TELEVISION COMPANIES  
DOING BUSINESS IN NEW JERSEY**

<b><u>PROVIDER</u></b>	<b><u>PRESIDENT/CEO</u></b>	<b><u>CONTACT INFORMATION</u></b>
<b>Cablevision</b>	Charles F. Dolan James L. Dolan	1111 Stewart Ave. Bethpage, NY 11714 (800) 333-4857 201) 405-8222 <a href="http://www.cablevision.com">www.cablevision.com</a>
<b>Comcast</b>	Ralph J. Roberts	1500 Market St. Philadelphia, PA 19102 (800) COMCAST (800) 266-2278 <a href="http://www.comcast.com/Support">www.comcast.com/Support</a>
<b>Patriot Media</b>	Jim Holanda	100 Randolph Rd. Somerset, NJ 08873 (866) 728-1776 <a href="http://www.patmedia.net">www.patmedia.net</a>
<b>Service Electric</b>	J. Francis Bradley	127 State St. Harrisburg, PA 17101-1025 (800) 225-9102 <a href="http://www.sectv.com">www.sectv.com</a>
<b>Time Warner</b>	Glenn A. Britt	7910 Crescent Executive Dr. Charlotte, NC 28217 (201) 866-0900 <a href="http://www.timewarnercable.com/nyandnj/">www.timewarnercable.com/nyandnj/</a>

## VIII. CABLE TELEVISION GLOSSARY

**A la carte Programming:** Offers cable consumers the option of subscribing to only the cable channels they want to watch rather than being forced to purchase a package or bundle of channels to get the channels they want.

**Access Channels:** Channels set aside by a cable operator for use by third parties, including the public, educational institutions, local governments, and commercial interests unaffiliated with the operator.

**Advanced Television (“ATV”):** A series of digital television technologies that are designed to improve the current commercial-quality television system.

**Analog:** A signaling method that uses continuous changes in the amplitude or frequency of a transmission to convey information.

**Basic Cable:** Primary level or levels of cable service offered for subscription. Basic cable offerings may include retransmitted broadcast signals as well as local and access programming. In addition, regional and national cable network programming may be provided. Basic service offerings at the system level may be offered as more than one tier.

**Board of Public Utilities:** Regulatory agency that regulates utilities and cable operators in the State of New Jersey.

**Box:** Electronic equipment used to process television signals in a consumer’s home, usually housed in a “box” that sits atop a TV set or VCR.

**Cablecasting:** The use of cable systems by federal, state, and local officials to disseminate information and television programming to their constituents.

**Cable Modem:** A communication device connected to a personal computer which offers customers access to the Internet over a cable system at speeds 50-100 times faster than a telephone connection.

**Cable Ready:** Label for consumer electronic devices, such as television sets and VCRs, that are designed to allow direct connection to a cable television network.

**Cable System:** A localized communications network that distributes television, Internet, and telephone services by means of coaxial cables and/or fiber optics.

**Channel Capacity:** Maximum number of television channels that a cable system can carry simultaneously.

**Converter:** Device which increases the number of channels that a TV set can receive by converting the large number of signals carried on a cable or satellite system to a single channel tuned by the TV set, usually channel 3 or 4.

**Direct Broadcast Satellite (“DBS”):** A TV broadcast service from a small satellite dish antenna that offers similar services, like that of cable TV, and which transmits highly compressed digital signals.

**Descrambler:** Electronic circuit that restores a scrambled video signal to its original form. Television signals, especially those transmitted by satellite, are often scrambled to protect against theft and other unauthorized use.

**Digital:** An intelligence-carrying signal consisting of a stream of bits of zeros and ones for sound, video, computer data or other information.

**Digital Cable:** Cable services, programming, and equipment that use digital, not analog, formats.

**Dish:** A parabolic antenna used to receive satellite transmissions at home. The older “C band” dishes measure 7-12 feet in diameter, while the newer “Ku band” dishes used to receive high-powered direct broadcast satellite services can be as small as 18 inches in diameter.

**Distant Signal:** Television signal from another city that is imported and carried locally by a cable television system.

**Division of Rate Counsel:** State agency which represents and protects the interests of all utility customers, including residential, business, commercial and industrial, whenever companies in New Jersey seek changes in the delivery of services and in how much they charge for natural gas, electric, water, wastewater, telecommunications or cable TV service.

**Drop Cable:** The final stretch of coaxial cable that connects a customer’s home to the cable system.

**Digital TV (“DTV”):** Television signals transmitted and received in digital format (discontinuous zeroes and ones; compares with Analog). Digital TV has several formats and varying degrees of resolution, from 480 lines per screen progressively scanned to 1080 lines interlaced. DTV includes HDTV, but not all DTV is HDTV since the bandwidth required for HDTV can be broken down to accommodate several DTV signals of lesser resolution.

**Due date:** this is the date by which the bill must be paid to keep a utility account current.

**Federal Communications Commission (“FCC”):** Established by the Communications Act of 1934, the FCC is the federal agency in charge of overseeing interstate telecommunications, as well as all the communications services originating and terminating in the United States.

**Feeder Line:** Intermediate distribution line (fiber or coaxial cable) that connects a trunk from the headend to the drop cables serving individual homes.

**Franchise:** Contractual agreement between a cable operator and a governmental entity that defines the rights and responsibilities of each in the construction and operation of a cable system within a specified geographic area.

**High Definition Television (“HDTV”):** Digital television which offers twice the resolution, wider screens, better sound, and better color than the NTSC format. “True” HDTV involves a 16:9 aspect ratio and a least 720 lines per screen.

**Leased Access:** Commercial channels made available by a cable operator to third parties for a fee, as required by the Cable Acts of 1984 and 1992.

**Multiple System Operator (“MSO”):** A major cable TV organization that has franchises in multiple locations.

**Municipal utility:** A utility owned by the city; the Board of Public Utilities does not have jurisdiction to regulate matters dealing with municipal utilities, unless they service more than 1,000 customers outside of their geographic boundaries.

**Must Carry:** A policy, developed by the FCC in the 1960s and codified by Congress in 1992, requiring cable systems to carry the analog signal of a local television station if that broadcaster so chooses. The Supreme Court voted 5-4 in 1997 to uphold the must carry requirement for analog broadcast television signals.

**Open Cable:** An initiative of the cable industry to develop and label a new generation of interoperable digital boxes available through retail stores that will provide subscribers with video, data and interactive services.

**Pay Cable:** A network of services available for an added monthly fee. Also called premium. Some services, called mini-pay, are marketed at an average monthly rate below that of full-priced premium.

**Pay Cable Unit:** Each premium service to which a household subscribes is counted as one unit.

**Pay-Per-View:** Pay service that enables a subscriber to order and view events or movies on an individual basis.

**Public utility:** Privately owned business entity, subject to government regulation that provides an essential commodity or service, such as water, electricity, natural gas, or telecommunications to the public.

**Regulation:** A rule or law established by the federal or state government which establishes procedures a utility must follow.

**Scrambling:** An electronic security technique used to render a TV signal unviewable unless it is processed and restored by an authorized decoder or descrambler.

**Set Top Box:** See Box, Converter, and Descrambler.

**Unbundling:** This is the separation of the packaged service offerings that make up traditional utility service into basic components and offering each component separately with separate rates for each component.

# WATER AND WASTEWATER SERVICES

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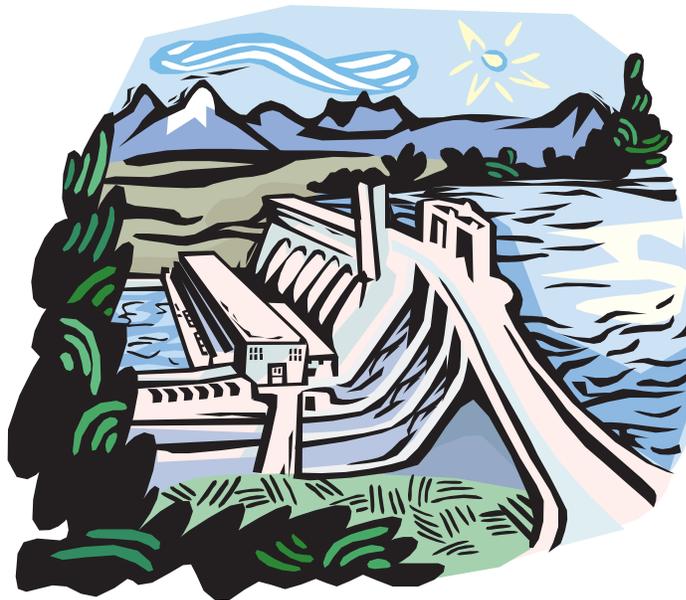
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# WATER AND WASTEWATER SERVICES

## I. INTRODUCTION

New Jersey residents have traditionally enjoyed one of the best supplies of drinking water in the United States. Although residents continue to expect their drinking water to be clean, affordable and limitless, New Jersey water resources are being increasingly strained by the competing needs of the growing population, agriculture, industry and recreation.



### Water Rates and Quality Issues

Rate Counsel represents all consumers in water and wastewater matters before the Board of Public Utilities including any proceeding which may affect the rates that consumers pay for water, as well as corporate structure cases such as mergers and acquisitions which affect rates and services. Rate Counsel also evaluates the quality of services provided by water utilities and has become increasingly active in protecting the supply of clean, safe, affordable drinking water for consumers.

While in New Jersey, water continues to remain a plentiful and comparatively cheap resource, supplies of drinking water are finite and must be conserved and protected. New Jersey's rivers, lakes, reservoirs and aquifers, like those in many states around the country, are subjected to pollutants like acid rain, industrial and manufacturing effluent, fertilizers, pesticides, wastewater discharges, and storm water/roadway runoff. New Jersey's plentiful water sources must supply clean drinking water to all residents but are facing increasing environmental stress including well contamination and drought conditions, causing concern about aquifer depletion and salt water encroachment up the Delaware River. These conditions highlight the need for long-term steps to protect the potable water resources of the State.

Several major initiatives continue New Jersey's progress toward implementing the most comprehensive water protection measures in the country. Among these measures are the establishment of the Highlands Commission and continued development of stormwater rules that will encourage the recharge of groundwater supplies with rainwater. In addition, the New Jersey Department of Environmental Protection (NJDEP) has designated a special level of protection for a number of waterways in the State. This protection, known as Category One, targets water bodies that provide drinking water, habitat for endangered and threatened species, and popular recreational and commercial species, such as trout or shellfish, providing additional protections to help prevent water quality degradation and discourage development where it would impair or destroy natural resources and environmental quality. For a complete list of the Category One water bodies in the State of New Jersey, visit the NJDEP website at [www.state.nj.us/dep/cleanwater/c1\\_waters\\_list.pdf](http://www.state.nj.us/dep/cleanwater/c1_waters_list.pdf).

Rate Counsel supports these measures, which should help decrease pollution of critical water bodies, and stave off the degradation of waterways by soil and silt runoff from development in sensitive areas. They should also help ease the financial pressures on regulated water and wastewater utilities that will provide relief to utility ratepayers while protecting precious water supplies.



Many of the water rate increases throughout the state are triggered by the costs companies must incur to comply with the federal Clean Water Act and the Safe Drinking Water Act. These two initiatives mandate that every state adopt specific water treatment strategies which require expensive new water treatment plants. The costs of these treatment plants are borne almost entirely by ratepayers. Rate Counsel is working to contain these costs by closely scrutinizing the engineering plans and accounting methods used by the utilities to support their rate increase petitions. However, the best long-term options for maintaining clean, safe, affordable water supplies are to keep existing water sources clean and to conserve existing clean water sources.

According to projections, New Jersey's population is expected to rise from a current estimate of 8.1 million to about 9 million by 2020. More residents means more development, greater demand for water and increased storm water runoff. These factors place continuous stress upon existing and future water supplies. Rate Counsel supports consultations among state officials, business people, environmentalists and residents working together to develop long-term policies to protect this priceless resource.

**The cost of clean water rises.**

Drinking water comes from surface water and ground water. Large-scale water supply systems tend to rely on surface water resources. Smaller water systems tend to use ground water. Consumers in New Jersey have in recent years seen an increase in the cost of clean water. One major factor driving up water rates has been the cost of implementing federal and state environmental laws to maintain a safe and clean water supply. The Clean Water Act (CWA) and the Safe Drinking Water Act (SDWA) are federal laws designed to improve water quality and improve the safety of drinking water. The SDWA mandated the construction of expensive new water treatment plants aimed at ensuring clean water for New Jersey consumers. The costs of building these new treatment plants have been almost entirely passed on to New Jersey water customers.

**Maintaining safe, adequate and reliable service.**

The Board of Public Utilities is responsible for deciding whether water and wastewater utilities currently under its jurisdiction provide safe, proper and adequate service at the most reasonable rates possible. The performance of water utilities is examined in light of state and federal minimum service standards when a water utility's application for a rate increase is reviewed.

When a water or wastewater utility files an application with the BPU to increase rates or change services, Rate Counsel investigates all aspects of the water utility's application and develops a position that protects ratepayers' interests consistent with state and federal standards.

New Jersey residents can contribute to maintaining safe, adequate, affordable and potable water supplies by becoming more knowledgeable about their water sources. Rate Counsel strongly supports consumer education as one key factor in reducing costs and

protecting the quality and quantity of our water supply for generations to come. Given the importance of water to life, consumers are encouraged to become more informed and involved in maintaining the safe and efficient delivery of state water resources.

