

RAHWAY ENERGY AGGREGATION PROGRAM



COMMUNITY
ENERGY
AGGREGATION
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, the ability to
opt out at any time,
and a flat rate.

DEAR CITY OF RAHWAY RESIDENT,

The following pages contain important information explaining the Energy Aggregation Program established by the City which provides a reduced electricity supply rate that is less than what PSE&G is currently offering.

Very simply, this program is designed to save you money by offering a reduced rate, and there is nothing you have to do to receive it!

Presentations will be hosted by the program's Energy Agent, Commercial Utility Consultants, to answer your questions about the program. We have arranged for presentations in English and Spanish as follows:

August 19, 2019 at 3:00 p.m. - English
Senior Center, 1306 Esterbrook Avenue

August 19, 2019 at 6:30 p.m. - Spanish
Library, 2 City Hall Plaza

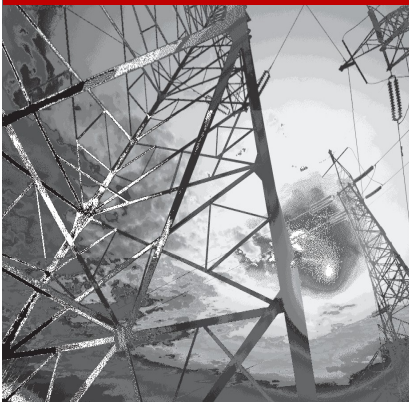
August 26, 2019 at 6:30 p.m. - English
Library, 2 City Hall Plaza

If you are not able to attend any of the presentations, please visit the following link to watch an informational video in English or Spanish about the program: www.njaggregation.us/Rahway. Please note that there will be no in-person or telephone solicitations related to this program.

We appreciate you taking the time to read this valuable information and look forward to helping you save on your electricity supply charges.

Respectfully,

Mayor Raymond A. Giacobbe



RAHWAY ENERGY AGGREGATION PROGRAM

For Questions Call: 855-200-2648

To Opt Out Call: 877-292-3904

August 14, 2019



Recently, the City took advantage of a state law that allows us to establish a Community Energy Aggregation Program. This program permits the aggregation of all residential customers within the City for the purpose of competitively purchasing electricity at rates lower than are currently available from PSE&G. The City combined the electricity consumption of all residential customers in Rahway and received competitive bids from NJ BPU-licensed suppliers to provide this electric supply service and generate savings to our residents.

How The Program Works: We obtained a rate that is lower than what PSE&G currently charges for the energy supply portion of your bill.¹ 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 contracts. This means the rate will remain the same for term of the contract.

The auction results are **\$0.11051/kWh** offered by Constellation NewEnergy, Inc., as compared to PSE&G's prevailing Price-to-Compare rate of \$ 0.124524/kWh at the time of auction. This rate will go into effect with your **October 2019** meter read and will continue through your October 2020 meter read date. By way of example, if your electric usage in a month was 700/kWh, your supply charges for those 700 kWh through this program would be \$77.35 versus \$87.16 through PSE&G's Basic Generation Service. You will see the new program rate on your November 2019 electric bill.

PSE&G will continue to deliver your electricity and you will be billed at the regulated delivery rate. PSE&G will continue to provide all emergency and safety services. PSE&G will also continue to provide customer services such as meter reading, billing², and service restoration. You will still receive one bill from PSE&G and will continue making your payments to them.

In accordance with the State's program requirements, as a City of Rahway resident, you will be automatically enrolled in the program unless you opt out by **September 14, 2019**. Once enrolled, **you can leave at any time, and you will never be charged fees for joining or leaving the program.**³

How We Can Help You

As a residential electric customer who has not chosen a Third Party Supplier for your electric supply, you will be automatically enrolled in this program **unless you indicate your desire not to participate** by completing and mailing the enclosed response card by **September 14, 2019**. **You can also opt out by calling 877-292-3904 or visiting www.njaggregation.us/Rahway**; please have your bill handy. **For all questions and more detailed information, call the program's Energy Agent, Commercial Utility Consultants, at 855-200-2648.** Note that wait times may be longer during periods of high call volume.

¹ PSE&G rates could increase or decrease during the course of this program, which would affect the anticipated level of customer savings. PSE&G charges change monthly and are posted on their website on the first of every month.

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.

RAHWAY ENERGY AGGREGATION PROGRAM

Things You Should Know:

