



The Township of Colts Neck Community Energy Aggregation Program ("CNCEA")

CNCEA Round 2 Program Announcement!

The Township of Colts Neck is excited to announce the second round of the Colts Neck Community Energy Aggregation (CNCEA Round 2) program. After successfully saving the typical Township resident more than \$300 in electricity costs during the first program, Colts Neck decided to issue another solicitation for the next round of savings through the Community Energy Aggregation Program.

The CNCEA Round 1 contract with ConEdison Solutions will end in December 2016, at which time customers will begin receiving supply from a new supplier, selected by the Township. As a result of a competitive bid conducted in September 2016, a new contract has been awarded to TriEagle Energy (TriEagle). TriEagle has extensive experience servicing GEA programs throughout New Jersey, is affiliated with one of the largest energy retailers in the United States, and offered the most favorable pricing and contract terms to the Township.

TriEagle will supply power to CNCEA Round 2 participants for a 24-month contract beginning in December 2016 at a price of \$0.08959/kwh. This represents a savings of about 12% compared to the current average JCP&L tariff price for power supply of \$0.102/kWh, and the contract is expected to save the typical Township resident about \$305 or 9% over the entire 24-month contract term, with no change to the level of service. Aggregate savings for Township residents that participate in the CNCEA Round 2 program are estimated to be nearly \$800,000 from December 2016 through December 2018.

Eligible residents will receive in the mail in early October a Notification Package from TriEagle Energy, providing details on the new contract, and contact information for you to utilize if you wish to opt-out of the program or if you simply have questions. Importantly, customers who previously opted-out of the CNCEA Round 1 program are presumed to not wish to participate in the CNCEA Round 2. The Township has worked to ensure that any such customers are not included in the opt-out notice mailing or enrollment by TriEagle Energy. However, customers who previously opted-out of the program are eligible to change their mind by simply opting-in to the CNCEA Round 2 program during the 30 day opt-out period, which ends November 3, 2016, or anytime thereafter.

The Township is pleased to provide you with this opportunity to save money on your electricity bills. Please keep an eye out for specific information and mailings regarding the CNCEA Round 2 program leading up to the program's implementation in December 2016.

Here are answers to some frequently asked questions about the program.

➤ **What is Community Energy Aggregation?**

Community Energy Aggregation is a program that allows a municipality to conduct a “bulk purchase” of energy supply on behalf of its residents, **at prices lower than the average utility price**. New Jersey regulations allow municipalities to take this approach to procure savings on your behalf.

The Township of Colts Neck hired and collaborated with its Energy Consultant, Gabel Associates, to implement a successful procurement process for a Third-Party Supplier to provide power supply to its residents. After completing the first successful program, the Township is excited to pursue another round of the CNCEA Program.

➤ **Who is Gabel Associates?**

Gabel Associates is a registered Energy Consultant that has been retained by Colts Neck to administer and implement the CNCEA program. The firm has helped pioneer energy procurement in New Jersey and has been supporting large scale aggregations (like this one) for over 15 years. We were also a key participant in the development of CEA rules and structure.

Gabel Associates was the first firm in the State to have successfully implemented a CEA program in New Jersey, and the firm has successfully completed numerous CEA programs in the State, many of which are in their second and third iterations. These programs have saved millions of dollars for New Jersey residents!

➤ **Who is TriEagle Energy Company?**

TriEagle Energy has been a retail electric power supplier for more than 10 years, and has served residential customers in New Jersey since 2013. Today, TriEagle serves more than 65,000 residential aggregation meters state-wide.

TriEagle Energy can be contacted as follows:

TriEagle Energy (BPU License # ESL-0134) Toll Free Telephone Number: 1-(877) 933-2453 Website: trieagleenergy.com Address: 2620 Technology Forest Dr., The Woodlands, TX 77381 Email Address: CustomerCare@trieagleenergy.com

➤ **How does the CNCEA Program work?**

The Township, with the assistance of Gabel Associates, issued a competitive bid process in August 2016 following strict competitive contracting laws in an effort to select a Third-Party Supplier (“TPS”) of electricity at a fixed rate below the average JCP&L price (or BGS tariff price).