## II. CONSUMER PROTECTIONS

### Avoiding disconnection.

In most instances a water utility customer will be given notice before service is discontinued. Most water companies also charge a turn-on fee if water has been discontinued for non-payment. If you are notified that service will be discontinued for non-payment, contact your water provider immediately. You may be able to establish a payment plan to avoid loss of service.

You should note that service **cannot** be discontinued for:

- Failure to pay for service provided to a previous occupant at a residence;
- Failure to pay an amount the subject of which is in dispute before the Board of Public Utilities;
- Failure to pay charges not specified in service provider tariffs or approved by the Board of Public Utilities



### Financial assistance.

Check with your water company to find out if it offers any assistance programs. For example, in 2006 New Jersey's largest water utility, New Jersey-American Water Company, expanded its *H2O - Help to Others Assistance Program* to include a *Help to Others Discount Program*. The Assistance Program pays a portion of the bill of an eligible customer in need. The Discount Program goes a step further. Customers with an annual income at or below 175% of federal poverty guidelines can qualify for a rate reduction of about 20% of their monthly bill. New Jersey-American estimates that up to 5% of its customers will be able to benefit from the Discount Program.

### Customer complaints.

If you encounter a problem with billing or service, you should first contact your water company to discuss the problem and possible solutions. Your water company's telephone number is printed on each billing statement. **Make a note of it before an emergency occurs.**

If you are unable to solve the problem with your water company, you can contact the Board of Public Utilities' Division of Customer Relations at (973) 648-2275 or (800) 624-0241. The Board is responsible for helping the people of New Jersey resolve various utility problems. The Division of Customer Relations investigates written and verbal complaints and assists consumers with a wide range of utility problems such as billing and service complaints and other emergency utility problems.



When you call, you should be prepared to provide the Board of Public Utilities staff as much information as possible including the nature of the complaint and details about any contacts you have had with the water company concerning the problem.

**Does the BPU regulate all water service?**

**All water companies in New Jersey are not regulated by the state. Water service that comes from a municipality, county, water district or cooperative is usually not regulated by the state.** If your water service is provided by one of these entities and you have a complaint, you should contact the Division of Local Government Services of the Department of Community affairs to address your concerns ([www.state.nj.us/dcs](http://www.state.nj.us/dcs)) as well as township officials.

**Consumer Confidence Report.**

The Safe Drinking Water Act Amendments of 1996 imposed new compliance standards on the nation's public water systems. These Amendments include, among other things, contamination prevention rules, changes to the regulatory reporting program, funding for State and local water systems, and improved consumer information.

Under these Amendments, each water system must prepare an annual Consumer Confidence Report on the quality of the drinking water provided. The information provided in the Report helps customers to become more aware of drinking water issues, and may encourage customers to become involved in helping to improve water conditions or to protect good quality water sources. The Report must be sent to all customers by mail and must provide the following information about drinking water:

- ◆ The rivers, lakes or underground aquifers that are the source(s) of the drinking water;
- ◆ A summary of the susceptibility of the local drinking water source to contamination based on the water evaluations that states must complete over the next five years;
- ◆ How to obtain a copy of the water system's complete source water evaluation;
- ◆ The level /range of levels of any contaminant found in local drinking water;
- ◆ The likely source of that contaminant in the local drinking water supply;
- ◆ The potential health effects of any contaminant detected in violation of an Environmental Protection Agency ("EPA") health standard, and an accounting of the water system's actions to restore safe drinking water;
- ◆ The water system's compliance with other drinking water-related rules;
- ◆ Education information on nitrate, arsenic or lead in areas where these contaminants are detected above 50% of the EPA's standards; and
- ◆ Telephone numbers of additional sources of information, including the water supplier and EPA's Safe Drinking Water Hotline (800) 426-4791.

### III. WATER CONSERVATION

#### How water gets to the tap.

Typically household water comes from a tap, having been transported under pressure through a distribution network of buried pipes. Smaller pipes, called service lines, are attached to the main water lines to bring water from the distribution network to your tap. Water pressure is provided by pumping water up into storage tanks that store water at higher elevations than the houses they serve. The force of gravity then pushes the water into your home when you open your tap. Houses with a private source usually receive their water from a private well. A pump brings the water out of the ground and into a small tank within the home, where the water is stored under pressure.



#### Why conserve water?

As demonstrated by the droughts of 1999 and 2002, an abundant supply of water is no longer guaranteed.

Demand for water is on the rise while New Jersey water resources are being strained by the competing needs of the growing population, agriculture, industry, and recreation. In addition, pollution, declining water tables, and prolonged drought conditions are shrinking New Jersey's usable supply. As consumers, we need to reassess our water use and water conservation activities.

Although water comes out of the tap and goes down the drain, it is a mistake to think that it's a one-way trip. In fact, water continually cycles through the environment, and both water treatment and water use rely on this cycle. If we think of water in this way, we can better appreciate the importance of water conservation to the natural environment. The less water we use, or abuse, the less we degrade this valuable resource. Water conservation can ensure that the cycle will work for us well into the future. In addition there are certain steps you can take to conserve water in and around your home and business.

#### The amount of water used in our homes varies during the day.

On average we use almost 100 gallons of drinking water per person per day. Traditionally, water use rates are described in units of gallons per capita per day (gpcd). Of the "drinking water" supplied by public water systems, only a small portion is actually used for drinking. Residential water consumers use most water for other purposes, such as toilet flushing, bathing, cooking, cleaning, and lawn watering.

- ◆ Lowest rate of water use – 11:30 p.m. to 5:00 a.m.
- ◆ Sharp rise/high use – 5:00 a.m. to Noon. (Peak hourly use from 7:00 a.m. to 8:00 a.m.)
- ◆ Moderate use – Noon to 5:00 p.m. (Lull around 3:00 p.m.)
- ◆ Increasing evening use – 5:00 p.m. to 11:00 p.m. (Second minor peak, 6:00 p.m. to 8:00 p.m.)

**Compared with other countries, the United States uses the most water per person (per capita).**

This is true even when compared with other countries that are equally developed. In the United States, significant amounts of water are used for lawn and garden sprinkling, automobile washing, kitchen and laundry appliances, such as garbage disposals, clothes washers, and automatic dish washers.

Country*	Annual Water Use Per Capita in Gallons	% of Use for Residential Needs	% of Use for Industrial/ Agriculture Needs
U.S.	525,000	10	90
Canada	310,000	13	87
Belgium	221,000	6	94
India	132,000	3	97
China	122,000	6	94
Poland	112,000	14	86
Nicaragua	72,000	18	82
Malta	16,000	100	0

\*Van Der Leeden, F., F.L. Troise, and D.K. Todd. *The Water Encyclopedia*, Lewis Publishers, Inc., Second Ed. (1990)



### Conserving water in the kitchen.

Here are some steps that can add up to big water savings in the kitchen.



- ◆ Take foods out of the freezer early and place in refrigerator to allow plenty of time for thawing. Thawing frozen goods under a running tap wastes water.
- ◆ Clean fruits and vegetables in a partially filled sink and rinse them quickly.
- ◆ When boiling vegetables, use only enough water to cover the foods. Steaming uses even less water while conserving more nutrients.
- ◆ Chill tap water in the refrigerator for drinking.
- ◆ Completely fill the dishwasher before you turn it on.
- ◆ Turn your taps off tightly but gently so they don't drip. Repair any leaks in and around your taps and faucets without delay.
- ◆ Use ice trays in your freezer and turn off automatic ice makers.
- ◆ Install a water efficient faucet aerator to reduce water flow.

### Conserving water in the bathroom.

The bathroom accounts for about 65% of the water used inside the home. Since we use the most there, it is also the area where potential water savings are the biggest and the easiest to achieve.

- ◆ Men can save 10 to 20 gallons of water each time they shave by filling the basin instead of letting the water run continuously.
- ◆ Turn off the tap while brushing your teeth, and use short bursts of water for rinsing.
- ◆ Install a high-pressure, low flow showerhead.
- ◆ A quick shower uses less hot water than a bath in a full tub. If you prefer a bath, don't overfill the tub; half full should be enough. If you're taking a bath, put in the plug and turn on the hot water. Let it run until the water gets hot before adjusting the temperature with cold water.
- ◆ If you are purchasing a new toilet, consider one that uses less water than the five to seven gallons a conventional toilet uses. If you cannot afford to purchase a new toilet, consider filling a two liter



plastic soda bottle with water and placing it in the tank. This will decrease the amount of water stored and flushed in your toilet.

- ◆ Flush the toilet only when necessary. Never use it as a wastebasket and never flush paints, solvents or other chemicals down the toilet.

**Conserving water in the utility room.**

The typical American household does nearly 400 loads of laundry per year, using about 40 gallons of water per full load in a conventional washer. This accounts for about 20% of total indoor water use. Cutting back on the amount of water used for clothes washing takes planning. You can reduce water consumption and save on energy costs by planning ahead.



- ◆ When selecting a washing machine, consider one with conservation features, such as load size selector and variable water control. Adjust the amount of water according to the size of the wash load, if your machine comes with this feature. If yours does not, let the laundry accumulate until you have a full load before starting the machine.

- ◆ Insulating your hot water tank and hot water pipes can also reduce water-heating costs and save water, because the insulation keeps the water hotter longer, thereby wasting less water from running the tap to reach the desired temperature.

**Conserving water by repairing leaks.**

Periodically check for leaks in and around your home. You can check your plumbing system by locating your water meter and recording the reading before you go to bed, and reading it again early in the morning, before any water use. Compare the two readings. If there is a difference, you've got a leak that needs repair. (See the section "About Your Water Meter" on p. C - 12.)

Leaking faucets can be surprisingly large water wasters. The steady drip of a leaking faucet can waste as much as 20 gallons of water per day. The problem is often a worn-out washer, which costs pennies to replace. A more serious leak can occur in toilet tanks and do great damage to your water conservation efforts. A toilet that continues to run after flushing can waste as much as \$50 per year in water and sewer costs. Toilet run-on usually means that the flush or flapper valve isn't sitting properly in the valve seat at the bottom of the tank. The valve may need replacing. This is an inexpensive item to replace. Test for a leaking toilet by adding food coloring to the water in the tank. If colored water appears in the bowl after 30 minutes, your toilet is leaking.



**Conserving water outdoors.**

During the summer months, the biggest drains on water resources are lawns and gardens. If you have a lawn and garden, the careful selection of the right plants, coupled with wise watering habits, can significantly reduce outdoor water use without affecting the beauty of your landscape.

- ◆ Good planning can result in high quality landscaping with limited maintenance and water requirements. Take advantage of the natural climate conditions in your yard by grouping plants with similar water needs.
- ◆ Check the watering needs of your plants noting areas in the yard that are hot, dry, shady or damp.
- ◆ Grow grass only in those areas where it provides functional benefit. Whenever possible substitute less water-demanding materials, such as ground covers, mulches, rocks and wood to enhance your yard.
- ◆ A timed sprinkler system saves water and reduces water waste. You should consider a timer with a moisture sensor, which compensates for changing weather conditions.
- ◆ Soil enhanced with organic matter allows for better water absorption and water-holding capacity.
- ◆ Use a broom or leaf-blower instead of a hose to clean sidewalks and driveways
- ◆ Use a pail of soapy water to clean your car. Use the hose only to rinse it off.
- ◆ Collect rainwater in garbage cans to water plants, wash cars, windows, driveways or sidewalks.

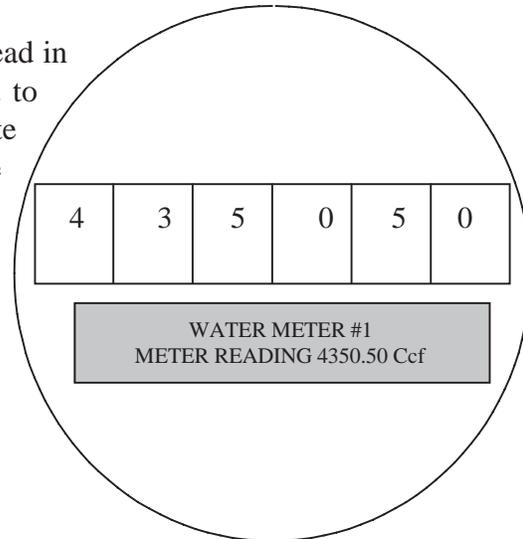


## IV. ABOUT YOUR WATER METER

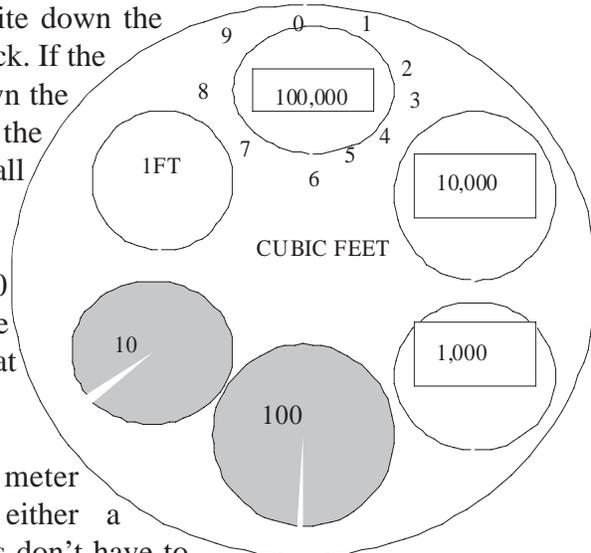
If you learn how to read a water meter, you will be able to detect water leaks, monitor water usage and review your utility bill for accuracy. Water meters are usually located either in the basement, in a concrete box along the front curb or along an outside wall to your house. Most meters are read manually by an employee of your water utility. **Employees of your water utility are required to wear photo identification badges. Always ask to see an employee's identification before allowing a service person in your home.**

There are two main types of water meters in use today. Both record water usage in units of cubic feet (Ccf) or gallons.

