

# Morris Area Energy Cooperative

## Energy Aggregation Program



Dear Borough of Mendham Resident,

Since 2017, the Borough of Mendham, in conjunction with the Morris Area Energy Cooperative established a Community Energy Aggregation Program. In recent years, many municipalities throughout the State have participated in this program to provide a benefit to their residents. The accompanying attachments explain the program in detail along with the rate we were able to achieve on behalf of the residents in the town.

We are pleased that we are able to offer this continued program. This program is very different than other third party supply contracts and offers protections to you that individual contracts may not offer, such as no penalties or fees to opt out, opt out at any time, and a flat (not variable) rate.

The Energy Aggregation Program is supervised by the NJ Board of Public Utilities (BPU) and the NJ Division of Rate Counsel through N.J.A.C. 14:4-6 et seq. Such programs allow for municipalities to pool the energy usage of their residents in an effort to source a lower rate on the electric supply portion of the bill.

This program is an Opt-Out program; this means that if you wish not to experience the flat rate that has been secured, you must Opt-Out. We are bound to follow the statutory guidelines and this aspect of the program is a provision of N.J.A.C. 14:4-6, not the Borough of Mendham, nor our energy consultants, Concord Energy Services (CES) and Commercial Utility Consultants, Inc. (CUC). In an effort to provide you a better rate and group buying power, as well as protection against fluctuating rates, we see this as a valuable service of which we could take advantage.

For those of you who have questions beyond what is enclosed here, we will be holding an **informational meeting on January 28, 2019 at 7:00 p.m.** at the Garabrant Center, 4 Wilson Street Mendham, NJ. If we experience inclement weather, the snow date for the meeting will be **January 31, 2019** at 7:00 p.m.

Our energy consultants, CES and CUC, will be on hand to do a presentation and answer any questions you may have at that time. Please check out our websites <http://www.mendhamnj.org> or [www.njaggregation.us/maec](http://www.njaggregation.us/maec) for up to date meeting information and meeting dates. A FAQ sheet is attached for your convenience, and you may call CES at 866-688-5197 if you have questions or you received this letter in error.

**We appreciate you taking the time to read this valuable information and look forward to helping you save on your utility bill.**

Respectfully,

*Borough of Mendham*



### **Three things you should know:**

- ✓ This program has been structured to provide residential customers with potential savings with minimal risk.
- ✓ Your utility will continue to send your monthly bill, respond to outages or other emergencies and deliver the electricity supply.
- ✓ If you do nothing, you will be automatically enrolled in the program.

## Frequently Asked Questions

**1. Who do I call if my electricity goes out?**

You will still call PSEG or JCPL.

**2. Do I have to be in this program?**

No. You can opt out by going to [www.njaggregation.us/maec](http://www.njaggregation.us/maec), calling 877-292-3904 or by returning the enclosed response card.

**3. Can my information be sold to advertisers or energy companies?**

No. Your information, including your account number, is confidential and can only be used to enroll you in the program your municipality has set up.

**4. What is a Government Energy Aggregation program?**

A municipality has the ability to pool together the usage of all their residents to obtain a lower electric or gas rate than what the Local Distribution Company is currently charging. If they are able to secure a lower price, the municipality can then offer it to all their residents.

**5. Is there a fee to be a part of the program?**

No, there are no fees or penalties.

**6. Is there a fee if I leave the program after it starts?**

No, there will never be a fee or penalty for a resident to leave the program, even after it starts.

**7. Will I be penalized if I do not become a part of the program?**

No, there will never be a fee or penalty. If you do not want to be a part of it you are free to stay with your local utility company or choose your own Third Party Supplier (TPS).

**8. Is Commercial Utility Consultants or Concord Energy Services an energy supplier?**

No. They are independent consultants that works with all the energy suppliers licensed to do business in New Jersey by the BPU to obtain the energy contract and work through the process to put the Aggregation program in place.