All residents who are not shopping independently - or who did not opt-out of the CNCEA Round 1 - are automatically included in the CNCEA Round 2 program and will receive a letter in the mail in early-October 2016. This notice, known as the Opt-Out Notice, provides all the details of the program as well as the various ways to opt-out of the program, including TriEagle's toll free telephone number, email address, and a postage-paid opt-out card.

Customers have until November 3, 2016 to review the Opt-Out Notice and decide whether they wish to opt-out of the program. After **November 3, 2016**, residents who do not opt-out of the program are enrolled by the winning supplier.

Even after an electric account is enrolled, residents are free to opt-out of the program at any time during the contract! Participation in the CNCEA Program is 100% optional! There are no any fees or penalties if you decide to opt-out.

Customers that have their own, independent TPS contracts, or customers who previously opted-out of the CNCEA Round 1 during the initial 30-day opt-out period have not been included, but are given the option to join the CNCEA Round 2 program.

➤ **Will I receive two bills?**

No, you will always receive one bill from JCP&L. The only thing that changes in the CNCEA Program, or any CEA Program, is the cost of the electricity provided.

You may recall from Round 1 of the CNCEA Program, under service with ConEdison Solutions, that electric bills are comprised of two main components: power supply and distribution. It is important to emphasize that this program covers only the power supply portion of the electric bill. Under New Jersey's retail choice regulations, you may purchase power supply from either the electric utility company under its Basic Generation Service ("BGS") tariff rates, or you may purchase your power supply from a TPS. The goal of the CNCEA program is to provide savings on the power supply portion of your bill. **The new, lower power supply charges assessed by TriEagle will appear on your January JCP&L bill in place of the BGS tariff charges for power supply. JCP&L delivery charges will remain the same.**

The delivery portion will continue to be provided by JCP&L at regulated rates and JCP&L will continue to provide all emergency and safety services. JCP&L will also continue to provide customer services such as meter reading, billing and service restoration. Furthermore, you will continue to have all existing consumer protections and rights.

Importantly, the delivery and distribution of electricity under this program will continue to remain the same, through the regulated utility (i.e. JCP&L) that serves your home. The utility continues to handle your account, providing meter reading and billing, and addressing any power outages and maintaining service.

➤ Can I Opt-In to the CNCEA Round 2 Program?

Yes. Residents who have their own third-party supply contract, or previously opted out of the CNCEA Round 1 program, but would like to join the CNCEA Round 2 program, are given the opportunity to join.

For customers who previously opted-out of the CNCEA Round 1 program: It was presumed that customers who opted-out during the 30-day opt-out period for Round 1 do not wish to participate in the CNCEA Round 2. The Township worked very hard to ensure that any such customers were not included in the opt-out notice mailing or enrollment by TriEagle. However, customers who previously opted-out are eligible to change their mind and to opt-in to the CNCEA Round 2 program. Simply contact TriEagle, let them know that you are a Colts Neck Township resident and wish to opt-in.

For customers with their own TPS contracts: If you currently have your own third-party supply contract outside of the CNCEA program, but are considering terminating that contract and joining the CNCEA program, it is very important to first read your existing contracts very carefully, as there may be penalties for terminating the contract prematurely. Some third-party suppliers have automatic "roll over" provisions which renew your contract without affirmative consent or action from you. Please be sure to read your current agreement and if, after comparing your current deal to the CNCEA program you decide to join the Township's program, take the necessary actions to alert your third-party supplier that you wish to terminate service at the end of your contract term in order to join the CNCEA. Please also contact TriEagle to opt-in to the CNCEA program.

Please note that, if you have an existing contract with a supplier not affiliated with the CNCEA program, neither the Energy Consultant nor the Township are responsible for informing your existing supplier or terminating your agreement with them. However, if you have any difficulty with them, please let us know and we'll try to help you resolve issues. Contact Information Provided Below.

➤ Will I still be able to receive budget billing (Equal Payment Plan)?