**Water Meter #1** looks like an odometer and is read in the same way an odometer is read in your car: left to right. To determine your monthly water usage, write down the meter reading on a specific date. Take another reading exactly 30 days later. Subtract the old reading from the new reading and you will have the number of water units your household has consumed in 30 days.



**Water Meter #2** looks like a set of small clocks, each with one pointer hand. These clocks turn either clockwise or counter clockwise. To determine water usage, start at the first clock with the highest cubic feet rating, i.e., 100,000. Write down the number the pointer hand points to on the first clock. If the pointer hand is between two numbers, write down the number to the left of the pointer hand. Proceed to the next lower clock and repeat procedure until all clocks are read.



As with meter #1, take a reading and repeat in 30 days. Subtract the old reading from the new one and you will have your water usage for that period.

Modern technology now permits automatic meter reading in some areas. Meters can be read from either a touch pad or over a telephone line, so customers don't have to wait for meter readers and there can be actual readings every month.

## V. ABOUT YOUR WATER BILL

Generally any bill or statement presented for water supplied or sold should include the following information:

- ◆ Customer name, billing address and service address, if different from billing address.
- ◆ Name of person, firm, association, corporation, authority or governmental entity providing water service.
- ◆ Office hours of water service provider.
- ◆ Telephone number of water service provider which the customer can use to inquire about the bill.
- ◆ Billing period - this is the specified period of service covered by the bill. Most water companies bill quarterly or monthly.
- ◆ Due date - this is the date by which the bill must be paid to keep the account current.
- ◆ Current charges – amount charged for water during specified period covered by the billing.
- ◆ Statement of amount of water used or sold in gallons or indication that 100 cubic feet of water equals 748 gallons.



- ◆ Amount past due, if any.
- ◆ Rate or tariff price for water.
- ◆ Billing date.
- ◆ Indication whether the bill is estimated, based on prior usage, or actually read from the actual meter.
- ◆ Total amount due – current charges, previous balances and interest amount on past due balances. **Late payment charges only apply to municipal utilities authority customers.**

## VI. WATER QUALITY

### Troubled waters.

Each year, between 50 and 1,200 people die in the United States from water-related diseases, and 200,000 to 1.3 million are made sick. Elevated levels of mercury and radium have been found in area water wells. National sales of bottled water are rising by 9% a year, as many consumers avoid their own tap water. Consumers are concerned about their water supply: *How safe is it to drink? What additives are in it? Where does it come from?*

### Safe Drinking Water Act of 1974.

In the 1970's water-quality standards and improvements in both drinking water and wastewater moved forward. The Safe Drinking Water Act (SDWA), passed by Congress in 1974, started a new era in the supply of drinking water to the public. In addition, wastewater treatment, under the Clean Water Act of 1972 (CWA), established national water pollution control goals.



The SDWA ordered the United States Environmental Protection Agency (EPA) to establish drinking water standards for all public water systems serving 25 or more customers or having 15 or more connections. Pursuant to this mandate, the EPA created maximum contaminant levels (MCLs) for public water distribution systems. MCLs of inorganic, organic chemicals, turbidity and microbiological contaminants were established. The SDWA required that coliform, a persistent and harmful pathogen, be eliminated from our drinking water. In addition to the goal of complete eradication of coliform, many other pathogens have been identified, many of which are even more persistent than coliform. The SDWA regulations prescribe treatment techniques to remove these harmful substances from drinking water.

SDWA regulations are mandatory and must be complied with by all public water systems. If analysis of the water produced by a water system indicates that an MCL for a contaminant is exceeded, the system must then stop providing the water to the public or must initiate treatment to reduce the contaminant concentration to below the MCL. The EPA also issued guidelines to the states for secondary drinking water standards concerning drinking water contaminants that may adversely affect the aesthetic qualities of water, such as odor and appearance. In the late 1980's and 1990s amendments were made to the federal SDWA. The most significant amendments were adopted in 1996 emphasizing comprehensive public health protection through risk-based standard setting, increased funding, reliance on best available science, prevention tools and programs, strengthened enforcement authority for the EPA and public participation on drinking water issues.

**The New Jersey  
Department of  
Environmental  
Protection  
Water Supply  
Administration.**

In New Jersey, the Department of Environmental Protection - Water Supply Administration is the agency responsible for administering the federal SDWA.



**New Jersey Safe  
Drinking Water Act.**

In addition, New Jersey has enacted its' own statutory water standards, *N.J.S.A. 58:12A-1 et seq.*, to ensure the availability of safe drinking water and for the purpose of implementing the federal water program. The quality standards adopted into regulation by both the federal and state governments are the minima considered necessary for the maintenance of public health.

**The goals and  
objectives of the New  
Jersey Safe Drinking  
Water Act.**

- ◆ To ensure that drinking water supply systems meet the federal and New Jersey Safe Drinking Water Standards
- ◆ To ensure that surface and ground water diversions do not exceed the sustainable yield of available water resources
- ◆ To protect the ground water resources of the state through proper well drilling activities.
- ◆ To help protect the surface and ground water sources of the state through development and implementation of New Jersey's source water assessment plan and watershed planning and management strategies
- ◆ To administer the Drinking Water State Revolving Fund and other funds to finance the costs of drinking water infrastructure improvements needed to achieve or maintain compliance with the Safe Drinking Water Act, and to implement other drinking water initiatives
- ◆ To ensure the proper construction, operation and management of drinking water supply systems
- ◆ To help identify water supply needs and issues and develop plans for their resolution
- ◆ To ensure the proper response to water supply drought emergencies.



**Federal standards for wastewater discharge.**

The CWA ordered the EPA to establish standards for wastewater discharge. Conventional wastewater treatment removes 99 to 99.9% of pathogenic microorganisms in raw wastewater, however the effluent still contains significant concentrations of excreted viruses and other bacteria. The standard requires that wastewater be given a secondary treatment so that suspended solids, biodegradable material and pathogens are reduced to acceptable levels. Industrial dischargers are required to treat their wastewater to the level achievable by the most current technology for wastewater treatment in that particular industry.

**How does water become contaminated?**

Drinking water becomes contaminated in a number of ways. Chemicals from factories, refineries, buried storage tanks and landfills are all potential sources. Animal wastes and pesticides may be carried by rain runoff to streams and lakes or seep into aquifers. Human waste may be discharged into water supplies also used for drinking. Hazardous materials, such as radon and radium can also occur naturally and contaminate water supplies.

In New Jersey, 87% of the population receives its drinking water from the public water system. The remainder use private wells. Public water supplies are treated and tested regularly and the majority provide safe water. According to state health reports in 1998, New Jersey met 92% of all federal and state health standards. Private well owners, however are responsible for their own check-up and maintenance. Health officials recommend that private well owners test their drinking water annually for chemical, biological and radioactive contaminants.

**Some of the most common drinking water contaminants.**

**Cryptosporidium** is a microscopic, disease-causing parasite that is spread through human or animal fecal matter. It causes cryptosporidiosis which can cause diarrhea, cramps and flu-like symptoms and kill. It can be fatal for those with weak immune systems. The largest reported case of cryptosporidium was in 1993 when the disease got into the Milwaukee water supply system killing 50 people and causing 400,00 others to get ill. Cryptosporidium is resistant to chlorination. The best treatment is filtration. Large water utilities are required to test water sources monthly for the bacteria.

**Giardia** is spread through human or animal fecal matter. The parasite can cause giardiasis, a disease also known as “beaver fever.” This parasite can survive in water for one to three months, and symptoms of the disease, including diarrhea, fatigue and cramps can persist for months. Public water systems using surface water are required to disinfect water so that at least 99.9% of the parasites are killed. Chlorination is effective in killing the parasite. Boiling water also kills the parasite.

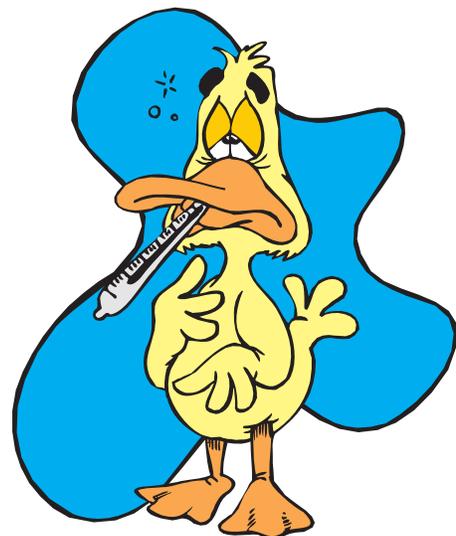
**Mercury** There are several types of mercury. Exposure to high levels of inorganic mercury can cause kidney damage, nervous system effects, nausea and diarrhea. Inorganic mercury enter the water from natural deposits, manufacturing plants, pesticides, fungicides, old plants, factories, cemeteries, landfills, and atmospheric residue from coal generated power plants. Metallic mercury or organic mercury are hazardous contaminants that build up in fish and other animals that are eaten by people.

This type of mercury presents a serious danger to people in any medium. Inorganic mercury is not as hazardous and does not present a danger when showering or bathing.

**Nitrate** is common in rural areas where it can enter the drinking supply from chemical fertilizer and animal manure. Nitrate is a hazard primarily to babies and pregnant women because excessive levels of nitrate in an infant's digestive tract can starve the baby's system of oxygen. In the worst case, brain damage or death can occur.

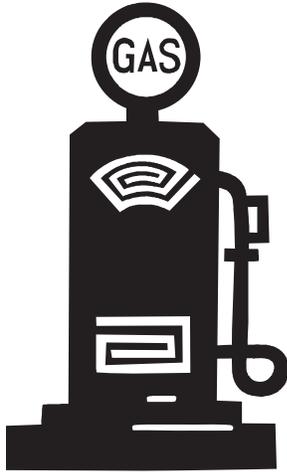
**Lead** occurs in water caused by old lead service lines or in-house plumbing in homes built more than 30 years ago and is a serious problem. Lead can also be found in soldered joints of copper pipes and in brass fixtures. For infants and young children, chronic exposure can cause brain damage, learning disabilities and hyperactivity. In adults lead has been linked to kidney problems, high blood pressure, anemia and nerve damage. Flushing the water lines by running the faucets for a few minutes at the start of the day can significantly lower lead levels.

**Radium** is a naturally occurring radioactive substance that is present in small amounts in many water supplies. Radium was once advanced as providing a health benefit and sold in bottled water. It is now known to cause cancer. Exposure to radium has been associated with an increased risk of bone and nasal cancers. Three types of radium are cause for concern in drinking water: Radium 224, 226 and 228. The health standard for Radium 226 and 228 is 5 picocuries per liter. No standard has been set for Radium 224 yet. Currently, public water suppliers deal with radioactive water by diluting it with uncontaminated water.



**Methyl Tertiary Butyl Ether (MTBE)**

Chemicals from industry, agriculture and underground storage tanks sometimes get into drinking water supplies. *Methyl tertiarybutyl ether, MTBE*, is an organic chemical contaminant currently receiving national attention. An oxygen and octane gasoline booster, it is used in New Jersey and 18 other States. MTBE in underground tanks has seeped into drinking water wells in a number of communities around the country presenting a real threat to the quality of the country's drinking water resources and public health. A colorless, flammable liquid with a strong odor, MTBE does not occur naturally, but is produced in very large amounts by twenty-seven companies in the United States. It is almost exclusively used by companies that add the chemical to gasoline. MTBE is added to gasoline to improve combustion and to reduce harmful carbon monoxide emissions and to improve the overall quality of air. States have permitted the use of MTBE since the 1970s to meet federal clean air standards.



Exposure to MTBE can occur in the workplace or in the environment following release into the air, water, land, or groundwater. Exposure can also occur when people:

- are in places where gasoline is being pumped into vehicles;
- fill gasoline-powered home maintenance equipment;
- live near bulk gasoline loading and unloading facilities; or
- live near facilities that leak gasoline from underground storage containers.

**What happens to MTBE in the environment?**

MTBE evaporates when exposed to air. It dissolves when mixed with water. Most direct releases of MTBE to the environment are into the air. MTBE also evaporates from water and soil exposed to air. Because it is a liquid that does not bind well to soil, MTBE that makes it way into the ground can enter groundwater.



**How does MTBE affect human health?**

MTBE enters the body when breathed in with contaminated air or when consumed with contaminated food or water. It is also absorbed through skin contact. Effects of MTBE on human health depends on how much is present and the length and frequency of exposure. Effects depend on the health of the person.

Human health effects associated with breathing or otherwise consuming any amount of MTBE for short periods of time are not known. Available data show that breathing large amounts of MTBE for short periods of time adversely affects the nervous system of animals. Effects range from hyperactivity and incoordination to convulsions and unconsciousness. Laboratory studies show that repeated exposure to large amounts of MTBE in air causes kidney damage and adversely affects the developing fetus of animals. Studies also show that lifetime exposure to MTBE in the air can cause cancer in animals.

**How do we remediate MTBE?**

Unfortunately, the chemical properties of MTBE make it very difficult to clean up. It moves further and faster through soil and is more soluble than other gasoline components. It does not adhere well to soil particles. It does not break down easily. More troubling, it vaporizes into the air at 55.2 degrees Celsius or about 131 degrees F. The average home hot water heater is set at 140 degrees F or higher, therefore running hot water for a bath or hot shower, cooking or using a washer or dishwasher can vaporize MTBE from the water, making it part of the air in homes. This makes MTBE available for inhalation as well as for drinking from cold water. There currently is no practical technology available for removing MTBE from household air. MTBE can smell like turpentine when water is heated in contaminated water areas.

