

April 11, 2023

TO: New Jersey Propane Gas Association
FROM: Eric DeGesero, President
RE: Legislative Report

[Senate Bill 3672- \(Smith/Zwicker\)](#) - Requires BPU to establish and public utilities prepare and implement beneficial building electrification plans.

On February 15, 2023 Governor Murphy stated:

“Now, let me make one thing perfectly clear at the outset before the right-wing meme-makers go off ... No one is coming for anyone’s gas stove. No one is walking into anyone’s kitchen. No one is going to be forced to do anything, in any way.”

He did go on to state he would seek to electrify 400,000 homes and 20,000 commercial buildings by 2030. His stated sources of funding are RGGI and the Inflation Reduction Act.

The Governor’s February 15, 2023 speech was followed by the introduction of S3672 on February 28, 2023. On March 3, 2023 S3672 was placed on the agenda for the Senate Environment and Energy Committee’s March 9, 2023 agenda. On the evening of March 3, 2023 NJPGA, in conjunction with the Fuel Merchants Association of New Jersey, committed to a public relations campaign against S3672, focusing on the issue of gas stoves. The ads began running the following week on nj.com, New Jersey Globe, and NJBIZ. S3672 was removed from the March 9, 2023 Senate Environment and Energy Committee agenda. It will likely be back.

A meeting with Senators Smith and Zwicker is being arranged to discuss the issues with mandated electrification as the only path forward including the challenges presented by heat pumps in retrofit and new construction applications. The issue for NJPGA is to decide what, if any, decarbonization pathway(s) you are willing to accept in exchange for not being put out of business.

I have spoken with Jacob Peterson at NPGA who has provided me materials on renewable propane which is a path forward, albeit not likely in the Northeast in the near or even intermediate term. There simply isn’t enough production and the production that there is, is consumed near where it is produced. If Bayway became a supplier it would buttress the narrative. In the interim, another path forward in exchange for staying in business may be the requirement that all new propane equipment installed must be a hybrid propane/heat pump system. This would be for replacing existing systems as well as new construction. This is an important point to make since there is slightly greater support to

mandate electrification only in new buildings. On a related note, please read [this March 1, 2023 PSE&G press release](#). It will be part of our discussion.

+++++

[Assembly Bill 526 \(Freiman/Calabrese/Danielsen\)](#) - Regulates how businesses engage in automatic renewals with consumers. Assemblyman Freiman introduced this legislation in response to frustrations consumers have in canceling contracts, especially those that are on-line.

The bill was on the March 20, 2023 Assembly Consumer Affairs Committee agenda. On behalf of NJPGA, EDGE Consulting contacted Assemblyman Freiman and explained to him how the terms of providing services to propane customers are already regulated by the *Propane Gas Customer Protection Act* enacted in 2007.

- **NJSA 52:27D-511b(8) reads:** *Notice of the customer's right to change propane suppliers or marketers, consistent with the terms of the customer's plan or contract, if the customer is dissatisfied with price or services or for any other reason;*
- **NJSA 52:27D-511d reads:** *Propane gas suppliers or marketers shall provide the information required by subsection b. of this section to a customer prior to entering into any contract with a customer for the delivery of propane or propane services, upon renewal of an existing contract and in response to a request from a customer.*

In light of the existing statute, and after consultation with NJPGA, EDGE Consulting offered the following amendment:

¹This act shall not apply to any propane gas supplier or marketer licensed pursuant to NJSA 52:27D-509.¹

Assemblyman Freiman did not recognize how many businesses were impacted by his proposal and agreed to have the bill up in the committee for hearing purposes only, meaning there would be no vote to move it to the full Assembly. EDGE Consulting will follow-up with Assemblyman Freiman.

+++++

[Assembly Bill 4470 \(Egan/DeAngelo\)](#) - Under current law, if three or more lanes of traffic are moving in the same direction vehicles 10,000 lbs GVW or greater cannot be in the furthest left lane. This bill reduces that to two lanes. This means every truck in the state must be in the right lane, unless they are turning left, exiting, or there is an emergency.

Additionally, it increase the penalty for trucks not in the proper lane from no more less than \$100 and no more than \$300 to no less than \$200 and nor more than \$600. And it prohibits the ticket from being paid by mail or electronically.

EDGE Consulting testified in opposition to the bill on behalf of NJPGA. The bill was heard and released from the Assembly Transportation Committee on March 23, 2020 by a vote of 9-1. The only NO vote was from Assemblyman Christian Barranco (R-Morris). The bill is on second reading in the Assembly.