

**AN ORDINANCE OF THE TOWNSHIP OF WEST ORANGE, COUNTY OF ESSEX,
STATE OF NEW JERSEY,
AUTHORIZING THE ESTABLISHMENT OF A
GOVERNMENT ENERGY AGGREGATION PROGRAM**

WHEREAS, the Government Energy Aggregation Act, 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 purchase energy together under the auspices of a government aggregator; and

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

WHEREAS, pursuant to the Government Energy Aggregation Act, N.J.S.A. 48:3-93.1 et seq., the Township seeks to establish a Government Energy Aggregation Program (“Program”) for the provision of electricity within the Township, for the purpose of obtaining power supply cost savings for residential and non-residential participants in the Township; and

WHEREAS, the West Orange Township Council intends to review and approve a Government Energy Aggregation Program in the Township and authorize the Mayor and Township personnel under the authority of the Mayor, consistent with any applicable rules, to solicit proposals and enter into a contract, subject to review by the Township, for the provision of electric generation services on behalf of residential customers who do not opt out and non-residential customers that opt in, within the boundaries of the Township, to the extent that such a contract will produce power supply cost savings to them; and

WHEREAS, the Township may from time to time solicit proposals from electric power suppliers for electric generation services through the Program in which the Township and its authorized personnel will be lead agents in administering the West Orange Community Energy Aggregation (“WOCEA”); and

WHEREAS, the Township may from time to time issue one or more Request for Proposals for electric generation services and energy aggregation services on behalf of the WOCEA pursuant to the Local Public Contract Law, the Government Energy Aggregation Act and the Electric Discount and Energy Competition Act; and

WHEREAS, the Township will award contracts for said electric generation service and energy aggregation services to electric power suppliers that submit qualified price bids lower than the prevailing price for utility-provided basic generation service; and

WHEREAS, pursuant to applicable BPU rules, the Township needs to enter into an Electric Distribution Company Aggregation Agreement with Public Service Electric and Gas Company; and

WHEREAS, N.J.S.A. 48:3-93.1 et seq. requires the Program to be established by ordinance;

NOW, THEREFORE, BE IT ORDAINED BY THE TOWNSHIP COUNCIL OF THE TOWNSHIP OF WEST ORANGE, in the County of Essex and State of New Jersey, that there should be created a Chapter 2, Section 93, of the Revised General Ordinances of the Township of West Orange, which shall provide as follows:

TOWNSHIP CODE § 2-93.1

2-93.1: Program Established. The Township hereby establishes a Government Energy Aggregation Program, in accordance with the provisions of the Government Energy Aggregation Act, N.J.S.A. 48:3-93.1 et seq., and the rules promulgated thereunder, N.J.A.C. 14:4-6.1, et seq. The Township's program may be referred to as the West Orange Community Energy Aggregation, or "WOCEA." The Township of West Orange shall be the lead agency and any agreements entered into in connection with the Program shall be subject to review by the Township.

2-93.2: Aggregation Agreement. The Mayor shall be and hereby is authorized to execute and the Clerk to attest to the execution of an Electric Distribution Aggregation Agreement, in a form acceptable to the Township, with Public Service Electric and Gas Company ("PSE&G").

2-93.3: Applicability of Rules and Regulations; Solicitation of Proposals. Pursuant to the terms and conditions of the Government Energy Aggregation Act and the rules promulgated thereunder, and specifically N.J.A.C. 14:4-6.2, the Township shall oversee the WOCEA as lead agency and consistent with applicable rules, shall solicit proposals for electric generation service and energy aggregation services on behalf of Township residents who do not opt out and non-residential customers that opt in to the WOCEA program. The Mayor may execute and enter into a contract for such services provided that the lowest qualified bid price is below the prevailing price for utility-provided basic generation service, consistent with any applicable law. Pursuant to the regulations of the Government Energy Aggregation Act, a public notice of the WOCEA program will be issued whereby non-residential energy consumers may opt into the WOCEA program, and residential customers may opt out.

2-93.4: Master Performance Agreement. The Mayor may also execute a master performance agreement that obligates the participants in the WOCEA to purchase electricity at terms and conditions stated therein with a third party supplier that has been awarded the contract by the Township on behalf of participating members of the WOCEA, and provided that such contract shall be at prices reasonably forecast and estimated by the Township to provide savings to participants relative to the price charged for basic generation service by PSE&G.

2-93.5: Repeal. All ordinances or parts of ordinances inconsistent herewith are hereby repealed.

2-93.6: Conflicts. If any section, subsection, sentence, clause, phrase or portion of this ordinance is for any reason held to be invalid or unconstitutional by a court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision, and such holding shall not affect the validity of the remaining portions hereof.

Karen J. Carnevale, Municipal Clerk

Susan McCartney, Council President

Honorable Robert D. Parisi
Mayor

Introduced: July 16, 2013

Adopted: August 20, 2013