**The search for a national solution.**

The federal government is now responding to a broad range of environmental groups and state health officials to resolve the MTBE problem. The EPA has proposed banning the additive under existing law, which gives the EPA the power to prohibit a chemical's use if it poses a risk to the environment or health. The EPA also is considering asking Congress to eliminate the section of the 1990 Clean Air Act that requires gasoline in areas with serious air pollution to contain at least 2% oxygen by weight.

**What water consumers can do to make sure water supplies are safe.**

The federal EPA now requires public water systems to provide annual reports to water customers on the quality of their drinking water supply. The “**Consumer Confidence Reports**” that must be sent to consumers include detailed information on what contaminants have been found in drinking water and at what level. In addition, customers can get information about the quality of a water supplier’s drinking water by requesting a copy of a water system’s current water quality report.

For private well owners, it is recommended that annual tests of drinking water for coliform bacteria, nitrate, volatile organic compounds and lead be conducted. Those with public water may want to test their water too, especially if some members of the household have weak immune systems.

**What can be done if water is contaminated or doesn’t taste right?**

For water that is contaminated or just does not taste good, filters and other treatment devices are available. The most effective treatment devices are installed at the point the water enters the house’s plumbing system. Faucet-mounted filters are much cheaper and are good for dealing with taste or odor problems, but are less effective for removing hazardous contaminants. Countertop models, which require the user to pour water through a filter, are effective for removing lead and organic chemicals. Ordinary water softeners are effective for removing lead, radium and nitrate, and for softening water.

## VII. DROUGHT

**Understanding and defining drought.**

New Jersey is a state that is generally blessed with a supply of fresh, clean water, naturally refreshed by the state’s usually ample precipitation. However, precipitation levels, in the form of rain and snow, vary over time. Water use in New Jersey, on the other hand, is predictable. Water use, especially for irrigation, tends to increase as the weather warms and precipitation decreases. When winter and spring precipitation do not sufficiently replenish New Jersey’s water supplies, summer water usage must occasionally be limited. Severely dry periods can trigger drought conditions.



Droughts are a recurrent feature of climate. A drought is defined as a deficiency of precipitation over an extended period of time, which results in a water shortage. Water experts use five standards to assess drought conditions: streamflows, precipitation, reservoir storage levels in a variety of locations, groundwater elevations throughout the affected region and soil moisture. By looking at these parameters to assess drought conditions, experts can then advise public officials as to what phase of drought preparedness is warranted in a specific region.

New Jersey has experienced droughts of varying severity throughout its history. Water supply emergencies were declared in 1995, 1999 and

2002, while unusually dry conditions persisted from 1998 until the end of 2002. The Commissioner of the Department of Environmental Protection (DEP) has been ordered to “strictly enforce the terms and conditions of all water allocation permits and water registrations” and to “develop and implement a short-term and long-term strategy to strengthen protections of New Jersey’s water supply, and to reduce the frequency and severity of drought emergencies affecting our communities.”

Rate Counsel strongly supports the efforts of the administration and the DEP to ensure ample drinking water supplies for all residents and businesses in New Jersey. Rate Counsel works with other agencies of state government and public water vendors to ensure that New Jersey’s water supplies will remain secure and reasonably priced into the future. The DEP has established rigorous protocols for monitoring and responding to drought conditions. Some of these definitions and protocols are summarized below. More detailed explanations and definitions are available from the DEP’s drought website at <http://www.nj.gov/dep/drought>.

**Phases of drought preparedness.**

- ◆ **Drought Watch:** This phase alerts government agencies, public water suppliers, water users and the public regarding the onset of conditions that have the potential for future drought-related problems. A drought watch indicates that the NJDEP is closely monitoring drought indicators, including precipitation, stream flows and reservoir and ground water levels, and water demands. Under a drought watch, consumers should voluntarily cut back on water usage.
- ◆ **Drought Warning:** This phase initiates coordinated responses to imminent drought conditions. A drought warning condition may be declared by the NJDEP Commissioner representing a non-emergency approach to managing available water supplies. After a declared drought warning, the DEP may order water purveyors to develop alternative sources of water and to transfer water around the State from areas with relatively more water to those with less. The aim of this stage of response to drought conditions is to avert a more serious water shortage that necessitates a declaration of a water emergency and the imposition of mandatory water use restrictions.
- ◆ **Drought Emergency:** This phase of drought preparedness is a concentrated management operation to coordinate all available resources needed to respond to actual emergency conditions. A drought emergency can only be declared by the Governor. During a drought emergency a phased approach to restricting water consumption may be initiated. Phase I of water use restrictions typically targets non-essential, outdoor residential water use. And while some indirect economic impact may occur,

the first phases of water use restrictions seek to avoid curtailment of water use by the agriculture and business sectors. Those who are uniquely affected by the restrictions can apply for hardship exemptions. While a drought warning focuses on improving the supply of water, a drought emergency focuses on reducing water demands.

Source <http://www.nj.gov/dep/drought/faq.html>

**Knowing the rules in a drought emergency.**

At the time of an official drought, emergency water restrictions are imposed on everyone in the state. Typical elements of statewide water restrictions include:



◆ **Prohibition of lawn watering, with the following exceptions:**

- Newly seeded or sodded grass may be watered for 20 days from the date of planting, but only for up to 45 minutes between proscribed hours.
- Grass may be watered up to five days after fertilizer, pesticide, or herbicide is applied, but only up to 45 minutes between proscribed hours.
- The watering of plants, trees, shrubs and vegetable gardens is prohibited by any means other than by bucket, can or hand-held hose equipped with a nozzle that shuts off automatically when dropped.

◆ **Agricultural Water Use**

- Food crops are exempted from all restrictions.
- Sod farms and nurseries can water fields and containers with sprinklers between proscribed hours.
- Retail outlets can water between designated hours.

◆ **Washing Cars**

- No motor vehicles may be privately washed, except ambulances and fire trucks, unless there is a public health threat certified by the municipal department of health.
- Commercial car washes may remain open, but must meet certain requirements.

◆ **Food Service**

- No water can be served in restaurants, clubs or eating establishments unless specifically requested by the patron.

• **Recreational water use is prohibited, except that:**

- Golf course greens and tees may be watered with sprinklers or other mechanical means within prescribed hours.
- Clay tennis courts may be watered by sprinklers for no more than 10 minutes once each day between prescribed hours.
- Partially filled pools cannot be drained except for maintenance.
- Outdoor use of water for ornamental purposes, including fountains, artificial waterfalls and reflecting pools, is prohibited.



• **Municipal Water Use**

- Using water to sweep or wash the streets, driveways, sidewalks or paved areas is prohibited, except for towns that use non-potable water or if the town certifies that a public health threat exists.
- Flushing sewers or fire hydrants is prohibited, except for public health or safety reasons.



## VIII. WATER SERVICES CONTACT INFORMATION

### Rate Counsel

Telephone number (973) 648-2690  
Website <http://www.rpa.state.nj.us>  
E-Mail [njratepayer@rpa.state.nj.us](mailto:njratepayer@rpa.state.nj.us)

### Board of Public Utilities

Water/Wastewater Complaints (973) 648-2275  
Utility Consumer Complaints (800) 624-0241  
Website for Complaints [www.bpu.state.nj.us/home/complaintForm.shtml](http://www.bpu.state.nj.us/home/complaintForm.shtml)

### NJ Department of Environmental Protection (DEP)

Telephone number (Hotline) (609) 292-2885  
(877) WARN-DEP  
(877) 927-6337  
Telephone Number (609) 292-2885  
Website [www.nj.state.us/dep/](http://www.nj.state.us/dep/)

### NJ Drought Information

Telephone Number (800) 4-ITS-DRY  
(800) 448-7370  
Telephone Number (Outside NJ) (609) 633-0560  
Website <http://www.njdrought.org>

### U.S. Environmental Protection Agency (EPA)

Website <http://www.epa.gov>



## IX. WATER COMPANIES DOING BUSINESS IN NEW JERSEY

<u>PROVIDER</u>	<u>PRESIDENT/CEO</u>	<u>CONTACT INFORMATION</u>
Aqua New Jersey, Inc.	Sharon Schulman	10 Black Forest Road Hamilton, NJ 08691 <a href="http://www.aquanewjersey.com">www.aquanewjersey.com</a>

**For customer service or emergency after-hours information, contact your local division:**

	Northern Division 1099 River Road Phillipsburg, NJ 08865 (908) 859-4800
Califon/Lebanon Township area	(908) 832-2602

	Central Division 10 Black Forest Road Hamilton, NJ 08691 (609) 587-8222
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	Southern Division 2875 Erial Road Erial, NJ 08081 (856) 784-3322
Woolwich Township area	(856) 241-1400

	Eastern Division 340 Route 9 Bayville, NJ 08721 (732) 269-6900
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Atlantic City Sewerage Co.	Robert Fitzgerald	1200 Atlantic Avenue Atlantic City, NJ 08407 (609)-345-0747
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Applied Wastewater Management, Inc.	Mark F. Strauss	2 Clerico Lane Hillsborough, NJ 08844 (908) 359-1700
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Fayson Lake Water Co.	James Carroll Managing Director	160 Boonton Avenue Kinnelon, NJ 07405 (973) 418-2033
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Gordon's Corner Water Company	David G. Ern Vice President	475 County Road 520 P.O. Box 145 Marlboro, NJ 07746 (732) 946-9333 (732) 780-2705 <a href="http://www.gordonscornerwater.com">www.gordonscornerwater.com</a>
	after hours	

<b><u>PROVIDER</u></b>	<b><u>PRESIDENT/CEO</u></b>	<b><u>CONTACT INFORMATION</u></b>
<b>Middlesex Water Company &amp; Pinelands Wastewater Co.</b>	Dennis Doll	1500 Ronson Road Iselin, NJ 08830 (732) 634-1500 <a href="http://www.middlesexwater.com">www.middlesexwater.com</a>
<b>Montague Water &amp; Sewer</b>	Charles Madison Director of Operations	P.O. Box 1304 Montague, NJ 07827 (973) 293-8059 (800) 860-4512
<b>New Jersey American Water Company</b>	Walter Lynch	P.O. Box 5079 Cherry Hill, NJ 08034 (800) 652-6987 <a href="http://www.njawater.com">www.njawater.com</a>
<b>Former Elizabethtown Water &amp; Mount Holly Water Customers</b>		(800) 272-1325
<b>Parkway Water Company</b>	David G. Ern Vice-President	P.O. Box 145 Marlboro, NJ 07746 (732) 836-0302
<b>Shorelands Water Co.</b>	Michael P. Walsh	1709 Union Avenue Hazlet, NJ 18017 (732) 264-7300 <a href="http://www.shorelandswater.com">www.shorelandswater.com</a>
<b>Seabrook</b>	R. Gray Achee	P.O. Box 5032 Seabrook, NJ 08302 (856) 451-3350 after hours (609) 501-5858
<b>South Jersey Water Co.</b>	Michael P. Walsh	14 Mill Road P.O. Box 249 Mullica Hill, NJ 08062 (856) 478-4108
<b>United Water Company</b>	Robert J. Iacullo	200 Old Hook Road Harrington Park, NJ 07640 (201) 767-9300 (800) 664-4552 <a href="http://www.unitedwater.com">www.unitedwater.com</a>
	Bergen and Hudson counties:	190 Moore Street Hackensack, NJ 07601 (800) 422-5987
	Emergencies:	(201) 487-0011

## X. GLOSSARY OF WATER TERMS

**Board of Public Utilities:** Regulatory agency that regulates investor owned and some municipal water and wastewater utilities in the State of New Jersey.

**Ccf:** A unit of measuring water. It stands for hundred cubic feet.

**Conservation:** Reducing a customer's use of water which results in reduced utility costs and water preservation.

**Department of Environmental Protection ("DEP"):** The DEP's mission is to assist the residents of New Jersey in preserving, sustaining, protecting and enhancing the environment to ensure integration of excellent environmental quality, public health and economic vitality.

**Division of Rate Counsel:** State agency which represents and protects the interests of all utility customers, including residential, business, commercial and industrial, whenever utility companies in New Jersey seek changes in the delivery of services and in how much they charge for natural gas, electric, water, wastewater, telecommunications or cable TV service.

**Due date:** This is the date by which the bill must be paid to keep a utility account current.

**Effluent:** Treated wastewater from sewage plant.

**Environmental Protection Agency ("EPA"):** Federal governmental agency responsible for implementing the federal laws designed to protect the environment.

**Municipal utility:** A utility owned by a municipality. The Board of Public Utilities does not have jurisdiction to regulate municipal utilities, unless they service more than 1,000 customers outside of their geographic boundaries.

**Potable water:** Water that is safe for human consumption.

**Public utility:** Privately owned business entity, subject to government regulation that provides an essential commodity or service, such as water, electricity, transportation, communication to the public.

**Regulation:** A rule or law established by the federal or state government which sets procedures a utility must follow.

**Safe Drinking Water Act 1976:** Federal law which establishes national uniform drinking water standards.

**Sewage:** Liquid waste from domestic, commercial and industrial establishments discharged into water receiving systems.

**Sewage treatment plant:** Facility designed to receive the waste from domestic, commercial and industrial sources and to remove materials that damage water quality and comprise public health and safety when discharged into water receiving systems.

**Water main:** Large pipe in a water distribution system that is used to convey and/or transfer water.

**Water meter:** Instrument used by water utility to measure water use in given period; a water meter reading is taken by the utility to determine the amount of your water bill .

