



REAL

NJ ELECTRIC CHOICE

2022

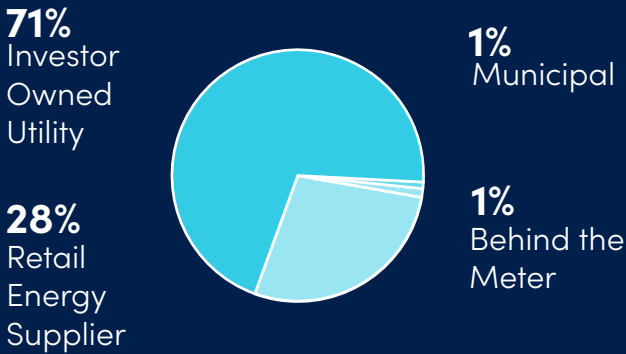


Electric Supply Market Overview¹

Number of Customers

Investor Owned Utility:	4,143,303
Municipal:	25,948
Behind the Meter:	86,620
Retail Energy Supplier:	367,152

Electric load MWhs served by supplier



Retail Energy Supplier Customers

Broken out by Customer Class:



Residential Customers who shop: 260,865



Commercial Customers who shop: 105,458



Industrial Customers who shop: 829

About the State Energy Market

In 1997, the New Jersey Board of Public Utilities (BPU) introduced an Energy Master Plan, allowing residents and businesses in the state to choose their electricity provider by 2001, which also extended to the natural gas market. Before this change, electricity needs in New Jersey were served by four utilities: Atlantic City Electric (ACE), Jersey Central Power and Light (JCPL), Public Service Electric and Gas (PSEG), and Orange & Rockland.

Electric utilities are still responsible for the transmission, distribution (poles and wires), and reliability of the local energy supply and receive a guaranteed rate of return approved by the BPU to manage those assets.

New Jersey is part of a regional transmission organization known as PJM. PJM oversees the competitive wholesale electricity market for 13 states and the District of Columbia.

The process

- 1 Power generators bid the electricity they produce into the wholesale market.
- 2 Utilities, retail energy suppliers, and other buyers can purchase it.
- 3 The purchased supply is then sold to industrial, commercial, and residential customers through the retail energy market.

In New Jersey, the competitive retail energy market is regulated by the BPU. In New Jersey, if a customer chooses not to shop for their energy supply needs, they have elected to stay enrolled on the utility supply product, known as "basic generation service." Each utility's supply product price and term lengths vary, and most operate on a six-month cycle, where prices are updated based on operating costs and procured supply as approved by the BPU.

¹ United States. Energy Information Administration. Annual Electric Power Industry Report, Form EIA-861 detailed data files, n.p. EIA, 2022. <https://www.eia.gov/electricity/data/eia861/>. Online.

Renewable Energy Requirements

New Jersey has implemented one of the most ambitious Renewable Portfolio Standards (RPS) nationwide. For 2022, electricity suppliers must procure 23.5% of their sales from qualified renewable energy resources. The state aims for 35% of energy sold to come from qualifying sources by 2025 and 50% by 2030.

New Jersey has set aggressive offshore wind targets of 11,000 MW by 2040 and established new solar targets. By promoting a diverse portfolio of clean in-state generation and adopting electrification in transportation and buildings, the state aims to reduce reliance on fossil fuels, stimulate economic growth, lower emissions, and combat climate change.

**New Jersey's (2022)
Renewable Energy
Portfolio Standard is**

 **23.5%**

Consumer Protections

In New Jersey, consumer protections ensure that energy customers are safeguarded through laws and regulations enforced by the New Jersey BPU. These laws prevent unauthorized service changes, prohibit false claims and unsolicited calls, and require transparent supplier advertisements. Contracts between customers and suppliers must include clear terms, pricing, termination rights, and emergency contact information to promote transparency and customer protection.

Starting from August 1, 2023, a new law applies to consumer service providers offering automatic renewal of subscriptions in New Jersey. This law covers services with a minimum one-year initial term and one month or longer renewals. Suppliers must acknowledge cancellation requests within five business days and process them within ten business days.



Shopping for Energy in New Jersey

Any New Jersey electric or gas customer, regardless of class, are eligible to shop for a third-party supplier using the state-managed website NJ Power Switch. The website allows customers to compare prices and options offered by licensed suppliers and choose a supplier based on their specific needs.

[Visit NJ Power Switch](#)



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RETAIL ENERGY ADVANCEMENT LEAGUE

This resource was developed by the
Retail Energy Advancement League.

RetailEnergyChoice.org