

## **RESOLUTION NO. 189-19**

**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 3 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 June 18, 2019 a Request for Proposals ("RFP") for the Provision of Electric Generation Service and Government Energy Aggregation Services for the third 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 12-month, 14-month, and 24-month; and two potential Master Performance Agreement (“MPA”) contract language options: Option A based upon the form of MPA attached to the RFP; and Option B which is based upon the same form of MPA except that a new section 2.1.6 as set forth in the MPA is added to the MPA; and

**WHEREAS**, the RFP provides for the submission of separate pricing for electric generation service for two different supply product options, including: Option 1 which contains the amount of renewable energy content required under the New Jersey Renewable Portfolio Standard (“RPS”); and Option 2 that has 100% renewable energy content as set forth in the RFP; and

**WHEREAS**, the RFP provides for the award of a contract for one, or none of the bid option combinations (contract length, MPA language option and renewable energy content product option) 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 four (4) NJBPU-licensed electric power suppliers; and

**WHEREAS**, a number of supplier questions and comments were received and, as a result, on July 2, 2019 a document entitled ‘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 proposals and accompanying Transmittal Letters were submitted by four (4) NJBPU-licensed electric power suppliers by the 12:00 noon EDT July 16, 2019 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**, pursuant to the RFP, the Township reserved the right to make an award to a supplier, or to make no award at all; and

**WHEREAS**, pursuant to applicable rules and the RFP, the Township shall base its award of a contract to a NJBPU-licensed electric power supplier for the Provision of Electric Generation Service and Government Energy Aggregation Services for the WOCEA program upon the most advantageous proposal, price and other factors considered; and

**WHEREAS**, as a result of the evaluation of qualifications and proposals and analysis of bid proposals submitted, the Township has determined that the proposal submitted by [Supplier Name], for a contract term of 12/14/24-months for the Option A/B contract language option and the renewable energy content product Option 1/2 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 is reasonably projected to provide power supply cost savings to WOCEA participants over the term of the contract, and makes 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 and government energy aggregation services for eligible WOCEA Round 3 Program participants in accordance with the terms and conditions of the RFP (including the applicable form of Master Performance Agreement included therein), as amended and/or clarified pursuant to Addendum No. 1 to the RFP; and

**FURTHER RESOLVED** that government energy aggregation services to be provided by [Supplier Name], 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 [Supplier Name] to the WOCEA-participating customers shall commence with the October 2019 meter read date for each electric account served, and shall continue for a 12/14/24-month term; and

**FURTHER RESOLVED** that the following contract price is awarded for electric generation service for the 12/14/24-month term beginning in October 2019:

| <u>Bid Group</u>     | <u>Contract Price</u> | <u>Term</u> | <u>Contract</u> |
|----------------------|-----------------------|-------------|-----------------|
| <u>Option</u>        |                       |             |                 |
| Residential Accounts | \$0.xxxxx/kwh         | xx-months   | A/B             |

Renewable Energy Content Option  
1-RPS-Compliant/ 2-100% Renewable

**FURTHER RESOLVED** that the Mayor is authorized to execute a Notice of Award Letter to [Supplier Name], 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 or clarified pursuant to Addendum No. 1 and consistent with the Contract Language Option awarded as set forth herein).

#### **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 16th day of July, 2019.

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