**Water quality:** Term used to describe chemical, physical and biological characteristics of water.

# ENERGY

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## ENERGY RESTRUCTURING IN NEW JERSEY



### I. INTRODUCTION.

#### **How has the Electric Discount and Energy Competition Act affected my rates and services?**

Prior to the passage of the Electric Discount and Energy Competition Act in February 1999, New Jersey consumers were paying some of the highest rates in the nation for energy, making the state less economically attractive. Major companies employing thousands of people were considering relocating to other states or overseas in search of cheaper energy prices. High natural gas and electricity utility bills were placing a financial strain on residents, especially senior citizens and others living on fixed incomes.

As a possible solution, the administration in Trenton introduced energy restructuring. “EDECA” – the Electric Discount and Energy Competition Act, was signed into law on February 9, 1999, by then Governor Whitman. EDECA called for a four-year transition to a deregulated energy market. The intent of EDECA was to achieve lower rates and better service by encouraging retail competition among energy suppliers including but not limited to local utilities, out-of-state utilities, or third-party independent power producers.

Before EDECA, electric and natural gas utility companies licensed by the New Jersey Board of Public Utilities were responsible for all aspects of providing consumers with energy services. Each local utility was a monopoly provider responsible for power generation and energy purchases plus the delivery of that power to consumers in a specific area of the state over the utility’s electric wires and through its natural gas pipes. Monopoly providers meant that consumers had no choice about what company they purchased their utility services from. The purchase price was regulated – and set – by the New Jersey Board of Public Utilities (BPU).

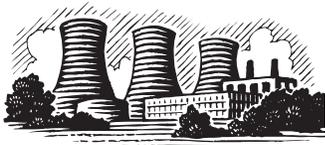
#### **Energy choice**

As a result of EDECA, by August 1, 1999, all consumers had the option to choose electricity and natural gas suppliers other than the incumbent utilities that New Jersey consumers had been dealing with for over 100 years. In 2006, these incumbent utilities remain responsible for delivering the energy to residences and businesses. The local electric utility still maintains the poles and wires, and is responsible for restoring power if there is an outage. The local natural gas utility still maintains the pipelines. Reliability is not supposed to be affected if consumers choose to switch suppliers. If the lights go out, or a gas leak is suspected, consumers must still call their local utility for assistance.



## What Does EDECA Change?

EDECA is a complicated law with more than 60 sections which apply to both electric and natural gas services. The primary purpose of the law was to stimulate the development of competitive markets to supply energy to consumers. Although the delivery and reliability of the energy remain the responsibility of the incumbent utility, consumers are supposed to be able to choose from whom to buy the actual supply of energy. It is hoped that, eventually, services such as metering, billing and account administration will become competitive as well. The end result of this competition is supposed to be lower rates and improved service for all customers, both residential and institutional. However, EDECA does not require consumers to “shop” for energy and switch suppliers. Consumers can stay with their utility for all services, although they may find lower prices or less environmentally harmful suppliers if they choose to shop around.



Another change under EDECA is that the state’s electric utilities were encouraged to divest themselves of their energy generating capacity. Public Service Electric & Gas, the state’s largest power company, sold its power plants to an unregulated subsidiary, while the three other energy utilities mostly divested or sold their power generation plants to private companies.

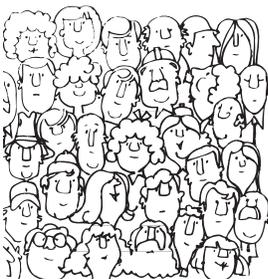
## Why no competition?

There are many reasons why third-party competitive suppliers have not entered the small commercial and residential markets in New Jersey and nationally. On the electric side, one important reason is that the artificial rate reductions of 10% imposed by EDECA during the four year transition period from 1999 to 2003 created a situation that did not allow new suppliers to compete and make a profit. On the natural gas side, price spikes in the market took away any hopes that natural gas companies could compete with the local gas utility. Many competitors lacked the resources, or the incentives, to consider serving customers in a market that promised only small profit margins.

For consumers, retail energy choice programs have also been greeted with an understandable lack of enthusiasm among most residential customers. Given the meager savings that residential customers can hope to achieve by shopping for energy suppliers, it has not seemed worth the time and effort for many consumers to study the issues and compile energy usage profiles. Without the expectation of any significant savings, most customers do not want to spend time shopping for energy.

## II. SOME IMPORTANT PROVISIONS OF EDECA.

### The Societal Benefits Charge (SBC)



EDECA establishes a Societal Benefits Charge (SBC), requiring utilities to charge all customers for programs vital to the public interest, including low-income assistance, the Winter Termination Program, conservation programs, and, in the future, grants for senior citizens to convert homes with all-electric heating to natural gas heating.

The public policy of the State of New Jersey is that consumers should not endure life-threatening hazards from heat and cold because they cannot pay

their energy bills. The societal benefits charge also includes costs for energy efficiency programs, weatherization programs and renewable energy programs.

### **What other consumer protections does EDECA provide?**

To protect consumers shopping for a new supplier, EDECA also mandates that alternate suppliers (generators) provide in their contracts the price per kilowatt-hour (for electricity) or therm (for natural gas), notice of any fees, and a toll-free or local customer contact number. A company that switches a customer's energy supplier without the proper consent ("slamming") is subject to a fine of up to \$10,000.

## **III. WHAT YOU SHOULD KNOW BEFORE SWITCHING ENERGY SUPPLIERS.**

### **What is energy aggregation?**

EDECA permits governmental units (municipalities, counties, or other political subdivisions) as well as private sector companies or non-governmental organizations to form energy buying groups. At its simplest level, energy aggregation means pooling customers into buying groups to buy natural gas or electricity. In this way, EDECA permits governmental bodies to aggregate on behalf of consumers so that consumers can obtain large-volume pricing and, consequently, lower rates. Private aggregators may be for-profit or non-profit organizations. A private aggregator must register with the Board of Public Utilities before aggregating any customers in New Jersey. **Groups interested in exploring aggregation: group energy buying, can contact Rate Counsel to learn more about the process.**



### **How to shop for a new supplier.**

Energy restructuring means that customers can choose natural gas and electric suppliers other than their traditional utility. These alternate suppliers are also known as third party suppliers. The price paid for the energy supply depends on the supplier chosen. The regular utility company will still deliver the power to homes on its pipes and wires, while the company you choose as a supplier will generate the power or obtain the natural gas. Consumers can choose a supplier based on price only or on other factors such as environmental responsibility, meaning that you can choose "green" or "clean" electricity that is less harmful to the environment.

**You are not required to switch energy suppliers. If you choose not to shop for a new supplier, your utility will continue to provide your energy requirements with no further action required from you.**

If you stay with your current electric provider, the cost of the electricity will be based on the price of Basic Generation Service (BGS), which is the price for all the energy that has been purchased by a utility to supply customers who have not actively chosen their own supplier. This price, called the "default price," may or may not be lower than the prices offered by individual third party suppliers.

If you stay with your current natural gas supplier, the cost of the gas will be based on the price of Basic Gas Supply Service (BGSS), which is the price of natural gas purchased by the utility to supply customers who have not switched to a third-party supplier.

## How to compare prices when considering switching electric or gas suppliers.



The restructuring of the energy market is based upon the expectation that the market forces of competition among suppliers will give customers choice, lower prices and offer better service. After you compare prices and gather the necessary information, you should be able to make an informed decision about whether it makes sense for you to switch suppliers.

### Step one:



You can obtain information about shopping for energy suppliers from gas and electric utilities. Call your local utility's toll-free number and request an Energy Choice Enrollment Package. This package will include a list of licensed suppliers that serve customers in your area, as well as information to help compare prices and environmental standards. As with any other purchase that you make, read your contract carefully and ask to have anything that you do not understand explained. Make sure that the contract clearly states who to call if you have a billing dispute; what are the available remedies if you believe there are mistakes on your bill; and the methods by which they can be resolved.



Review your energy bills from the previous months (if you did not keep old bills, start today) and look for the "price to compare," sometimes called the "shopping credit". The price to compare will provide per-kilowatt hour charges for electricity, or per-therm charges for natural gas. You also need your average monthly usage, which is also on the bill. When you have these numbers, you are ready to begin the comparison process.

### Other Issues to Keep in Mind:



Before you shop, look over past bills. Be aware of your pattern of energy usage and what you have been paying. Look to see if there are significant differences in your seasonal or time-of-day energy use.



Collect and read offers from several suppliers. Look through the different offers and terms that are used.



Insist on receiving a written copy of the supplier's agreement, which will include information about rates and services, prices, terms and conditions. If you are not fluent in English, ask whether the agreement is available in your first language.



Be aware of the terms and conditions of the contract. Make sure you understand them and, if not, ask for explanations. **If you are not satisfied with an answer or are still unclear about a contract term- DO NOT ENTER INTO THE CONTRACT!**

### Some Questions to Ask:

- ? How long will the quoted price last before I have to “lock-in” to the rate?
- ? If the wholesale cost of energy purchased by the supplier drops below the retail contract price offered by my local utility, will the contract price adjust downward?
- ? Is the rate fixed for the life of the contract, or is it a variable rate that changes from month to month with the wholesale price of energy? (With a variable rate contract, you may pay a different rate in a given month rather than the same fixed rate in each month, even if costs in that particular month are cheaper or more expensive for the supplier).
- ? Is there a late payment fee?
- ? Is budget billing offered?
- ? Is there a bonus for signing up?
- ? Does the supplier have a round-the-clock toll free number for customer assistance?
- ? Can you purchase both natural gas and electric services together from one supplier for further savings?
- ? How long will the terms of the contract be in effect?
- ? Are there early cancellation or termination fees? (You can always change suppliers, but ask if you will be subject to a cancellation fee if you choose to do so.)
- ? Is there an energy-buying group (aggregation group) that you can join?



### What else can consumers do to reduce costs?

Some things affect the purchase of energy over which consumers have no control, like cold snaps or heat spells that make it necessary to heat or cool homes for longer periods, or the special health needs of family members.

However, there are other aspects of energy consumption over which we do have control and choice. We have much more control over our energy suppliers than ever before because:

- we can manage households in an energy-efficient manner
- we can choose energy suppliers based on price
- we can implement conservation measures at little or no cost.

## What is Green Power?

Ratepayers can choose environmentally friendlier “green power.” Green power is electricity that is at least partially produced from renewable resources. Renewable resources unlike fossil fuels such as oil, constantly renew themselves and are virtually inexhaustible. They also do not adversely affect the environment as other fuels do. Examples of green power are:



- solar power;
- wind power;
- tidal power;
- biomass;
- landfill gas; and
- by-products of municipal waste incinerators

## Why should consumers consider green power?

There are good reasons to choose a green energy supplier. The use of renewable energy can reduce U.S. dependence on foreign oil; insulate consumers from dramatic price fluctuations in the traditional power markets; increase local jobs and revenue; and contribute significant public health benefits through reduced pollution.

Traditional power plants emit approximately one-third of the nation’s carbon dioxide (CO<sub>2</sub>) emissions, the “greenhouse gas” that is the principal contributor to global warming. Power plants also emit sulfur dioxide (the “acid” in acid rain) and nitrogen (a component of ground level ozone and smog). Particulate matter and mercury emissions from power plants also put human health at risk.

Renewable energy (green power) may not be the most inexpensive power available, but is generally competitive with the traditional suppliers. All electric suppliers and basic generation service providers are now required to disclose their energy production, including how much of their production comes from renewable resources.



## What environmental information must be disclosed to consumers?

The environmental information that must be disclosed to an electric customer in an Environmental Disclosure Statement includes:

- the fuel mix that produced the electricity (i.e., coal, natural gas, nuclear, renewable);
- the amount of emission reduction credits that have been retired by the supplier pursuant to regulations and;
- the supplier’s emissions of sulfur dioxide, carbon dioxide, nitrogen oxides, and other pollutants recognized as hazardous; and
- the amount of energy that has been saved through the supplier’s efficiency efforts.

There are three separate pieces of information in the Environmental Disclosure Statement that customers must receive either with their bills or in a quarterly report. They are “Energy Source,” “Air Emissions” and “Energy Conservation.”

- ① The Energy Source section lists all the resources used to produce the electricity and the percentages of each source that were used to produce the electricity sold by the supplier.
- ② The Air Emissions section graphically compares the amount of air pollution produced by the electricity generation with the New Jersey benchmark, which approximates the average emission rate for all electricity generation in New Jersey.
- ③ The Energy Conservation section provides the specific number of kilowatt hours that the supplier was able to save plus the amount of air emissions, measured in tons, that consequently were not released into the air.

The Environmental Disclosure Statement is another way in which consumers have been given the power of information to make informed decisions.



## IV. WHAT DO THE CHARGES ON MY ENERGY BILLS MEAN?



### How to read natural gas bills.

In New Jersey, the average or typical residential customer uses about 1000 therms of natural gas per year. A therm (th) is a unit of measurement used by the local gas distribution company and third-party suppliers for purposes of billing. Your gas bill is based on the difference in therms used between your previous and current monthly usage.

The rate at which your natural gas usage is calculated as a residential customer is established by the Board of Public Utilities through the Basic Gas Supply Charge (BGSS), based upon an annual administrative review of gas costs filed by the local distribution companies and includes the actual costs of natural gas to the gas company, which is passed through to consumers. However, if you choose to “shop” or use a third-party supplier for gas supply, your gas usage rate will depend upon the negotiated price in your energy contract or agreement. The BGSS rate is considered the “price to compare” for energy shopping between the local utility and third-party suppliers.