**9. Am I going to have to pay more than one bill each month if I am a part of this program?**

No, you will continue to receive one bill each month from your utility company and will pay that bill directly to them as you always have.

**10. Who do I call with service questions or questions about my bill?**

You will continue to call your local utility company just as you always have.

**11. Who will now read my meter?**

Your local utility company will still read your meter.

**12. Will the Budget Bill or Equal Payment Plan be offered?**

Yes, this will be offered for this program. You may experience a "true-up" prior to enrollment. Please see the budget bill page included in this packet for more information.

**13. Are the people knocking on my door asking about my electric bill a part of this program?**

No. No one associated with CES/CUC or this program will be calling or knocking on your door. All official program information is sent via USPS and can be found on the websites mentioned in the accompanying material.

**14. What information will I receive about the program?**

Aside from public meetings and advertising, you will receive at least 2 letters. One is your official Information Packet and it provides the details such as the new rate, term, chosen supplier and the deadline for opting out. The second is a confirmation letter from the utility company stating you have elected to switch electricity suppliers and the date on which your account will be switched over. **Note that this is a form letter stating you have chosen to switch suppliers even though the program was chosen by your municipality as a benefit to you. You may disregard this letter.**

**15. Is the price a "teaser" price that will go up after I am a part of the program?**

No. Your price will remain at the flat rate as indicated on the enclosed Opt-Out notification for the full term of this aggregation.

**16. What happens after the initial term expires?**

A new rate and term will be offered which you will be notified of. If no savings can be offered, you will automatically be returned to the default service rate through the utility company.

**17. Who supervises the Government Energy Aggregation process?**

The NJ Board of Public Utilities has enforcement authority over Aggregation programs in NJ. CUC/CES both must follow strict statutory guidelines implemented by the state agency. Key Documents are provided to Board of Public Utilities and Division of Rate Counsel staff for review and comment during the process.

## BUDGET BILL PROGRAM INFORMATION

**For those residents who are on a budget bill program through JCP&L please read the following information:**

We understand the importance of budget billing to you, so please take the time to understand the details surrounding how budget billing must be handled in order to offer it to you as part of the program.

- **If you are currently on Budget Billing with JCP&L, you will automatically be offered a budget bill option with this program through IDT Energy**
- Prior to entering the program, you will receive a reconciliation or “true up” bill from JCP&L. This is to bring your account to zero prior to entering the energy aggregation program.
- The reconciliation amount may be substantial, depending on how much you are over or under on the budgeted amount, and this reconciliation may come as a charge or a credit on your bill.
- The new budget amount will be based on your most current usage history for the last 12 months. Every six months, IDT Energy will conduct an adjustment to your monthly budget amount to ensure your budget is in line with your usage.
- After 12 months with the program, IDT Energy will conduct reconciliation or “true up” in order to bring your account to a \$0 balance. This may result in a Credit, or Charge, depending on your usage, and budget bill amount.
- **If you choose to leave the program**, you will be provided another true up which will bring your account to zero prior to leaving the program.
- If a new rate is not offered at the end of this initial contract term for the program participants, you will receive a reconciliation or “true up” bill on the last bill. Just as above, this will zero out your account prior to returning to JCP&L. The resulting credit or charges *may* be substantial if your usage is significantly lower or higher than the prior year.
- Any resulting reconciliation charge or “true up” amount represents your usage over and above the amount you were budgeted for and is not for “extra charges”. **We encourage you to track your usage vs. your budgeted amount so you can stay current on your usage and charges.**
- If you have a credit against your budgeted amount, meaning you used less energy than budgeted for, your credit will be applied to any future charges on your bill.

Please feel free to contact a CES customer care agent at 866-688-5197 if you have additional questions beyond what is provided here. Thank you!

