

TOWNSHIP OF MARLBORO

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VIA EMAIL

Senator Linda Greenstein
1249 South River Road
Suite 105
Cranbury, NJ 08512

Dear Senator Greenstein:

On August 4, 2020, Tropical Storm Isaias ripped through Marlboro Township in Monmouth County where I serve as Mayor. It was a quick moving but ferocious storm with hours of 50 mph sustained winds which caused extensive damage. The storm disrupted power to 90+ percent of the electric customers in Marlboro who are served by Jersey Central Power & Light (JCP&L), a subsidiary of First Energy Corporation (First Energy) based in Ohio.

From a purely business perspective, JCP&L's response to the damage caused by Isaias was awful. On a personal level, the effects on Marlboro residents was devastating. The problems, I believe, stem from a failure or even lack of systems designed to assess, prioritize and schedule resources, and poor communication, both within the organization itself and with its customers.

In the aftermath of Tropical Storm Isaias, I sent a letter to the New Jersey Board of Public Utilities President Fiordaliso (NJBPU), copying Governor Murphy's office, Speaker Coughlin, State Senator Gopal and O'Scanlon and JCP&L representatives detailing the problems with JCP&L's response.

On August 19th, I, along with Mayor Busch of Metuchen and Mayor Fried of Robbinsville, was invited to give testimony at the hearing held before the New Jersey State Assembly Committee hearing on this same issue.

Issue #1: Coordination of Resources

It is understood by those of us who have been through these storms before that in the aftermath of a significant weather event such as Isaias, the power company has to take a period of time to assess the damage. In other words, the repairs themselves do not start the minute the storm blows away.

That said, once an inventory of damage has been compiled, the theory goes, the company is now in a position properly prioritize and assign resources as needed.

Following Isaias, it became abundantly clear that JCP&L's priority system for restoring power was not functioning, and the company did not have a handle on where their own resources were

dispatched. Marlboro was Exhibit A in this regard. Large areas of outages were not reached until very late on day 3 (just as a lightning storm passed through the area), after several promised targets from senior management came and went. This is the segue to problem #2 (below).

Issue #2: Communication

Where there was even information available, it was at best vague, untimely, and in some instances just plain inaccurate. Several days into the event, I learned from neighboring municipalities that there were formal daily "Mayor's reports" available, and after finding out, had to ask that one be generated for Marlboro. By the time the reports were circulated, the information was a full day old. JCP&L reported updated outage figures on its website, and, at times, seemed incapable of copying the same information into an email or report for consumption and distribution by local officials. Errors were rampant.

Marlboro residents received restoration times that came and went, and to add insult to injury, confirmation messages that service had been restored went to those who were still without power.

I do not blame the ground level representatives assigned to Marlboro. In fact, now, more than ever, I am convinced that they do not have the tools to provide accurate and timely information. The problem, I believe runs much deeper, and is perhaps even rooted in a corporate level business decision made by a large out-of-State company. From a business perspective, First Energy (like other utilities) has a monopoly, and investing in the coordination of resources and communication may simply be an expense not worth incurring. Frankly, if JCP&L just stated for the public record that "we have made a business decision to wing it", I could at least understand that the company's failures were deliberate and solely about making money for its shareholders. JCP&L has effectively outsourced its communications responsibility to local officials. I have become JCP&L's front office to troubleshoot and direct repairs to areas throughout my Town.

Where do we go from here?

This is where New Jersey's regulatory framework to hold utilities in check must enter the discussion. Respectfully, the New Jersey Board of Public Utilities (BPU) needs to ask hard questions and get answers *once and for all* from JCP&L. And when JCP&L fails, there must be real consequences. If not already in place, measurable and concrete storm restoration criteria must be established, and substantive financial penalties tied to failures to comply are a must. Perhaps a daily fine of \$500,000 per day or more is in order. NJBPU needs to find a way to hit JCP&L in the only place that seems to count -- their bottom line. Finally, JCP&L's apparent failure to invest in infrastructure upgrades that would prevent widespread outages in the future must be addressed. I have copied our State leaders on this letter in the event that legislative action is needed in order to accomplish this.

It is worth noting some of the comments made by other Mayors who preside over towns with split electric service jurisdiction served by both JCP&L and Public Service Electric & Gas (PSE&G). I am told, although I do not know this firsthand, that the two utilities operate very differently, and with very different results.

I have served as Mayor of Marlboro for 13 years, and have lived through storms Irene and Sandy. In addition, there have been other major weather events in the last several years, following which we aired similar criticisms and calls for action. Forgive me for being cynical, but I am nearly resigned to the fact that the same complaints will continue to result in the same inaction. With

this in mind, I have two practical policy recommendations to offer. As a condition of its license to operate in the State of New Jersey, JCP&L should be required to:

- (1) Furnish every customer with a permitted and installed generator. Alternatively, the State, or a cooperative of local government agencies can bid this out and get a competitive price, and have JCP&L cut a check to every customer in that amount.
- (2) Reimburse each locality in its service area for the full cost of hiring a “liaison” with knowledge of electric grids and public services to coordinate and keep track of outage and restoration activity.

Conclusion

As Mayors, we can neither hide from nor escape taking responsibility for anything that occurs in our Towns, including the reliability of the electricity infrastructure that is owned and operated by this private company based in Ohio. Like any consumer, I merely seek JCP&L to provide a reliable service in exchange for a fair price. On this count, JCP&L repeatedly fails to deliver. In fact, the company’s tactic seems to be to ask for forgiveness rather than solving the root of the problem.

My criticism of JCP&L’s response to this and previous storms is not to score points or even assign blame. It is to demand accountability. I just want the problem fixed. The time is now – not after the next storm or the one after – for JCP&L to be held accountable. Furthermore, it is time for the company to replace lip service with dollars, not rate increases, directed to its customers. Ultimately, if the company is not willing or is incapable of investing in system upgrades and meeting acceptable levels of disaster response and communication, the Board should consider forcing them to sell their New Jersey franchise territories to a responsible local utility.

Sincerely,



Jonathan L. Hornik
Mayor