Your gas bill is “unbundled” or separated into supply and delivery charges. To put it simply, this means that the costs for the natural gas or commodity and the pipes to transport the gas to you appear on your bill as separate line items rather than as one charge. The supply charge is the cost of purchasing the natural gas in producing areas, such as the Gulf Coast and Canada, and the cost of transporting it to New Jersey through the interstate pipeline system.

The delivery charge covers the costs of transporting the natural gas to customers within the local gas utility’s distribution system. Between the months of November to

March, the local gas utilities include a balancing charge within the delivery cost. This charge covers the cost of adjusting the flow of natural gas from the interstate pipelines due to weather-related variations in gas usage during the heating season. The months of November through March are called the “heating season.”

Your gas utility bill also may include other charges such as the Societal Benefits Charge (SBC). This charge is assessed by both gas and electric utilities as mandated by EDECA, and includes Board-approved rates for universal service, renewable and energy efficiency programs and consumer education.

Other important information on your gas bill includes whether the bill is based on an actual or estimated meter reading. For example, an actual meter reading is when the gas company representative actually reads your meter. An estimated meter reading includes utility charges based on the weather and past usage. Your bill will indicate which method of meter reading was used for the current charges. Your bill will also include usage information for the current month, average daily use for the prior month, the average daily use for the same month last year and a bar chart displaying usage in the past year. Your customer or account number, due date, next meter reading date, last payment received and other charges assessed and/or payment plans are featured as well.



## How to Read Electric Bills



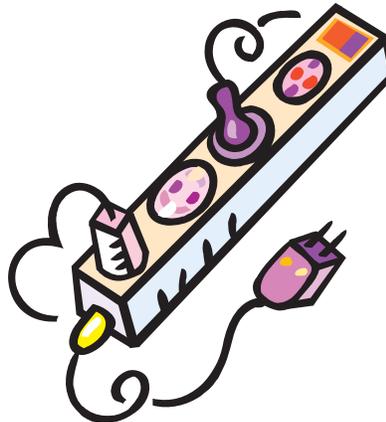
On electric bills, there will be a “supply” charge and a “delivery” charge. The supply charge is what it costs to produce (generate) the power and get it to the utility so that it can be distributed to consumers. If you choose to switch suppliers, your supply charges will include the cost of the electricity and the expense of getting the commodity to the utility. The delivery charge also includes the cost of delivering the electricity from the utility to the door and includes government programs for renewable energy programs and conservation. This charge will not be affected by the choice of supplier. It will be the same no matter what the source of supply.

Electricity is measured in kilowatt-hours (kWh). Your monthly electric bill is based on how many kilowatt-hours you use. An “average” residential customer is estimated to use about 600 kWh per month. The charge for your actual usage will be on your bill. This is sometimes called the Electric Generation Supplier Charge which is the kilowatt-hours used multiplied by the rate. If you remain with your utility for your electricity supply, you will be charged the rate for Basic Generation Service, which is the “default” rate for those who choose not to change suppliers.

The following charges may also be on your electric bill:

- |   |  |
|---|--|
| <ul style="list-style-type: none"><li>❖ <b>Basic Generation Service Charge:</b> This is the “supply” charge for electricity when the customer does not receive energy from a third party supplier, but continues to receive power from the utility.</li></ul> | <ul style="list-style-type: none"><li>❖ <b>Net Non-utility Generation Charges:</b> These are charges associated with purchasing power contracts from non-utility generators.</li></ul>   |
| <ul style="list-style-type: none"><li>❖ <b>Market Transition Charge:</b> This covers the costs of changing over to a competitive market place.</li></ul>  | <ul style="list-style-type: none"><li>❖ <b>Societal Benefits Charge:</b> This is the cost of state-mandated social programs.</li><li>❖ <b>Regulatory Assets Recovery Charge:</b> These are the costs associated with deferred Board approved expenses.</li></ul> |

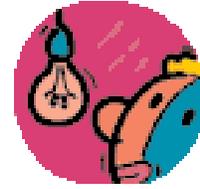
Finally, the bill also contains usage information, including the average daily use for the past month, a comparison with the average daily use from the same month in the previous year, and a chart showing actual usage over the last year. This information is very helpful when calculating potential savings if an alternative electric supplier is selected.



## V. FINANCIAL ASSISTANCE PROGRAMS.



### What should consumers do if they are having trouble paying energy bills?



Things sometimes happen that are beyond an individual's control. If a time comes when consumers have trouble paying energy bills they should take action quickly – and not wait.

The first thing to do is to call the utility and try to work out, if possible, a payment plan. Customers should not be embarrassed to take the initiative. They should not wait for the company to undertake collection efforts. Utility customer service representatives are trained to provide options and assistance regarding financial arrangements.

One option that can help is Budget Billing. This makes sense even when you are not having problems with bill payments. A budget billing plan keeps monthly energy bills the same year round so that during the times you use less energy, you are pre-paying for times when you use more energy (during a hot spell or a cold snap). The utility calculates the monthly payment by calculating average yearly energy consumption, adjusting it to correspond to current rates and dividing by twelve. The customer pays this pro-rated amount each month. During times of higher energy consumption, bills are lower than they would be without a budget billing plan, because your credit has been built up for some of this energy use.

While it is often referred to as “budget billing”, some utilities have different names for it. For example, PSE&G calls its program the “Equal Payment Plan” or “EPP.” Check with your energy provider to learn what it's “budget billing” is called.

### What other financial assistance programs are available for eligible residential consumers?

**LIHEAP: (800) 510-3102**

The Low Income Home Energy Assistance Program, known as LIHEAP, is a federally funded program that provides low-income households, including renters, with assistance in paying heating bills, including electric, natural gas, oil, kerosene, wood, coal or propane gas heating costs. A household income has to be at or below 175% of the federal poverty level to qualify for this type of assistance. For example, a household of 3 with a maximum monthly gross income of \$2,134 qualifies for this program which generally runs from November to March.

**USF: (866) 240-1347**

The State of New Jersey has also created a Universal Service Fund (USF) to help low-income households pay for electric and natural gas service. This ratepayer-funded program is administered by the New Jersey Department of Human Services (DHS). If you are eligible, USF can lower the amount you have to pay for your gas and electric bill. USF accepts applications all year. You are eligible for USF if your household income is less than or equal to 175 % of the Federal Poverty Level AND you are paying at least 3 percent of your yearly income on electric bills or at least 3 percent of your yearly income on gas bills. If you have electric heat in your home, you must be paying more than 6 percent of your yearly income on electricity.

**You can apply for USF and LIHEAP with one application. You may be eligible for both programs. If you sign up between November 1 and March 31, you will be applying for LIHEAP and USF. During the rest of the year, you can only apply for USF. To find out where you can obtain and file an application, call 1-800-510-3102. You can also get applications from the website at [www.energyassistance.nj.gov](http://www.energyassistance.nj.gov).**

**NJ SHARES: (866) NJSHARES (657-4273)**

NJ SHARES is the New Jersey Statewide Heating Assistance and Referral for Energy Services. This non-profit corporation provides assistance through a statewide, year round independent energy fund. The NJ SHARES program provides a one-time grant for those who are experiencing a major financial setback, such as a lost job. There is no low-income requirement. This is crisis intervention to prevent the shut off of either electric or gas services. Recipients are asked to demonstrate that they have exhausted all other sources of assistance and that there has been a good faith effort to pay the energy bills.

**LIFELINE: (800) 792-9745**

LIFELINE is a state-run program to help those over 65 or those 18 and over who receive Social Security Disability Benefits (SSI). The annual income level for 2006 is less than \$21,850 if single or less than \$26,791 if married. (This guideline is adjusted each January.) LIFELINE provides up to \$225 in assistance for electric and natural gas bills.

**Weatherization Assistance Program: (800) 510-3102**

Homes of eligible applicants will undergo an energy audit and may receive weatherization services including insulation, caulking and weatherstripping. Some homes may even have heating systems, doors and windows repaired or replaced.



**Winter Moratorium Program: (800) 624-0241**

The Board of Public Utilities' Winter Moratorium Program prevents a regulated electric or gas utility from discontinuing service to some customers during the heating season (November 15 through March 15). Please check with the BPU to see if you qualify.

**New Jersey Comfort Partners**

New Jersey Comfort Partners is a program that helps qualified low-income households in New Jersey lower their energy bills through direct installation of energy efficiency measures, personalized customer energy education and counseling. Contact your utility company for additional information.

**Check with your own utility**

Finally, check with your utility regarding any assistance programs it may have for its own customers. For example, New Jersey Natural Gas has a fund called the Gift of Warmth to assist its own customers who are facing unanticipated financial hardships or who meet low-income standards.

## VI. RIGHTS OF ENERGY CONSUMERS

### What Are Your Rights as an Energy Consumer?

Since utility services are basic lifeline necessities, New Jersey consumers of energy services have protected rights established by the Board of Public Utilities.

#### Residential Energy Customer's Bill of Rights

- ✓ You have the right to utility service if you are a qualified applicant.
- ✓ You shall not be asked to pay unreasonably high deposits as a condition of service or to make unreasonable payments on past-due bills.
- ✓ You have the right to budget billing or payment plans if you are an electric or natural gas customer.
- ✓ You are entitled to at least one deferred payment plan in one year.
- ✓ You have the right to have any complaint against your utility handled promptly by that utility.
- ✓ You have the right to call upon the New Jersey State Board of Public Utilities to investigate your utility complaints and inquiries and **your service may not be terminated** for non-payment of disputed charges during a BPU investigation.
- ✓ If you suspect your meter is not working properly, you have the right to have it tested, free of charge, once a year by your utility. For a \$5 fee, the meter test will be conducted under the supervision of the staff of the BPU.
- ✓ You have the right to a written notice of termination 10 days prior to discontinuance of service.
- ✓ Residential service may be cut off, after proper notice, Monday through Thursday, 8:00 a.m. to 4 p.m. but a utility may not shut off residential service on Friday, Saturday, Sunday, a holiday, the day before a holiday, or if a valid medical emergency exists in your household.
- ✓ Winter Termination Program: if you are an elderly or low-income customer having problems paying your utility bill, you should request the company to enroll you in a budget plan in accordance with your ability to pay. You are required to make good-faith payments of all reasonable bills for service and in return are assured the right to have gas and electric utility service from November 15 to March 15 without fear of termination of such service.
- ✓ If you live in a multi-family dwelling, you have the right to receive posted notice of any impending shut-off. This notice must be posted in a common area and/or sent individually to occupants.
- ✓ You have the right to have a "diversion of service" investigation if you suspect that the level of consumption reflected in your utility bill is unreasonably high.
- ✓ Service shall not be shut off for non-payment of repair charges, merchandise charges or yellow page charges, nor shall notice threatening such discontinuance be given.
- ✓ You have the option of having a deposit refund applied to your account as a credit or of having the deposit refunded by separate check.



## What if I Have Problems With my Utility?

Problems with your utility should first be raised with the utility itself. If you have difficulty in resolving the problem with the utility, register your complaint with the Board of Public Utilities, by either regular mail or e-mail. The BPU e-mail link can be found on the BPU's website at [www.bpu.state.nj.us/ComplaintInstructs.htm](http://www.bpu.state.nj.us/ComplaintInstructs.htm).



You can also send your complaint by mail to: Division of Customer Relations, State of New Jersey Board of Public Utilities, 2 Gateway Center, Newark, NJ 07102.

If you prefer to call rather than write, the utility consumer complaint phone number is (800) 624-0241. However you choose to contact the Board, be sure to provide the following information for action to be taken:

- Your name;
- Your address;
- Your home telephone number;
- Your daytime phone number;
- The name of the utility about which you have a complaint;
- Your utility account number;
- A detailed description of your complaint; and
- A detailed description of any action that the company has taken.



After obtaining this information, a Board representative will contact the utility and investigate the complaint. If more information is needed, you will be contacted again.

**Please be sure to keep a written copy and record of your complaint, the date sent and, if on the telephone, the name of the person with whom you spoke.**

## How do I solve other problems with my energy supplier?

The Board of Public Utilities is the agency that regulates all New Jersey energy utilities. The Board of Public Utilities also licenses third party suppliers of natural gas and electricity. Make sure that you deal only with third party suppliers that are licensed by the Board.

As with every purchase you should be aware of potential consumer problems. Three major problems to watch for are:

- Slamming (an unauthorized change of your energy supplier);
- False or misleading advertising; and
- Discriminatory marketing practices.

If you have a problem with a third party supplier, first call the supplier customer service representative and attempt to resolve the problem with the supplier directly. If you are unable to resolve the problem with your supplier, follow the same procedure outlined above and file a complaint with the Board of Public Utilities.

When dealing with your utility or a third party supplier, you should keep a copy of any correspondence, complaints and documents you sent to the company or BPU. If your problem is not resolved in a reasonable amount of time, you may also want to write the Division of Rate Counsel.



## VII. ENERGY CONSERVATION.

### Conservation as a money-saver

Clearly, the less energy you use in your home, the lower your energy bill will be. Conservation and waste prevention are the areas over which we have the most control that can make dramatic differences in energy costs. You can decide whether to make no-cost changes like lowering your thermostat, low-cost changes like installing a low-flow shower head to reduce hot water consumption, or more costly changes that pay for themselves over time like the installation of Energy Star appliances. **Rate Counsel's *Consumer Conservation Handbook* is available on its website, [www.rpa.state.nj.us](http://www.rpa.state.nj.us), or by request from the Division of Rate Counsel at no cost and provides detailed information and tips in a room by room guide on how to reduce energy use for heating and cooling.**

### Residential energy conservation

There are four main categories of residential energy usage: heating water, home heating and cooling, lighting/cooking/appliances, and the refrigerator. It is estimated that 14% of energy is used for heating water, 44% for home heating and cooling, 33% for cooking and appliances, and 9% for the refrigerator. While you can pick and choose what energy conservation measures you choose to take, using a “whole house” approach can make your home as efficient as possible and is the best way to achieve the most savings.