For Questions Call:  
866-688-5197  
To Opt Out Call:  
877-292-3904

## Morris Area Energy Cooperative Energy Aggregation Program



Dear Borough of Mendham Resident,

Since 2017, the Borough of Mendham has taken advantage of a state law that allows us to establish an Energy Aggregation Program. For municipalities that choose to participate, this program permits the aggregation of all residential customers within participating municipalities for the purpose of competitively purchasing electricity at rates lower than are currently available from your electric utility. The Borough of Mendham combined the electricity consumption of all residential customers in conjunction with 10 other municipalities as part of the Morris Area Energy Cooperative and received competitive bids from NJ Board of Public Utilities licensed suppliers to provide this electric supply service and secure better rates for our residents.

**How The Program Works:** We obtained a rate that is lower than what JCP&L currently charges for the energy supply portion of your bill.<sup>1</sup> This program offers a flat rate and is designed to offer some savings without the risk of rate increases; unlike other variable Third Party Supply (TPS) contracts. This means the rate will remain the same for the term of the contract.

The auction results are **\$ 0.0886/kWh** offered by IDT Energy, Inc. (as compared to JCP&L's prevailing Price to Compare rate of \$0.095527/kWh). This rate will go into effect on your **March 2019** meter read date and will continue through your **September 2020** meter read date. For example, if your monthly electric usage is 700/kWh, your bill under this program will be \$62.02 for the supply portion versus \$66.86 that you would have paid with JCP&L. You will see the new program rate on your April 2019 electric bill.

**JCP&L will continue to deliver your electricity, and you will be billed at the regulated delivery rate.** 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<sup>2</sup> and service restoration. You will also continue to only receive one bill and continue to pay JCP&L.

In accordance with the State's program requirements, as a Borough of Mendham resident you will be automatically enrolled in the program unless you opt-out by **1/31/19**. Once enrolled, **you may leave at any time and you will never have to pay any fees associated with joining or leaving the program.**<sup>3</sup>

### How We Can Help You:

As a residential electric customer who has not chosen a Third Party Supplier (TPS) for your electric supply, you will be automatically enrolled in this program **unless you indicate your desire not to participate** to receive the anticipated energy savings by completing and mailing the enclosed response card by **1/31/19**. **You may also call 877-292-3904 to opt out** or visit [www.njaggregation.us/maec](http://www.njaggregation.us/maec). Please note that wait times may be longer during high call time period and please have your bill handy. **For all other questions or more detailed information call toll free at 866-688-5197.**

1. JCP&L rates could increase or decrease during the course of this program, which would affect the anticipated level of customer savings. JCP&L charges can change quarterly and are posted on the web.
2. Other billing arrangements may apply for customers who do not remain current with their bills.
3. Leaving the program is subject to the timing of meter readings and typically takes **1 to 2** full meter read cycles.

