

May 24, 2016

**RESOLUTION OF THE TOWNSHIP OF WEST ORANGE, COUNTY OF ESSEX,
STATE OF NEW JERSEY, AUTHORIZING THE AWARD OF A CONTRACT TO A
THIRD PARTY POWER SUPPLIER TO PROVIDE ELECTRIC GENERATION
SERVICE TO WEST ORANGE COMMUNITY ENERGY AGGREGATION (WOCEA)
PROGRAM PARTICIPANTS AND TO PROVIDE GOVERNMENT ENERGY
AGGREGATION SERVICES IN CONNECTION WITH THE WOCEA ROUND 2
PROGRAM PURSUANT TO N.J.A.C. 14:4-6.1 ET. SEQ.**

WHEREAS, the Government Energy Aggregation Act of 2003 (P.L. 2003, c.24; N.J.S.A. 48:3-93.1 et. seq.) governs the establishment of a government energy aggregation program, which is a government-operated purchasing cooperative through which multiple energy consumers join together for the purchase of electric utility services by a government aggregator; and

WHEREAS, the New Jersey Board of Public Utilities has promulgated rules (N.J.A.C. 14:4-6.1 et. seq.) for the implementation of government energy aggregation programs; and

WHEREAS, the Township of West Orange passed an ordinance (Ordinance No. 2381-13) on August 20, 2013 authorizing the formation of a Government Energy Aggregation in the Township of West Orange, New Jersey, named the West Orange Community Energy Aggregation ("WOCEA") Program; and

WHEREAS, the Township is acting as the Lead Agency of the West Orange Community Energy Aggregation; and

WHEREAS, the residents of West Orange Township are included in the WOCEA on an "opt-out" basis, as set forth in applicable rules (N.J.A.C. 14:4-6.1 et. seq.); and

WHEREAS, by virtue of Ordinance No. 2381-13 and in accordance with New Jersey Board of Public Utilities rules (N.J.A.C. 14:4-6.1 et. seq.) and applicable law (PL. 2003, C24) West Orange Township is authorized to award a contract for electric generation service and government energy aggregation services on behalf of participating residential customers; and

WHEREAS, the Township of West Orange, in its capacity as Lead Agency, publicly noticed and issued on May 2, 2016 a Request for Proposals (RFP) for the Provision of Electric Generation Service and Government Energy Aggregation Services for the second round of the WOCEA Program and has solicited proposals from New Jersey Board of Public Utilities (NJBPU)-licensed and qualified electric power suppliers in New Jersey; and

WHEREAS, the RFP provided for a two stage process that included: Stage 1 for the submission of supplier questions and comments and the submission of qualification documents by interested, NJBPU -licensed electric power suppliers; and Stage 2 for the submission of bid prices; and

WHEREAS, the RFP provides for the submission of separate pricing for electric generation service for one bid group consisting of Participating Residential Accounts, and

including for three potential contract terms, including 15-month, 20-month, and 24-month; and two potential MPA contract options; and the RFP provides for the award of a contract for one, or none of the bid options at the discretion of West Orange Township and in accordance with the evaluation criteria set forth in the RFP; and

WHEREAS, during Stage I non-binding Notices of Intent and other qualification documents were received from six (6) NJBPU-licensed electric power suppliers; and

WHEREAS, a number of supplier questions and comments were received and, as a result, on May 13, 2016 a Responses to Supplier Questions and Addendum No.1 to the RFP was issued and distributed to all suppliers that had submitted a Notice of Intent to Bid and/or requested a copy of the RFP; and

WHEREAS, Stage 2 price bids and accompanying Transmittal Letters were submitted by six NJBPU-licensed electric power suppliers by the 2:00 p.m. May 24, 2016 deadline set forth in the RFP; and

WHEREAS, the Township, in consultation with its energy agent, has conducted extensive and in-depth evaluation of qualifications and analysis of bid prices, in accordance with the evaluation criteria set forth in the RFP and Addendum No.1; and

WHEREAS, as a result of the evaluation of qualifications and proposals and analysis of bid prices submitted, the Township has determined that the proposal submitted by Talen Energy, for a contract term of 15-months for the Option 1 pricing product i) provides the most overall benefit for the Township and WOCEA participants; and 2) will provide for contract power supply prices that are lower than the applicable Public Service Gas and Electric Co. (PSE&G) Basic Generation Service tariff prices for power supply, and make it feasible to award a contract, for the Residential Account bid group; and, 3) provides the opportunity for residents currently receiving budget billing from PSE&G to continue to receive that service from the third party supplier; and

NOW, THEREFORE, BE IT RESOLVED that the Township of West Orange hereby awards a contract for the provision of electric generation service to the Participating Residential Accounts bid group and the provision of government energy aggregation services in connection with the WOCEA Round 2 Program to Talen Energy in accordance with the terms and conditions of the RFP (including the applicable form of Master Performance Agreement included therein), as amended pursuant to Addendum No. 1 to the RFP; and

FURTHER RESOLVED that government energy aggregation services to be provided by Talen Energy, including implementation of the opt-out process for residential customers as set forth in the RFP and applicable NJBPU rules, shall commence immediately upon execution of the Master Performance Agreement, and that electric generation service to be provided by Talen Energy to the WOCEA-participating customers shall commence with the September 2016 meter read date for each electric account served, and shall continue for a 15-month term; and

FURTHER RESOLVED that the following contract prices are awarded for electric generation service for the 15-month term beginning in September 2016:

<u>Bid Group</u>	<u>Bid Price</u>	<u>Term</u>	<u>Product Option</u>
Residential Accounts	\$0.11483/kwh	15-months	1

FURTHER RESOLVED that the Mayor is authorized to execute a Notice of Award Letter to **Talen Energy** Solutions, and the Mayor is authorized to execute and the Clerk to attest to the execution of the Master Performance Agreement, in the form included in the RFP (as amended pursuant to Addendum No. 1).

CERTIFICATION

I, Karen J. Carnevale, Municipal Clerk of the Township of West Orange, do hereby certify that the foregoing resolution was duly adopted by the West Orange Township Council at the meeting held on the **24th** day of **May, 2016**.
