



Community Energy Aggregation Frequently Asked Questions



What is Community Energy Aggregation?

Community Energy Aggregation is a program permitted under New Jersey State law that allows municipalities to pool together residents and conduct a bid for power supply from third-party suppliers, with the aim of obtaining a power supply price that is cheaper and/or has a higher renewable energy content than the supply provided by the electric utility. The program is conducted under the oversight of the New Jersey Board of Public Utilities, the Division of Rate Counsel and the Department of Community Affairs. Glen Rock has named its program "DEAL."

Who has the Borough of Glen Rock selected as the DEAL program supplier?

Direct Energy Services was selected by the Borough of Glen Rock as the qualified supplier with the lowest proposed price in a public, competitive procurement. Direct Energy Services is an electric power supplier licensed by the New Jersey Board of Public Utilities.

When does the program with Direct Energy Services begin?

Service will begin with the June 2019 meter read date and will continue for 18 months— until December 2020.

Is there a higher content of renewable energy in the power supply to be provided by Direct Energy Services?

Yes. The Borough has required that the power supply have 100% renewable energy content, in order to reduce the Borough's carbon footprint.

How does the DEAL program contract price compare to the PSE&G tariff price for electricity supply?

The price of \$0.12198 per kilowatt-hour (kWh) is approximately 8% below the current average PSE&G tariff price for power supply. Even with expected drops in the PSE&G tariff price later this year, and with the Borough negotiating a 100% renewable energy content for the power supply under the DEAL program, the average Borough resident is still projected to save about \$35 over the full contract as compared to the PSE&G tariff price.

Does the price vary as energy market conditions change?

No. This is a non-variable price that does not change with market conditions. Unlike some third-party supply contracts, the price is locked in through a contract with the Borough, and will not fluctuate after an initial 'teaser' period. The contract price can only change if there is a Change in Law that equally affects the price of PSE&G power supply, such that even after such a price adjustment the savings as compared to the PSE&G tariff price is maintained. Any such Change in Law price adjustment would be subject to review and approval by the Borough to assure that the savings are not adversely impacted.

If I participate in the program, how does this affect my utility bill and service?

Your PSE&G bill includes separate charges for delivery service and for power supply service (i.e., Basic Generation Service). PSE&G will still provide delivery service and read your meter, and you will still receive a single bill from PSE&G which will continue to include the PSE&G delivery charges, but the utility Basic Generation Service charges for power supply will be replaced by the charges offered by the Borough's chosen supplier, Direct Energy Services. Even if you participate in the program, PSE&G will still be responsible for service reliability and restoration.

Is participation mandatory?

Participation is never mandatory. Residents who do not currently have a third-party supply contract (i.e., take power supply service from PSE&G under the utility's Basic Generation Service tariff) are included in the initial eligibility pool. However, residents can opt out of the DEAL program by mail, phone or email using the information in the Program Summary. If you opt out within the 30-day opt-out period (by May 1, 2019), you will not be enrolled in the program at all. Even after enrollment you can opt out any time, effective with the next meter read cycle, **and there are no penalties or fees to do so.**

Will I receive any other notifications?

Yes. If you do not opt out of the program, you will receive a notification letter from PSE&G indicating that Direct Energy Services has enrolled your account for third-party supply with Direct Energy Services. This is just an added notification; no further action is required in order to participate.

Will I ever be requested to provide information to a door-to-door solicitor for enrollment in this program?

No. This program does not include any door-to-door solicitation. Direct Energy Services has the necessary information already, subject to strict confidentiality. If you are solicited by someone, please do not provide them with your information – alert the Borough, the Borough's energy consultant, Gabel Associates or Direct Energy Services immediately.

Who do I call if there is a power outage?

PSE&G will still provide delivery service. If the lights go out, you would still call PSE&G at 1-800-436-7734.

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

Yes. If you currently have a budget billing plan with PSE&G, the selected supplier is required to provide you with an equal payment plan for your power supply charges. PSE&G will continue to bill a levelized amount each month for delivery service, and Direct Energy Services will also bill a levelized amount each month (through the PSE&G bill) for power supply. You may experience a "true-up" on your bill from PSE&G prior to enrollment and then again at the end of the program.

What happens at the end of the Borough's contract with the supplier?

There is no automatic rollover. If the Borough decides to continue the program, it will conduct a new competitive bid for a new contract, and you will be advised of the new contract. If the Borough discontinues the program, you will simply be returned to PSE&G power supply at the PSE&G tariff price.

How do I obtain more information?

Program details are provided in the Program Summary enclosed with this package. You can also contact Direct Energy Services using the contact information provided in the Program Summary enclosed in this information package or Gabel Associates at 855-365-0770. Additional information regarding the program, including more detailed FAQs, can be found on the Borough's website at: <https://glenrocknj.net/deal>.