# IDT Energy, Inc. (IDTE) Third Party Supplier Contract Summary

## MORRIS AREA ENERGY COOPERATIVE - MUNICIPAL AGGREGATION PROGRAM PARTICIPANTS

<p><b>Third Party Supplier Information</b></p> <p><b>By entering into this contract, you are agreeing to purchase your electric supply from this supplier</b></p>	<p style="text-align: center;"><b>State of New Jersey License Number: ESL-0081 (Electric), GSL-0090 (Gas)</b>  <b>IDT Energy, Inc., 520 Broad Street, Newark, NJ 07102</b>  <b>855-823-9309 - <a href="mailto:contactus@idtenergy.com">contactus@idtenergy.com</a> - <a href="http://www.IDTEnergy.com">www.IDTEnergy.com</a></b></p> <p>You have chosen IDTE as your third party supplier (TPS). IDTE is not affiliated with your electric distribution company (EDC). IDTE is responsible for the electric supply charges on your bill. These charges will appear on your EDC's bill separate and apart from your EDC's charges for delivering your electricity.</p>
<p><b>Price Structure</b></p>	<p>With this Municipal Aggregation Program, your price will be effective starting with your first date of service with IDTE and is a flat rate that will remain the same for all bills issued through your September 2020 Meter Read Date.<sup>1</sup></p>
<p><b>Generation/ Supply Price</b></p>	<p>The supply price you will be charged for the electricity supplied during the Term of the Municipal Aggregation Program will be <b>\$0.0886 per kWh (8.86 cents/kWh)</b>.</p>
<p><b>Statement Regarding Savings</b></p>	<p>The utility's Price to Compare may rise or fall during the term of this agreement so there is no guarantee of savings.</p>
<p><b>Amount of time required to change from TPS back to default service or to another TPS</b></p>	<p>If you choose to cancel service and opt-out of this Municipal Aggregation Program to return to your EDC or switch to another TPS, this change will be effective with the next available cycle date in accordance with your EDC's cycle rules, which takes 1 to 2 billing cycles from the submission of the cancellation request.</p>
<p><b>Incentives</b></p>	<p>N/A</p>
<p><b>Right to Cancel/Rescind</b></p>	<p>This Agreement shall continue until the expiration of the specified term (unless either party provides prior notice of its intent to cancel) and until the EDC completes the termination in accordance with its rules. A customer may opt-out of this Agreement at any time during the 30 calendar days after the postmark on the Opt-Out notice, or at any time over the term of the contract without penalty, by <b>calling 877-292-3904, visiting <a href="http://www.njaggregation.us/maec">www.njaggregation.us/maec</a> or returning the enclosed response card.</b> <b>You may cancel this agreement at any time without penalty.</b></p>
<p><b>Contract Start Date</b></p>	<p>Your account will begin receiving Electric Supply Service from IDTE on the first available billing cycle date, as determined by your EDC, on or after <b>2/28/2019</b>.</p>
<p><b>Contract Term/Length</b></p>	<p>The Term of this Municipal Aggregation Program will end on or about <b>9/30/2020</b>.</p>
<p><b>Cancellation / Termination Fees</b></p>	<p>There are no early termination fees associated with this Municipal Aggregation Program.</p>
<p><b>Renewal Terms</b></p>	<p><b>You will receive notice at least 30 days prior to expiration of the Term advising of your renewal options. You may cancel this agreement at any time without penalty.</b></p>
<p><b>Distribution Company Information</b></p>	<p>Your EDC will continue to deliver electric to you, you still make payment to your EDC for this service, and you will still call your EDC in the case of an energy related emergency. You may contact your EDC at the information provided below:</p> <ul style="list-style-type: none"> <li>• JCPL: 1-888-LIGHTSS (544-4877)</li> <li>• PSEG: 1800-436-PSEG (7734)</li> </ul>

1. Supplier cannot adjust prices monthly for changed market conditions. Prices can only be adjusted to reflect a Change in Law affecting power prices that will also impact the JCP&L power supply tariff. You will be notified in advance of any such change, and will maintain your ability to opt out.

