

Links to Webinars:

Monday, January 25, 2021 at 7:00 p.m.

Zoom Webinar; Passcode: 182974

Wednesday 27, 2021 at 7:00 p.m.

Zoom Webinar; Passcode: 511350

What happens when the current contract ends, or a new auction is planned?

Changes in pricing or supplier under the current contract:

N.J.A.C. 14:4-6.9 Price Requirements for government-private programs
(c) The contract may set a fixed price per kilowatt hour or may include a pricing structure that allows for fluctuations in price during the life of the contract. However, the pricing structure shall not be changed without notice to the customers in accordance with N.J.A.C. 6.11(a).

N.J.A.C. 14:4-6.11 Notice requirements for changes to active government-private energy aggregation programs

(a) If there is a change in TPS or pricing structure during the operation of a government private energy aggregation program, all participating residential customers shall be promptly notified in writing of their right to decline continued participation as follows:

2. Under an Option 2 program, the program change notice shall be provided to the residential customers participating in the program by the lead agency or each participating municipality, whichever provided the 30-day notice to residential customers required under N.J.A.C. 14:4-6.6(q).

(b) The program change notice required under (a) above shall be prepared by the government aggregator. The entity responsible for providing the notice to customers shall promptly provide a written certification to the Board that the notice was provided to customers along with a copy of the program change notice. The program change notice shall include the following:

1. A description of the change in the TPS and/or pricing structure and an explanation of why this change is occurring;
2. A statement that the residential customer has a right to opt-out of the program; but that if no opt-out is submitted the customer will continue to be included in the program;
3. If there is a change in the pricing structure, a description of the change in pricing structure, an estimate of the impact on the bill of a typical residential customer, and any other information necessary to enable the customer to compare the program to other alternatives;
4. A requirement that any opt-out response be submitted to the option administrator within 30 calendar days after the postmark on the notice;
5. The date for the change in the TPS and/or pricing structure;

6. Directions on how to submit an opt-out response; and
7. A contact name, phone number, and email address for customer inquiries.

Under this scenario, CUC/Concord would draft the notice to participating residents for review by the municipalities, file the final version of the notice with the BPU, and the TPS would mail notices to all residents participating in the program at the time of the mailing. Attached is a sample program change notice regarding a program extension and drop in price for our Monmouth-Ocean Area Energy Cooperative last spring.

New Auction Resulting in New Supplier, Term and Rate:

This is what the BPU and the Division of Rate Counsel refer to as a new round of the GEA program. As such, under this scenario, CUC/Concord are required to treat this as a new GEA program, meaning an information packet must be mailed to all eligible residents within the municipality's geographic boundary (excludes residents under an individual contract with a TPS, solar customers, and any resident who previously submitted a permanent opt-out from the GEA program), a new video about the program would be provided, outreach presentations to residents would be scheduled, and a new 30-day opt-out period would commence, after which anyone who does not submit an opt-out request is enrolled in the new program with the new supplier at the new program rate for the new program term.

Price at the Time of Contract:

N.J.A.C. 14:4-6.9 Price Requirements for government-private programs

(b) A contract providing for electric generation service and/or gas supply service to residential customers shall not set a rate for such service that, at the time of the contract award, exceeds the benchmark price, as determined pursuant to this section, except that the rate for electric generation service may exceed the benchmark price in accordance with (g) below.

(g) A contract providing for electric generation service and/or gas service to residential customers under a government-private energy aggregation program may set a rate for such service that is higher than the benchmark price only if both of the following criteria are met:

1. The electricity provided contains a percentage of class I or class II renewable energy, as defined at N.J.A.C. 14:8-1.2, that exceeds the applicable percentage required under the renewable portfolio standards at N.J.A.C. 14:8-2; and
2. The participating municipality notifies all residential customers that will participate in or are eligible to participate that an electricity rate higher than the benchmark price is under consideration. This notice shall be provided through the customer opt-out notice letter required under N.J.A.C. 14:4-6.5(c) and 6.6(q)

(g) above is not applicable to the HAEC's GEA program as the 100% green option is sourced by national wind which is not considered class I or class II renewable energy.

New Auction Resulting in No Award:

Under this scenario, participating residents are informed in writing that they will be returning to their utility's Basic Generation Service with their first meter read following the end of the contract term. Attached is a sample postcard that we used last fall for the Borough of Sayreville's program.

Opt-Out Requirement:

N.J.A.C. 14:4-6.3 General Provisions

(i) If a residential customer is located within the geographic boundaries of a municipality or county that establishes a government-private energy aggregation program, the residential customer shall automatically be included in the program unless the customer indicates his or her desire not to participate in the program by opting-out in accordance with N.J.A.C. 14:4-6.5 and 6.6.

(k) A residential customer may opt-out of an aggregation program at any time and switch to another energy supplier, including to the LDC, upon 30 days' notice to the lead agency and the appropriate LDC.

N.J.A.C. 14:4-6.6 Establishing an Option 2 energy aggregation program

(u) If a residential customer does not submit an opt-out response to the option administrator within 30 calendar-days after the postmark on the notice required under this section, the customer shall be included in the energy aggregation program.

Fees Under Program Prohibited:

N.J.A.C. 14:4-6.3 General Provisions

(l) A residential customer may not be charged an exit fee for leaving an aggregation program at any time.

Direct Monetary Benefits to Municipalities Prohibited:

N.J.A.C. 14:4-6.8 Advertising for bids, contract award

(d) The bid specifications shall require that any reimbursement made by the GPS to the government aggregator for expenses shall be made only for costs actually incurred by the government aggregator, in establishing or operating the energy aggregation program, as reflected in invoices or vouchers authorized and paid by the government aggregator. Bid specifications shall not include provisions for the payment by a TPS of concession fees, finders' fees or other direct monetary benefits to the government aggregator.

Reimbursement to Municipalities for Actual Expenses:

N.J.A.C. 14:4-6.8 Advertising for bids, contract award

(d) The bid specifications shall require that any reimbursement made by the GPS to the government aggregator for expenses shall be made only for costs actually incurred by the government aggregator, in establishing or operating the energy aggregation program, as reflected in invoices or vouchers authorized and paid by the government aggregator. Bid specifications shall not include provisions for the payment by a TPS of concession fees, finders' fees or other direct monetary benefits to the government aggregator.