- All current services such as delivery, meter readings, billing, payments, emergency services, etc., are serviced through PSE&G, just as they are today. You will continue to receive one bill from PS&EG.
- PSE&G does not generate the energy provided through their utility. They buy the energy through a statewide auction called the BGS auction, which stands for Basic Generation Service (BGS). This is the default service all residents are on if you do not select a third party supplier. Information about the BGS Auction can be found at www.bgs-auction.com/.
- This program offers a reduced rate on the supply portion of your electric bill. You will still be billed for delivery charges from PSE&G, just as you are today.
- **The rate offered is flat for the term of the contract and is NOT a variable rate.**
- This program offers protections for residents that are generally not available to individuals looking to obtain a third party contracted rate. These protections are a main reason the City is providing this program to residents.
- Budget billing is offered in this program; please read the accompanying page for details.
- There is nothing you need to do to obtain the program rate. All eligible residents will be automatically enrolled unless you choose to opt out of the program by completing and returning the enclosed response card, calling 877-292-3904, or online at www.njaggregation.us/Rahway. The opt-out option is a mandate of the state statute that governs government energy aggregation programs, and an opt-in option is not available.
- There are no fees to be a part of the program. You may opt out at any time with no fee or penalty, even after the initial opt-out period ends.
- If you opted out and wish to rejoin, you may do so at any time with no fee.
- You may continue to call PSE&G with billing questions, or you can call Constellation NewEnergy, Inc. All telephone numbers are listed on the contract summary included in this information packet.
- The amount you would have paid through the BGS is printed each month on your PSE&G bill so that you can compare it to your supply charges through the program.
- At the end of this term, a new rate may be offered through the program, at which time you will be notified in writing of the new rate and term and, as always, have the opportunity to opt out of the program. If a reduced rate for a new term cannot be offered, you will be notified in writing, and your account will be automatically switched back to PSE&G's BGS.
- If you already under contract with a third party supplier, you will not automatically be included in this program. However, you may join by calling the program's Energy Agent, Commercial Utility Consultants, at 855-200-2648. Before doing so, be sure to check the terms and conditions of your current supplier contract to make sure that you will not be charged any early termination fees.
- If you have solar panels, we recommend that you opt out of the program to avoid potential breaches of contract/lease with your solar company and interference with your solar credits from the utility.
- If you currently receive assistance for your utility bills, you will continue to receive that assistance while participating in this program.
- The City of Rahway does not receive any monetary benefit for providing this program to residents.
- The program's Energy Agents, Commercial Utility Consultants, Inc., must follow all statutory guidelines implemented by the NJ Board of Public Utilities, which has enforcement authority over Community Energy Aggregation Programs in New Jersey. Key documents were provided to the NJ Board of Public Utilities and the Division of Rate Counsel staff for review and comment during the process.
- All information regarding this program is mailed through the US Postal Service. No one will call you or knock on your door regarding this program. Please be wary of anyone asking for your electricity account information.

Please call the program's Energy Agent, Commercial Utility Consultants, at 855-200-2648 with questions.

RAHWAY ENERGY AGGREGATION PROGRAM

Budget Bill Program Information:

For those residents who are on the budget bill program through PSE&G, please read the following information regarding the budget billing offered through the government energy aggregation program.

Your budget bill covers both delivery and supply charges. Currently, PSE&G provides both services and offers a budget amount based on your average yearly usage. The average is determined by taking your total yearly usage and dividing it by 12 months.

If you participate in the government energy aggregation program, you will receive the reduced supply rate through Constellation NewEnergy, Inc. A budget plan will be provided by PSE&G for the delivery portion of your electric bill and by Constellation NewEnergy, Inc., for the supply portion of your bill. Both amounts should be close to your previous budget plan amount as long as your current usage has not changed significantly.

- If you are currently enrolled in budget billing with PSE&G, you will automatically be enrolled in a budget bill plan with Constellation NewEnergy, Inc., through this program.
- Your budget bill will be split into two parts: the portion for PSE&G will be automatically adjusted to only include your delivery charges, and the portion for your supply charges will be calculated by Constellation NewEnergy, Inc. Both budget bill amounts will be provided on your bill from PSE&G, and you will continue to pay PSE&G for both amounts. You will not need to make two separate payments each month.
- The new budget bill amount for your supply charges will be based on your most recent 12 months of usage. Every quarter, Constellation NewEnergy, Inc., will conduct a review of your budget bill amount based on current usage and make adjustments to your budget amount to ensure that your budget amount is in line with your actual usage.
- If you choose to leave the program, your account will be returned to PSE&G's BGS, at which time PSE&G will provide the new budget amount for your supply charges.
- We encourage you to track your actual usage versus your budget amount so that you stay current on your usage and charges.
- If you are not currently enrolled in budget billing and are interested in setting up a budget bill plan, please contact Constellation NewEnergy, Inc., at 844-979-0165.

Please call the program's Energy Agent, Commercial Utility Consultants, at 855-200-2648 with questions.

**Constellation New Energy, Inc. (CNE) Third Party Supplier Contract Summary
City of Rahway Government Energy Aggregation Program**

Third Party Supplier Information	State of New Jersey BPU License Number #ESL-0016 (Electric) Constellation NewEnergy, Inc., 1221 Lamar St., Suite 750, Houston, TX 77010 1-844-979-0165 - www.constellation.com/nj-rahway
By entering into this contract, you are agreeing to purchase your electric supply from this supplier	You have chosen CNE as your third party supplier (TPS). CNE is not affiliated with your electric distribution company (EDC). CNE 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.
Price Structure	Fixed rate
Generation / Supply Price	The supply price you will be charged for the electricity supplied during the Term of the Government Energy Aggregation Program will be \$0.11051/kWh (11.051 cents/kWh).
Statement Regarding Savings	The supply price may not always provide savings to the customer. The contract does not include any specified / guaranteed level of savings.
Amount of time required to change from TPS back to default service or to another TPS	If you choose to cancel service and opt-out of the Government Energy Aggregation Program to return to your EDC's Basic Generation Service 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 after receipt of your cancellation request.
Incentives	None
Right to Cancel/Rescind	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 receipt of the Opt-Out notice by calling (877) 292-3904, visiting www.njaggregation.us/Rahway, or returning the enclosed response card. You may cancel this Agreement at any time without penalty.
Contract Start Date	Your account will begin receiving Electric Supply Services from CNE on the first available billing cycle date, as determined by your EDC, on or after October 1, 2019.
Contract Term / Length	The Term of this Government Energy Aggregation Program is 13 months and will end on or about October 31, 2020.
Cancellation / Early Termination Fees	There are no early termination fees associated with this Government Energy Aggregation Program. You can opt-out at any time with no penalty.
Renewal Terms	You will receive notice at least 30 days prior to the expiration of the Term advising of your renewal options. The notice will inform you if a new rate and term will be offered, or if no savings can be offered and your account will automatically be returned to the default supply providers and prevailing rate through PSE&G with the first meter read after the expiration of the current Term. You may cancel this Agreement at any time without penalty.
Distribution Company Information	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 as follows: PSE&G: (800) 436-7734

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