

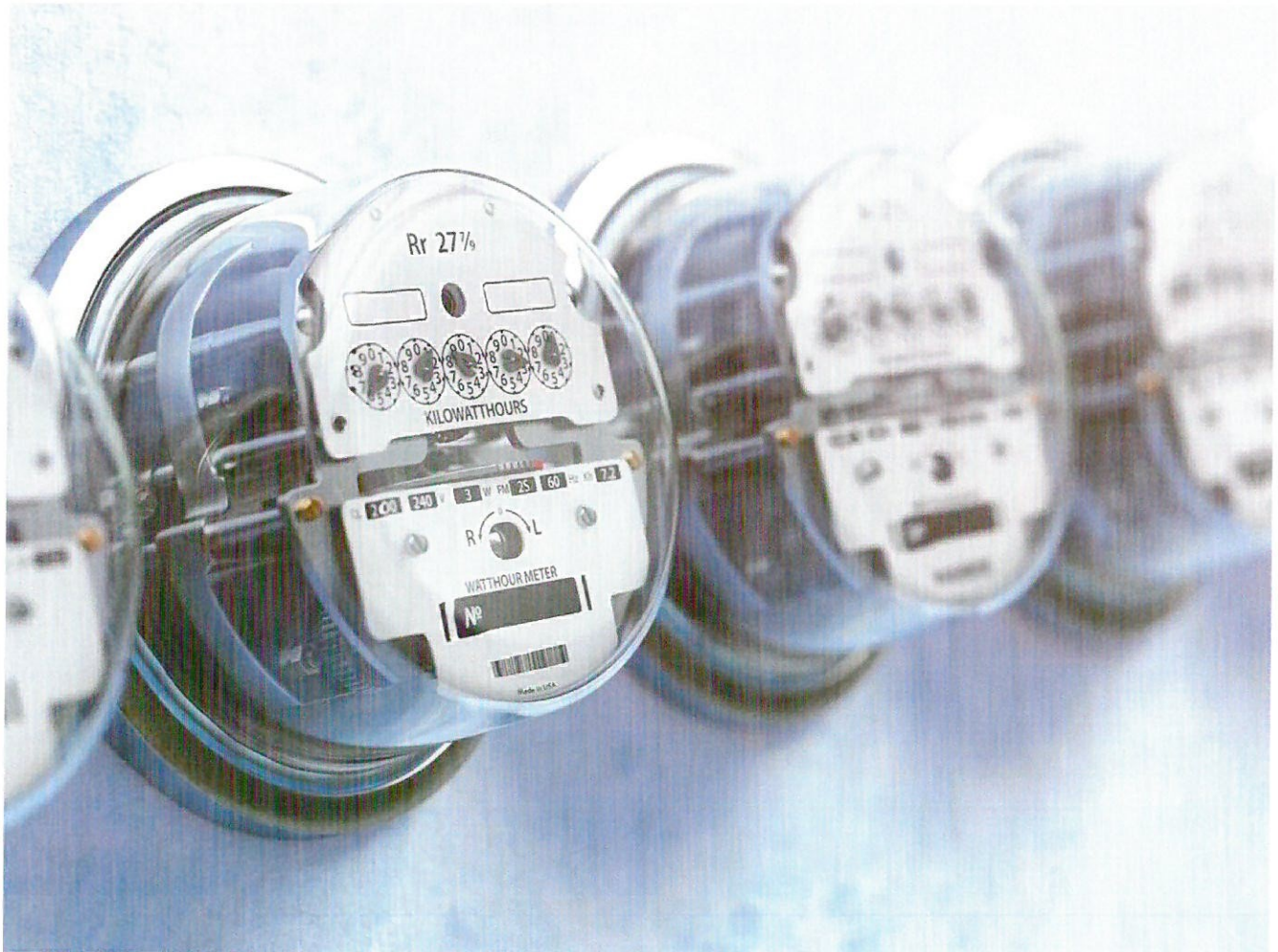
Unacceptable': NJ Residents Deserve Answers For High Electric Costs, Lawmakers Say

One Congress member called for a moratorium on rate increases for one of the four major NJ electric suppliers that raised rates this summer.



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Several NJ legislators called the Board of Public Utilities to a public hearing, demanding answers for the summer spike in utility costs. Four major electric suppliers raised their rates as of June 1. (Shutterstock)

NEW JERSEY — A hot summer, coupled with energy rate hikes from four major utility suppliers, meant higher electric bills for New Jersey residents —and legislators are demanding answers from the state Board of Public Utilities.