The Township **requires** that TriEagle provide budget billing for their power supply charges to those customers that currently have such arrangements with JCP&L. JCP&L will continue to bill a levelized amount each month for delivery service, and TriEagle will also bill a levelized amount each month (through the JCP&L bill) for power supply. Because the selected supplier's contract price for power supply is lower than the JCP&L price for power supply, your total monthly budget amount (sum of monthly JCP&L delivery service budget amount and TriEagle budget amount for power supply) should be reduced. You may experience a "true-up" on your bill from JCP&L prior to enrollment and then again at the end of the program.

If you do not currently have budget billing with JCP&L but wish to receive an Equal Payment Plan with from TriEagle for their power supply charges, you may contact TriEagle Energy and request that they set that this service for you.

Budget billing with JCP&L's distribution portion of the bill and the awarded third-party supplier's supply portion of the bill can be complicated. If you are experiencing trouble with your budget billing, please contact JCP&L, the winning supplier, or Gabel Associates (contact information below) for assistance.

➤ **Why is the program set as an opt-out program, rather than an opt-in program?**

The program is set up this way to ensure that a sufficient number of households will participate to obtain a meaningful bid, and to avoid the costly and time-consuming process of having everyone affirmatively sign up for the program.

The aggregation rules incorporate consumer protections, and recognize the logistical challenges of a residential procurement program, while at the same time providing a structure that will attract bidders.

When the retail choice program was originally enacted in NJ in 1999, the rules required that government aggregators be required to obtain a so-called “wet signature” from each residential customer demonstrating the customer’s affirmative consent to join. After a number of years, it was recognized that this “opt in” approach put such a burden on the programs that none got off the ground, and the model was changed to “opt-out” for residential customers. Unlike business customers, residential customers represent large numbers and (relatively) small usage/margins for each account. In order for an aggregation of residential customers to work, it is necessary to get large volumes with as low transaction costs as possible. This results in the opt-out approach, which gives suppliers a firmer basis for the load they are bidding on, but still provides residential customers with the ability to opt out.

The regulations also require that an aggregation program show savings versus the utility-provided rates. Each residential customer will receive a written notification after the bid, informing them of the price, the comparison to the utility price, and their right to opt out. As such, each resident will be fully apprised of all pertinent information necessary to make an informed decision.

➤ **What about power outages?**

Power outages are **not** under the control of the third-party supplier. The delivery system is still under JCP&L’s control, and there is no difference in delivery services whether you purchase the power supply from a third party supplier or from JCP&L under its tariff. In the event of an outage, you would still contact JCP&L.

➤ **What if I have a solar system?**

Customers with solar systems, especially that are larger in size, typically result in solar production in some months exceeding your monthly electric consumption. In such cases, the monthly utility bill is usually very low, and customers receive the benefit of ‘banking’ of excess solar production for future credits through the JCP&L bill. Third party suppliers are unable to provide similar banking credits.

For these customers, the savings attributable to the CNCEA program would be very minimal, and banking credits may be jeopardized. It is for this reason that the Township has elected to remove solar customers from the CNCEA Round 2 supply contract.

However, if you believe based upon a review of your past bills that your solar system is NOT producing excess energy that is being 'banked' on your JCP&L bill, you may consider opting-in to the CNCEA program. You are encouraged to contact the selected supplier or JCP&L for further information.

➤ **Will the LIHEAP and Lifeline benefit programs for low income residents still apply if I participate in the CNCEA Round 2?**

LIHEAP (Low Income Home Energy Assistance Program) is federally funded program, administered by the Dept. of Community Affairs, to assist low income households with paying their heating bills (whether electric, gas, oil, etc.). There should be no impact of participation in the CNCEA program on customers' eligibility. Lifeline or Universal Service programs are state-funded through State taxes and societal benefits charges, again with eligibility based upon a number of factors tied to income. Bill credits of up to \$225 are provided to assist eligible customers with electric and gas utility bills. The CNCEA will provide consolidated billing through the utility; as such the bill credits would be unaffected.

➤ **Where can I get more information or answers to additional questions?**

You can contact Gabel Associates, the Township's Energy Consultant at 855-365-0770 or by email at CNCEA-info@gabelassociates.com.