For example, even if you invest in a state-of-the-art Energy Star furnace, if the ducts through the house are leaky, or you have no insulation, or you do not seal the windows and put draft stoppers at the doors, then you lose much of the potential savings. The best way to approach efficiency and conservation is systemic. Every little bit can help. Many steps that do not cost anything can save money, such as turning down water heaters to 120 degrees, and moving furniture so that heating vents or radiators are not blocked.

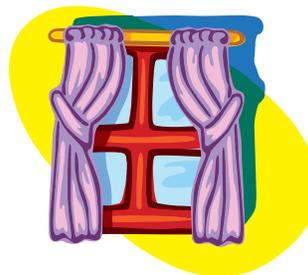


## Some Energy Saving Tips from the Division of Rate Counsel

### Tips for saving energy in the winter

Try these tips during the winter and lower your bills!

- Set your thermostats to the lowest temperature that still keeps you comfortable. Cost: Nothing!
- Open drapes or blinds to let the sunshine warm your home in the winter and give your thermostat a break Cost: Nothing! Savings potential: About \$5 per window, depending on location and time of year.
- Check for drafts coming from doors, windows, walls, ceilings and floors, then caulk and weather-strip them as necessary. Cost: \$5 or less. Savings potential: About \$2 per draft.
- Lower the thermostat setting on your water heater. Cost: Nothing! Savings potential: about \$24 per year, if the setting is reduced by 10 degrees Fahrenheit.
- Close heating vents and cover exterior windows in rooms not often used. Cost: nothing!



Conservation is the best way to keep your energy bills down.



- Set the thermostat at the lowest comfortable setting, which is 65 degrees to 68 degrees for most people. At night, set the thermostat down to a lower setting. Purchase a timer to do it for you to make it easy and routine.
- Wear warmer clothing indoors.
- Have a qualified professional check the furnace to make sure it is operating efficiently and safely.
- Change/clean the furnace filter once a month.
- Add insulation to attics and crawl spaces.
- Wrap an insulated water heater with an insulation blanket.



## Tips for Reducing Your Energy Bill in the Summer

Practicing energy efficiency is very important in the summer months when air conditioners are at peak use. The following suggestions can reduce your energy usage and save you money:



- Air conditioners vary considerably in efficiency and in the amount of energy used. When selecting new equipment, shop wisely and choose equipment with the best possible federal energy efficiency rating. For window units, this rating is the Energy Efficiency Ratio, or EER. As a general rule, an EER of 8 or more is excellent. By law, units manufactured after 1990 must have an EER of at least 8.
- Central air-conditioning units are rated on their Seasonal Energy Efficiency Ratio, or SEER. A rating of 15 is excellent. Ten (10) is the lowest rating permitted by law for units made after 1992.
- When you shop for new air conditioning equipment, be sure you know the size of the space and the number of windows in the space to be cooled. Consult a professional as to the size of cooling equipment you will need. Oversized units should be avoided because they use more energy than is necessary and will not dehumidify properly. Direct sunlight falling on a window air-conditioning unit increases its workload.
- If you buy central air conditioning equipment, locate the compressor units of central air conditioning and heat pump systems in an outside area shaded by the house or by plantings. Units should be kept clean and free of any plants that interfere with air circulation.
- Set the cooling thermostat as high as comfort will permit. The higher the setting, the more energy you save.
- Attics should be ventilated to relieve heat buildup caused by the sun. Determine whether attic ventilation is adequate and, if necessary, improve airflow by adding or enlarging vents.
- Open windows during moderate weather to admit outside air for cooling instead of operating air conditioning equipment.
- Close cooling vents and turn off window air conditioners in unused rooms. Keep doors to unused rooms closed.
- Draw blinds, shades, or drapes to block the sunlight during the hottest part of the day.



## Minimize Home Cooling Costs

You can cool your home without spending a fortune on air conditioning. Before the hot weather hits, consider the following alternative cooling methods:

- Install an attic fan;
- Use ceiling fans in rooms that are used the most;
- Open doors and windows for cross ventilation;
- Close off rooms that are rarely used; and
- Avoid using the oven during the warmest times of the day.

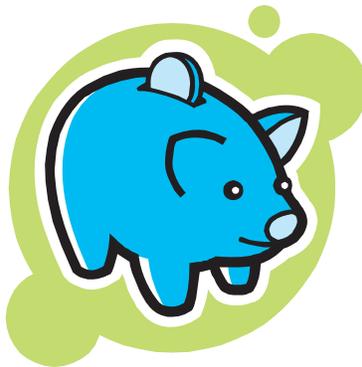


### Other resources for conservation and money-saving tips:

The U.S. Department of Energy, Energy Efficiency and Renewable Energy Network (EERE) produces an excellent 36-page publication called Energy Savers Handbook. It is free to individuals, and can be ordered by phone at (877) 337-3463 or downloaded from the website at [www.eere.energy.gov/consumer/tips/pdfs/energy\\_savers.pdf](http://www.eere.energy.gov/consumer/tips/pdfs/energy_savers.pdf)

The not-for-profit Sierra Club web site also includes conservation and money savings tips at [www.sierraclub.org/energy/downloads/staywarm2006.pdf](http://www.sierraclub.org/energy/downloads/staywarm2006.pdf), as well as in-depth information regarding its environmental perspectives on national energy policy and other environmental concerns.

To save even more money through conservation, check out [www.doityourself.com/energy](http://www.doityourself.com/energy), where there is an extensive list of simple to complex do-it-yourself energy conservation projects.



## VIII. ENERGY COMPANIES DOING BUSINESS IN NEW JERSEY

<u>PROVIDER</u>	<u>PRESIDENT/CEO</u>	<u>CONTACT INFORMATION</u>
<b>Elizabethtown Gas Co.</b>	Donald F. Carter VP - Operations	One Elizabethtown Plaza P.O. Box 3175 Union, NJ 07083-1975 Customer Service: (800) 242-5830 <a href="http://www.elizabethtowngas.com">www.elizabethtowngas.com</a>
<b>Atlantic City Electric</b>	Ken Parker	5100 Harding Highway Mays Landing, NJ 08330 (800) 642-3780 <a href="http://www.conectiv.com">www.conectiv.com</a>
<b>Jersey Central Power &amp; Light</b>	Stephen E. Morgan	300 Madison Avenue P.O. Box 1911 Morristown, NJ 07962 (800) 662-3115 <a href="http://www.firstenergycorp.com">www.firstenergycorp.com</a>
<b>New Jersey Natural Gas</b>	Larry Downes	1415 Wyckoff Road Wall, NJ 07719 Customer Service: (800) 221-0051 Customer advocate: (800) 425-1109 <a href="http://www.njng.com">www.njng.com</a>
<b>PSE&amp;G</b>	E. James Ferland	80 Park Plaza P.O. Box 570 Newark, NJ 07101 Emergencies/Billing: (800) 436-PSEG Energy choice: (800) 706-PSEG <a href="http://www.pseg.com">www.pseg.com</a>
<b>Rockland Electric Co.</b>	John D. McMahon	One Blue Hill Plaza Pearl River, NY 10965 (877) 434-4100 <a href="http://www.oru.com">www.oru.com</a>
<b>South Jersey Gas Co.</b>	Edward J. Graham	Customer Care Center P.O. Box 577 Hammonton, NJ 08037 (888) 766-9900 <a href="http://www.sjindustries.com">www.sjindustries.com</a>

## IX. GLOSSARY OF ENERGY TERMS

**Aggregator:** One who bonds many smaller energy customers together to form one large pool of customers to be in a better position to negotiate a better rate due to economies of scale.

**Aggregation:** Combining purchasing power in order to obtain rates more favorable than the single resident or business would receive individually.

**Basic Generation Service (BGS):** The default electric generation service provided by the electric public utility to consumers who do not elect to buy electricity from a third party supplier.

**Basic Gas Supply Service (BGSS):** The default gas commodity service provided by the natural gas utility to consumers who do not elect to buy gas from a third party supplier.

**Board of Public Utilities:** The state agency that regulates utilities in New Jersey.

**Burner Tip:** The point at which natural gas becomes available in the customer's home or business.

**Demand Side Management (DSM):** Conservation resource planning that takes into account factors that affect energy usage for each customer class, and is generally designed to reduce or shift energy consumption.

**Deregulation:** The elimination of government regulation (control and oversight) from a previously regulated industry or sector of an industry for the purpose of creating a free market.

**Distribution of Electricity:** The delivery of electricity to the retail customer home or business through low voltage distribution lines.

**Distribution of Gas:** The gas delivery service provided by the local Gas Distribution Company (GDC). This service encompasses the delivery of the natural gas from the city gate to the burner tip, using the GDC's network of pipes within New Jersey. Historically, New Jersey's GDCs have referred to this service as transportation service.

**Division of Rate Counsel:** State agency which represents and protects the interests of all utility customers, including residential, business, commercial and industrial, whenever utility companies in New Jersey seek changes in the delivery of services and in how much they charge for natural gas, electric, water, wastewater, telecommunications or cable TV services.

**Due date:** This is the date by which the bill must be paid to keep a utility account current.

**Electric Discount and Energy Competition Act, The (EDECA):** Signed into law in 1999, this legislation restructured New Jersey's electric and natural gas utilities.

**Electric Distribution Company (EDC):** The company that delivers the electricity. This company owns the power lines and other equipment needed to handle the transmission and distribution of the electricity into your home or business. This company will continue to be your local utility.

**Electric Generation Service:** The provision of retail electric energy and capacity that is generated off-site from the location at which the consumption of such electric energy and capacity is metered for retail billing purposes.

**Electric Generation Supplier (EGS):** The company that generates or supplies the electricity. A supplier may or may not own a generation facility, but must be licensed by the Board of Public Utilities to provide electricity in New Jersey.

**Electric Power Generator:** An entity that proposes to construct, own, lease or operate, or currently owns, leases or operates, an electric power production facility that will sell or does sell at least 90 percent of its output, either directly or through a marketer, to a customer or customers located at sites that are not on or contiguous to the site on which the facility will be located or is located.

**Electric Public Utility:** A public utility, as that term is defined in N.J.S.A. 48:2-13, that transmits and distributes electricity to end users within this State.

**Energy Efficiency:** Using less energy/electricity to perform the same function through programs designed to use electricity more efficiently. In other words, doing the same thing but with less energy. Energy efficiency is distinguished from Demand Side Management programs in that the latter are utility sponsored and financed, while the former is a broader term not limited to any particular sponsor or funding source. Energy conservation implies doing without in order to save energy rather than using less energy to do the same thing. However, the terms are sometimes used interchangeably.

**Federal Energy Regulatory Commission (FERC):** The Federal Energy Regulatory Commission regulates the price, terms and conditions of power sold in interstate commerce and regulates the price, terms and conditions of all transmission services. FERC is the federal counterpart to state utility regulatory commissions (in New Jersey, this is the Board of Public Utilities).

**Gas Distribution Company (GDC):** A state-regulated natural gas utility that delivers gas to end users within its service territory. New Jersey has four GDCs: Elizabethtown Gas Company, New Jersey Natural Gas Company, Public Service Electric and Gas Company, and South Jersey Gas Company. Also referred to as local distribution company or LDC.

**Gas Supply Service:** The service of purchasing natural gas at the wellhead and arranging for delivery of the gas to the local utility's city gates. In a competitive market such as New Jersey, consumers have the choice of buying gas supply service either from the local utility or from a third party supplier.

**Generation:** The production of electricity.

**Government Energy Aggregation Program:** A program and procedure in which a government entity enters into a written contract for the provision of electric generation service or gas supply service for its own use and/or on behalf of business and residential customers within its territorial jurisdiction.

**Grid:** A system of interconnected power lines and generators that is managed so that the generators are dispatched as needed to meet the requirements of the customers connected to the grid at various points. PJM, Inc. is the grid operator for the states of NJ, PA, MD, DE, VA and Washington, D.C.

**Interstate Pipeline:** A national network of pipelines that runs across state lines that brings natural gas into particular regions across state lines. The Federal Energy Regulatory Commission regulates interstate pipelines.

**Independent System Operator (ISO):** A neutral operator responsible for maintaining constant and instantaneous balance of the grid system. The ISO performs its function by controlling the dispatch of flexible plants to ensure that loads match resources available to the system.

PJM is an ISO.

**Kilowatt-hour (kWh):** A measure of electricity consumption equivalent to the use of 1,000 watts of power over a period of one hour.

**Local Distribution Company (LDC):** See “Gas distribution company (GDC).”

**Market-Based Price:** A price set by the mutual decisions of many buyers and sellers in a competitive market.

**Marketer:** A licensed electric power supplier that takes title to electric energy and capacity, transmission and other services from electric power generators and other wholesale suppliers and then assumes contractual and legal obligation to provide electric generation service, and may include transmission and other services, to an end-use retail customer or customers, or a licensed gas supplier that takes title to gas and then assumes the contractual and legal obligation to provide gas supply service to an end-use customer or customers.

**Municipal Utility:** A municipal entity that assumes responsibility for supplying utility service to its constituents. In supplying electricity, the municipality may generate and distribute the power or purchase wholesale power from other generators and distribute it. The Board of Public Utilities does not have jurisdiction to regulate matters dealing with municipal utilities unless its also serves more than 10,000 customers outside of its municipality.