Lawmakers on both sides of the aisle say the BPU should either hold a public hearing in front of residents, or come before the state legislature for a hearing at the Statehouse, to explain these higher prices and come up with remedies to address them.

The Atlantic City Electric, Jersey Central Power & Light, Public Service Electric & Gas, and Rockland Electric companies [all raised base generation rates](#) for individual households and small or medium-sized businesses, beginning June 1.

For households using 650 kilowatt hours (kWh) per month, the rate increases should represent an increase between \$8.34 and \$4.71 monthly, the BPU said — but residents [around the state](#) have been reporting [much higher hikes](#), especially after running the air conditioning more often through several summer heat waves.

More than 50,000 people [have also signed a petition](#) calling for "a transparent explanation" from Atlantic City Electric on the spike in bills, stating that some customers have actually seen their bills go up 300 to 400 percent this summer.

"We can no longer stand idly by, allowing corporations to profit at our expense, especially without a clear explanation or legal justification," wrote the petition's founder, Nick Pittman.

The "unacceptable" increases have burdened local families, said U.S. Congressman Jeff Van Drew, who represents the 2nd congressional district. The South Jersey Republican demanded that the BPU must hold a public hearing in his district and called for moratorium on any further rate increases from Atlantic City Electric and its parent company, Exelon.

"Such increases, especially at a time of severe economic hardship on nearly all expenses, are unacceptable and have placed an undue financial burden on many families in our communities," he said.

A group of Democrats in the Assembly and Senate also said the rate increases are unacceptable in a letter to the board's president, Christine Guhl-Sadovy, in late August.

"Middle-class families and small businesses should not be asked to shoulder the burden of rising energy costs to this degree," [the letter says](#).

On Monday, Assemblywoman Andrea Katz also said she is [introducing legislation](#) that requires the BPU to "consider affordability" for residents before approving any utility rate increases.

"We need a legislative hearing because New Jerseyans deserve answers," said Katz, a Democrat who also represents South Jersey communities.

Of the summer rate increases, JCP&L customers saw the biggest hike, at 8.6 percent. Those who get their electric service from PSE&G had rates increase by 6.2 percent. Atlantic City ratepayers had their bills go up 4.8 percent, and Rockland energy customers saw an increase of 3.6 percent, according to the BPU.

Why Is It Happening?

➤ The Board of Public Utilities approved these rate increases in February, after the state's latest auction for Basic Generation Service — which sets the price companies pay for electricity that's generated outside the state.

"One recent reason ratepayers may have experienced an increase is that the cost of generating electricity has changed, something that is not unique to New Jersey," a statement from the Board of Utilities said. "Utilities purchase their electricity in the marketplace and there are different market mechanisms that impact the cost of electricity."

And, that supply rate increase is only a [piece of the pie](#). Distribution rates, power plant costs, and weather conditions also affect customers' bills — as does monthly usage.

The BPU said residents have reached out to them about the increase in their bills, and said the "particularly hot and humid summer" may well be a factor, if ratepayers ran their air conditioners more.

"We encourage customers to compare their individual usage from month-to-month and year-to-year to determine if higher usage has caused an increase in their bill," the board said in a statement.

What Can Be Done

A BPU spokesperson said she did not have any information about possible public hearings in the future. The board does have a quarterly public meeting coming up on Friday, Sept. 20, and [residents may register](#) by 5 p.m. on Thursday to address the commissioners at the meeting.

If customers see their bills spike and "cannot determine an explanation," they are encouraged to contact their utility directly. Residents can also submit [a complaint online](#), or contact the BPU's Customer Assistance Division at (800)-624-0241.

"When requested, BPU staff will witness a meter test to ensure that the meter is functioning properly," the board said. "If it is determined that there is an error with the meter or a billing error in general, customers are entitled to a refund on the amount they were overbilled."

Also, several programs are available to help [low-income residents](#) who are having difficulty affording their energy bills.

Some residents will be eligible for a one-time payment of \$175 through the state's recently-announced [Residential Energy Assistance Payment \(REAP\)](#) program, if they already receive benefits through programs such as the federal Home Energy Assistance Program (HEAP), the Lifeline Credit Program, Temporary Assistance to Needy Families, federal Supplemental Security Income.