# IDT Energía, Inc. (IDTE) Resumen del Contrato de Terceros Proveedor

## MORRIS AREA ENERGY COOPERATIVE – PARTICIPANTES DEL PROGRAMA DE AGREGACION MUNICIPAL

<p><b>Información de Terceros Proveedor</b></p> <p><b>Al entrar en este contrato, usted acepta comprar su suministro eléctrico a este proveedor.</b></p>	<p><b>Numero de Licencia del Estado de Nueva Jersey: ESL-0081 (Electric), GSL-0090 (Gas)</b>  <b>IDT Energy, Inc., 520 Broad Street, Newark, NJ 07102</b>  <b>855-823-9309 - contactus@idtenergy.com - www.IDTEnergy.com</b></p> <p>Usted ha elegido a IDTE como su tercer proveedor de suministro (TPS). IDTE no está afiliada con su compañía de distribución eléctrica (EDC). IDTE es responsable por los cargos de suministro eléctricos en su factura. Estos cargos aparecerán separados en su EDC factura y aparte de los cargos de distribución de su EDC.</p>
<p><b>Precio Estructurado</b></p>	<p>Con este Programa de Agregación Municipal, su precio será efectivo a partir de la primera fecha de servicio con IDTE y es una tarifa plana que seguirá siendo la misma para todas las facturas emitidas hasta su fecha de lectura del medidor de Septiembre del 2020.<sup>1</sup></p>
<p><b>Generación / Precio de Suministro</b></p>	<p>La tarifa de suministro que se le cobrara por la electricidad durante el término del Programa de Agregación Municipal será <b>\$0.0886 por kW (8.86 cents/kWh)</b>.</p>
<p><b>Declaración sobre ahorros</b></p>	<p>El precio de comparación de la utilidad puede aumentar o disminuir durante el término de este acuerdo, por lo que no hay garantía de ahorro.</p>
<p><b>Cantidad de tiempo necesario para cambiar de suplidor al servicio predeterminado o a otro suplidor</b></p>	<p>Si usted decide cancelar el servicio y optar-no de este Programa de Agregación Municipal para regresar a su EDC o a otro suplidor (TPS), este cambio será efectivo con la siguiente fecha de ciclo disponible de acuerdo con las reglas del ciclo de su EDC, que toma 1 a 2 ciclos de factura desde la presentación de la solicitud de cancelación.</p>
<p><b>Incentivos</b></p>	<p>N/A</p>
<p><b>Derecho a cancelar /Rescindir</b></p>	<p>Este acuerdo continuara hasta la expiración del plazo especificado (a menos que una de las partes notifique su intención de cancelar) y hasta que la EDC complete la terminación de conformidad con sus reglas. Un cliente puede optar por no participar en este acuerdo en cualquier momento durante los 30 días calendario posteriores al sello postal en el aviso de exclusión, o en cualquier momento durante el término del contrato sin penalización, llamando <b>al 877-292-3904, visitando <a href="http://www.njaggregation.us/maec">www.njaggregation.us/maec</a> o devolver el formulario incluido que desprende a la dirección designada. Usted puede cancelar este acuerdo en cualquier momento sin penalización.</b></p>
<p><b>Fecha de inicio de contrato</b></p>	<p>Su cuenta comenzara a recibir el servicio de suministro eléctrico de IDTE en la primera fecha de ciclo de facturación disponible, según lo determinado por su EDC, en o después de <b>2/28/2019</b>.</p>
<p><b>Termino de contrato/ Duración</b></p>	<p>Los términos de este Programa de Agregación Municipal terminaran en o alrededor del <b>9/30/2020</b>.</p>
<p><b>Cancelación / Cargos de Terminación</b></p>	<p>No hay cargos de terminación anticipada asociados con este Programa de Agregación Municipal.</p>
<p><b>Términos de Renovación</b></p>	<p><b>Usted recibirá un aviso dentro de los 30 días previos a la expiración del plazo de asesoramiento de sus opciones de renovación. Usted puede cancelar este acuerdo en cualquier momento sin penalización.</b></p>
<p><b>Información de la compañía de distribución</b></p>	<p>Su EDC continuara la distribución de electricidad, usted todavía hace el pago a su EDC por este servicio, y usted todavía llamara a su EDC en el caso de una emergencia relacionada con la energía. Puede comunicarse con su EDC a la siguiente información:</p> <ul style="list-style-type: none"> <li>• JCPL: 1-888-LIGHTSS (544-4877)</li> <li>• PSEG: 1800-436-PSEG (7734)</li> </ul>

1. El proveedor no puede ajustar los precios mensualmente por las condiciones del mercado. Los precios solo pueden ajustarse para reflejar un Cambio en Ley que afecte los precios de la energía y que también afectaría la tarifa de suministro de energía de JCP&L. Se le notificara por adelantado de cualquier cambio de este tipo y mantendrá su capacidad de exclusión.