

**BOROUGH OF PARK RIDGE
ORDINANCE NO. 2026-022**

**AN ORDINANCE AMENDING CHAPTER 56 OF THE CODE OF
THE BOROUGH OF PARK RIDGE BY ADDING A NEW ARTICLE
ENTITLED “LARGE ELECTRIC LOADS AND ELECTRIC
INFRASTRUCTURE COST RESPONSIBILITY”**

WHEREAS, the Borough of Park Ridge owns and operates an electric utility system (the “Utility”); and

WHEREAS, large electric loads may impose significant demand on the Utility’s electric distribution system; and

WHEREAS, such large electric loads may necessitate substantial upgrades to substations, feeders, and related infrastructure operated by the Utility; and

WHEREAS, absent appropriate safeguards, the cost of such infrastructure improvements may be borne in part by existing ratepayers rather than the applicants that create the demand; and

WHEREAS, the Utility seeks to ensure that applicants with substantial electric demand bear a fair and proportionate share of the costs of infrastructure required to serve such electrical load; and

WHEREAS, the governing body finds that it is in the best interest of the public health, safety, and welfare to establish clear requirements for energy impact analysis, infrastructure planning, and cost responsibility for large electric load.

NOW, THEREFORE, BE IT ORDAINED by the Mayor and Council of the Borough of Park Ridge, County of Bergen, State of New Jersey, as follows:

Section 1.

Chapter 56 of the Code of the Borough of Park Ridge is hereby supplemented by adding the following new section at the end thereof:

SECTION 1. DEFINITIONS

“Large Electric Load”

Any service expected to require a peak electrical demand of 1,000 kW or greater or annual consumption of 3,000,000 kWh or greater, as determined by the Utility.

“Electric Infrastructure Improvements”

Includes, but is not limited to:

- Substations
- Transformers
- Distribution feeders
- Interconnection facilities
- Any associated equipment required to provide electric service to the Large Electric Load user (such as poles, lines, conduits, elbows).

“Contribution in Aid of Construction”

A payment required from an applicant to cover the cost of Electric Infrastructure Improvements attributable to the applicant which shall be equal to one hundred and twenty percent (120%) of the estimated improvement costs through an upfront cash payment or a letter of credit.

SECTION 2. ENERGY IMPACT STATEMENT

All applicants shall submit an Energy Impact Statement, prepared by a qualified engineering professional with experience in electrical loads, which shall include:

1. Estimated peak and annual average electrical demand (MW and MWh);
2. Load profile and operational characteristics;
3. Identification of anticipated Electric Infrastructure Improvements.

SECTION 3. INFRASTRUCTURE COST RESPONSIBILITY

A. The applicant shall be responsible for the full cost of all on-site Electric Infrastructure Improvements required for service.

B. The applicant shall be responsible for the cost of all off-site Electric Infrastructure Improvements that are:

- Directly attributable to the service; or
- Required to provide adequate and reliable service, including but not limited to, if a new development triggers the need to upgrade the existing municipal Utility grid (e.g., adding a new substation feed to handle the increased load), the applicant shall pay its proportionate fair share of the off-site improvement costs as calculated by the Utility's engineer as follows:

The Utility's engineer will establish the total cost to build or upgrade the infrastructure including engineering and design fees, permitting and environmental compliance and actual construction labor and material costs.

The Utility engineer will calculate the total capacity the upgraded infrastructure will provide measured by MW of peak load.

Utilizing the Energy Impact Statement provided, the applicant's Pro-Rata Share % shall equal Capacity Consumed by the New Development divided by the Total Capacity of the upgraded infrastructure.

The resulting percentage to be multiplied by the overall cost of the infrastructure project to determine the proportionate fair share dollar amount owed by the applicant.

C. Compliance with all code requirements, including but not limited to "Contribution in Aid of Construction (CIAC)," shall be required. CIAC may be in the form of upfront payments or phased based on construction milestones. CIAC payments are in addition to any standard connection fees, demand charges and energy charges.

SECTION 4. DEVELOPER/UTILITY AGREEMENT

As a condition of approval, the Borough may require the applicant to enter into a Developer's and/or a Utility Agreement(s), which may include:

- Cost-sharing provisions for infrastructure
- Reimbursement mechanisms for future connecting users
- Phasing and timing requirements tied to infrastructure completion
- Utility easements from the applicant to the Utility in accordance with the Borough ordinances

SECTION 5. PERFORMANCE GUARANTEES

The applicant shall post appropriate performance guarantees or escrow to ensure completion of required improvements, consistent with the Municipal Land Use Law.

SECTION 6. PHASING AND CERTIFICATE OF OCCUPANCY

A. No Certificate of Occupancy shall be issued unless:

- Required electric capacity is available; and
- Necessary infrastructure is completed or bonded
- All Contributions in Aid of Construction are paid in full

B. The Borough may require development phasing aligned with infrastructure availability.

Section 2. Repealer:

All ordinances or parts of ordinances inconsistent herewith are repealed to the extent of such inconsistency.

Section 3. Severability:

If any section, subsection, sentence, clause or phrase of this Ordinance is held invalid by a court of competent jurisdiction, such decision shall not affect the remaining portions of this Ordinance.

Section 4. Codification:

This Ordinance shall be incorporated into Chapter 56 of the Code of the Borough of Park Ridge and assigned a section number by the Borough Code Publisher.

Section 5. Effective Date:

This Ordinance shall take effect upon final passage and publication according to law.

Adopted 7/14/24 on roll call vote as follows:

	Introduced	Seconded	AYES	NAYES	ABSENT	ABSTAIN
Cozzi			✓			
Fenwick			✓			
Goldsmith			✓			
Hoffman			✓			
Metzdorf	✓		✓			
Mintz		✓	✓			

APPROVED:


KEITH J. MISCIAGNA, MAYOR

Attest:


Magdalena Giandomenico
Borough Clerk / Administrator