**Net Non-utility Generation Charges:** These are charges associated with purchasing power contracts from non-utility generators.

**Non-Utility Generator (NUG):** A generation facility owned and operated by an entity that is not defined as a utility.

**PJM, Inc.:** Grid operator for the states of NJ, PA, MD, DE, VA and Washington, D.C.

**Price to Compare:** This is the per kilowatt hour rate charged for electricity (see “shopping credit”) or the per therm rate charged for natural gas.

**Public Utility:** This is a privately owned business entity, subject to government regulation, which provides an essential commodity or service, such as water, sewer, natural gas, electricity, cable television or telecommunications services to the public.

**Real-Time Pricing:** The instantaneous pricing of electricity based on the cost of the electricity available for use at the exact time the electricity is demanded by the customer.

**Reliability:** Electric system reliability has two components, which are adequacy and security. Adequacy is the ability of the electric system to supply the aggregate electrical demand and energy requirements of the customers at all times, taking into account scheduled and unscheduled outages of system facilities. Security is the ability of the electric system to withstand sudden disturbances, such as electric short circuits or the unanticipated loss of system facilities.

**Regulatory Assets Recovery Charge:** These are the costs associated with deferred expenses approved by the Board of Public Utilities.

**Renewable Energy Resources:** Renewable energy resources are those that occur naturally and can be replenished. Renewable energy resources include: biomass, hydro, geothermal, solar and wind energy. In the future, they could also include the use of ocean thermal, wave, and tidal action technologies. Renewable resources provide “green” or “clean” energy.

**Restructuring:** This is the reconfiguration of the vertically integrated utility company. Restructuring usually refers to separation or “unbundling” of the various utility functions into individually operated and owned entities.

**Retail Competition:** A system under which more than one electric provider can sell to retail customers, and retail customers are allowed to buy from more than one provider.

**Retail Market:** A market in which electricity and other energy services are sold directly to the end use customer.

**Shopping Credit:** The “shopping credit” is also referred to as the “price to compare.” It is the price per kilowatt hour that the electric utility charges for electricity or the price per therm that the gas utility charges for natural gas. This is to be used by the consumer to compare with the cost of other suppliers. Most energy utility bills clearly label the “price to compare.”

**Slamming:** An unauthorized change of your energy supplier.

**Societal Benefits Charge (SBC):** This is a charge imposed by an electric public utility on all consumers, at a level determined by the Board of Public Utilities, to continue social programs approved prior to restructuring. This charge is mandated by EDECA.

**Stranded Cost:** The amount by which the net cost of an electric public utility’s electric generating assets or electric power purchase commitments exceeds the market value of those assets or contractual commitments in a competitive supply marketplace and the costs of buy-downs or buyouts of power purchase contracts.

**Tariff:** A document, approved by the responsible regulatory agency (in New Jersey, the Board of Public Utilities), listing the terms and conditions, including a schedule of prices, under which utility services will be provided.

**Therm:** A unit of heating value used by gas distribution companies and suppliers for billing purposes. A typical residential heating customer in New Jersey uses about 1000 therms of natural gas per year.

**Third Party Supplier (TPS):** This is a competitive supplier of electricity or natural gas other than the traditional utility company.

**Time-of-Use (TOU) Rates:** This is the pricing of electricity based on the estimated cost of electricity during a particular time block. Time of use rates are usually divided into three or four time blocks per twenty four hour period (on peak, mid peak, off peak and sometimes super off peak) and by seasons of the year (summer and winter). Real time pricing differs from TOU rates in that it is based on actual (as opposed to forecasted) prices that may fluctuate many times a day and are weather sensitive, rather than varying with a fixed schedule.

**Transmission:** This is the component of a utility's electric system that delivers electricity at high voltage from points of supply (generating facilities and interconnections with other utilities) to substations from which the electricity is distributed to customers by the distribution system. Also, the term is used to describe the movement of electricity through electric lines to the point of distribution.

**Transportation Service:** This term is used to refer to interstate pipeline transportation service and the distribution service provide by local gas utilities. It is the delivery of natural gas to your home or business.

**Unbundling:** This is the separation of the packaged service offerings that make up traditional utility service into basic components and offering each component separately with separate rates for each component. For example, generation, transmission and distribution are unbundled components of energy service.

**Universal Service Fund:** This is a mechanism billed through the utilities for the purpose of funding assistance to low-income residential customers so they can obtain or retain electric and natural gas services.

**Vertical Integration:** An arrangement in which the same company owns all of the different aspects of making, selling and delivering a product or service. In the electric industry, it refers to the historically common arrangement in which a utility owned its own generating plants, transmission system, and distribution lines to provide all aspects of electric service.

**Wellhead:** The site at which natural gas comes out of the ground, typically used as a pricing point for the gas commodity.

## HOW TO PLAN FOR EMERGENCIES THAT CAUSE UTILITY OUTAGES.

Although New Jersey generally enjoys a comparatively mild Atlantic climate with a fair amount of seasonal variation, sometimes, the state experiences major, severe weather events, occasionally on a large scale. The 2006 hurricane season was a near miss for our state, as hurricanes remained to our west, but future hurricanes in the autumn, nor'easters in the winter, and strong, windy thunderstorms in the spring and summer can cause power outages, providing significant challenges to the utilities that serve the residents of our State.

A recent example of the impact of severe weather on utility services occurred during the July 4, 2003 holiday weekend when over 40,000 shore residents lost power. Not only were homes and businesses affected, but tens of thousands of tourists vacationing in the Seaside Heights area were left in the dark. The outage created confusion and chaos for those stuck on the amusement pier and boardwalk and placed severe strains on local and county emergency services including fire, police and first aid squads.

In September, 1999, when Hurricane Floyd hit New Jersey a state of emergency arising from bad weather was declared. The storm caused severe flooding, exceeding heights previously recorded in some areas, and causing at least four reported deaths. Major roadways throughout New Jersey were affected. Over 250,000 natural gas and utility customers were affected at the height of the storm. Utility customers throughout New Jersey were cut off from basic services, including water, gas, electric and telephone.

You, your family, and co-workers should prepare for emergency utility outages. Become knowledgeable on how to protect your family and possessions during emergencies.

### Awareness Information

- **National Weather Service (NWS) Watch:** Issued when conditions are present that indicate hazardous weather conditions are imminent in the region. The NWS Storm Prediction Center issues such watches.

Local NWS forecast offices issue other watches (flash floods, winter weather, etc.) on a county-by-county basis **12 to 36 hours** in advance of possible hazardous weather or flooding.

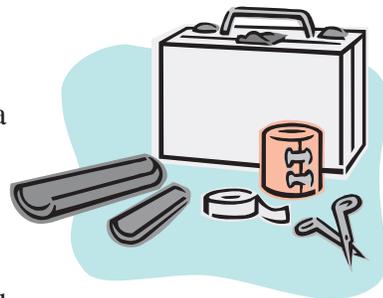
- **NWS Warning:** Issued when a hazardous event is occurring or is imminent in **30 minutes to an hour**. Local NWS forecast offices issue warnings on a county-by-county basis.

### Four Steps of Preparedness

1. **Learn about your community and service providers.** Identify the types of human, weather or technological disasters that can affect your area and the utility services supplied to the area. Find out if your area has a public warning system and what you can do to help the elderly or other individuals, who have special needs in the event of an electrical outage. Know where to go if authorities ask you to evacuate. Have emergency numbers for utility suppliers readily at hand.

**Prepare a list of these numbers before any emergency occurs and post them in a number of locations in your business or residence.**

- 2. Create a Disaster Plan.** After you have identified possible disasters that could occur in your area, talk to family members and co-workers about how to prepare and how to respond if one occurs.
- 3. Make a checklist of steps to take in the event of an emergency which may include:**
  - identification of an outside meeting location;
  - an emergency communications plan, if family members are separated;
  - identification of a “family contact”, who lives outside your area to call and check-in with;
  - familiarity with escape routes;
  - teaching all responsible family members how and when to turn off the water, gas and electricity at the main switches or valves
  - identification of safe places in your home for each type of disaster emergency;
  - preparation of two photocopies of vital documents, keeping one copy in a safe place outside the home;
  - preparation of a complete written and videotaped inventory of your home, garage and surrounding property, storing the record outside the house;
  - maintaining extra batteries and a battery powered radio that works tuned to NWS advisories;
  - having a fire extinguisher and showing family members how to use it and where it is kept;
  - planning what to do with pets
- 4. Practice and maintain your disaster plan.** Practicing your plan will help you to respond effectively during an actual emergency. You should review your plan periodically and make updates.
- 5. Prepare a disaster supplies kit** and store the supplies you might need in an evacuation in a back pack or duffel bag. Be sure to include:
  - Water in sealed, unbreakable containers (one gallon per person per day). Mark the storage date and replace every six months;
  - Non-perishable packaged or canned food and a non-electric can opener;
  - A change of clothing, rain gear and sturdy shoes;
  - Blankets or sleeping bags;
  - A first aid kit and prescription medications;
  - An extra pair of eyeglasses;
  - A battery-powered radio, flashlight and extra batteries;
  - Credit cards and cash;
  - An extra set of car keys;
  - A list of family physicians; and
  - Special items for infants, elderly or disabled family members.



## **RATE COUNSEL PUBLICATIONS\***

### **Consumer Assistance Handbook: A Guide from the New Jersey Division of Rate Counsel for Cable Television, Natural Gas, Electric, Telecommunications, Water and Wastewater Customers, Revised 2006 Edition\* NO COST**

This Handbook was prepared to provide consumers, residential, small business, not-for-profit, and commercial customers the detailed information needed to make informed choices when selecting energy and telecommunications providers in the restructured energy and telecommunications marketplaces. It also includes information about water/wastewater rates and services, how to read your utility bills, the Consumer Bill of Rights, information about the status of the cable television industry, and what to do during drought conditions and weather emergencies that affect water and energy services.

### **Consumer Conservation Handbook\* NO COST**

This publication provides detailed information and tips in a room by room guide on how to reduce energy use for heating and cooling as well as the most economical choices of appliances in an easy to use consumer friendly format. Many of the conservation tips are inexpensive or free.

### **Manual for Government Energy Aggregators: A Guide to Aggregation Procedures Pursuant to the Electric Discount and Energy Competition Act as Amended**

Rate Counsel consistently supported energy aggregation as the best way to provide the lowest possible energy rates for residential, small business and state and local governments since the passage of the Electric Discount and Energy Competition Act (EDECA) in 1999. On February 27, 2003, the Governor signed into law legislation simplifying the energy aggregation process for municipalities in New Jersey, paving the way for money-saving opportunities for residential and business customers throughout the state, by ordering the Board of Public Utilities to adopt rules and regulations requiring electric or natural gas public utilities to assist municipal and county aggregators when establishing a government energy aggregation program at the request of the governing body of a county or municipality. The law also provides a role for Rate Counsel in the municipal aggregation process as a reviewer and analyst of bid notices, bidding documents and written agreements.

The Director of Rate Counsel and her staff prepared this step-by-step, 206 page Guide to provide technical assistance to municipal and county officials and their counsel when planning their communities' energy needs. This loose leaf bound publication includes the most recent Board of Public Utilities aggregation rules and regulations and will be kept current for all purchasers.

To order a copy of the **Manual For Government Energy Aggregators: A Guide to Aggregation**

\*Publications with an asterisk are available on Rate Counsel's Website <http://www.rpa.state.nj.us>. All publications can be ordered by fax, (973) 648-4848) or by mail from Rate Counsel, 31 Clinton St., 11th floor, P.O. Box 46005, Newark, NJ 07101.

**Procedures Pursuant to the Electric Discount and Energy Competition Act As Amended**, send your request to the Rate Counsel address indicated. Include a check payable to the Treasurer, State of New Jersey. The costs for the manual, mailing and handling are: \$50.00 for municipalities, other governmental agencies, and not-for-profit agencies and organizations. \$100.00 for profit making entities.

### **2005 FACT SHEETS\* NO COST**

**Current Water Issues**, Fall 2005

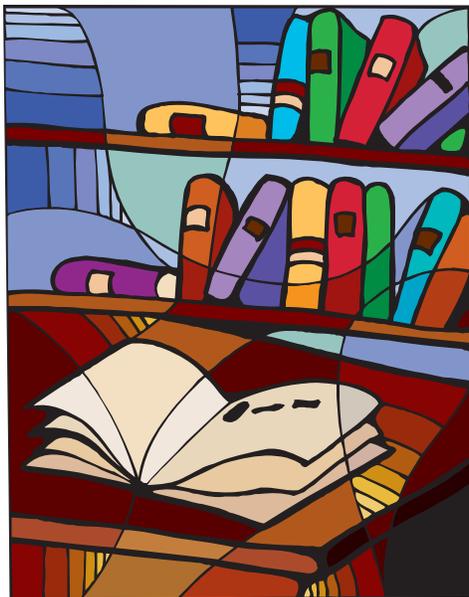
**Understanding Your Electric Bill**, June 2005

**Understanding Your Natural Gas Bill**, June 2005

**Financial Assistance Programs**, November 2005

### **The New Jersey Advocate\* NO COST**

The quarterly newsletter of Rate Counsel is designed to keep residents of the state informed of emerging utility issues.



\*Publications with an asterisk are available on Rate Counsel's Website <http://www.rpa.state.nj.us>. All publications can be ordered by fax, (973) 648-4848) or by mail from Rate Counsel, 31 Clinton St., 11th floor, P.O. Box 46005, Newark, NJ 07101.