

KNOWLTON TOWNSHIP
628 Route 94
Columbia, NJ 07832
908-496-4816

SUSSEX WARREN AREA ENERGY COOPERATIVE

Dear Knowlton Township Resident,

We are proud to write to you today to share the good news about the Sussex-Warren Area Energy Cooperative. Since 2016, Knowlton Township has opted to participate in this state-authorized "Community Aggregation Program" designed to offer you and your neighbors reduced rates on your electric bill.

The bottom line is that when we all purchase energy together as a community, we are able to access lower, more stable rates.

Community Aggregation is very different than other third party supply contracts and offers protections to you that individual contracts may not offer:

The rate is a flat rate that will be the same from month to month.

The ability to leave the program at ANY TIME.

NO penalties or fees to leave the program.

The following pages contain important information explaining the Community Aggregation Program established by Knowlton Township to provide lower electric generation rates than you would currently pay with JCP&L. We are pleased to continue to offer this program for your electric supply!

We have scheduled a public information session about the program so that everyone can learn more and get their questions answered. Meetings will be held at Blirstown Municipal Building, located at 106 Route 94, Blirstown, NJ 07825 on Wednesday, January 23, 2019, at 3:00 p.m. and 6:00 p.m. If we experience inclement weather, the snow date for the meeting will be Tuesday, January 29, 2019, at 3:00 p.m. and 6:00 p.m. For up to date meeting information, check online at www.njaggregation.us/SWAEC or call our Energy Consultants, Concord Energy Services, at 866-688-5197.

We appreciate you taking the time to read this valuable information and look forward to your participation in the program.

Sincerely,

Knowlton Township

THINGS YOU SHOULD KNOW ABOUT ENERGY AGGREGATION

All current services such as delivery, meter readings, billing, payments, emergency services etc. are serviced through JCP&L, just as they are today.

This program offers the reduced rate versus JCP&L's current price to compare on the supply portion of your electric bill. You will still be billed for consumption (delivery) charges from JCP&L, just as you are today.

The rate offered is a flat rate that will be the same from month to month.

Budget billing will be offered to any current budget bill plan customer. Anyone wishing to go on a budget plan may also elect to do so. Please see the budget bill page included in this packet for more information.

There are no fees to be a part of the program. You may choose to no longer participate in the program at any time with no fee or penalty, even after the initial response period.

You will continue to call JCP&L for service-related questions and outages. For billing-related, questions, you'll call IDT Energy, Inc. – their toll-free phone number will be found on your bill.

No one will be calling or knocking on your door regarding this program. All information regarding this program is mailed through the US Postal Service. Please be wary of anyone trying to get your information otherwise.

We're all in this together. We know municipal energy issues like this can sometimes be a bit technical, and even, well, a little boring. But keep in mind that this is something your neighbors and people across Sussex and Warren Counties will be doing. We believe it will result, as it has in other communities, in a positive outcome and savings versus the utility price to compare for our community and our residents.

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 being offered by Knowlton Township.

- 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.

FREQUENTLY ASKED QUESTIONS

What is the Sussex-Warren Area Energy Cooperative? Municipalities have the ability to pool the usage of all their residents to obtain a lower energy supply rate than you are currently being charged.

Who supervises the Sussex-Warren Area Energy Cooperative 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.

Is my municipality the only one in the Energy Aggregation Program? No, your municipality chose to participate in this program along with eleven others to maximize our buying power and obtain better rates for its residents.

What information will I receive about the program? Aside from public meetings and advertising, you will receive at least two letters: One is your official Opt Out letter (attached in this packet) which provides the details such as the new rate, term, chosen supplier and the deadline for opting out, and the second is a confirmation letter from JCP&L stating that you have elected to remain in the program and the date on which your account will be switched over. Note that this second letter is a form letter stating you have chosen to switch even though the program was chosen by your municipality as a benefit to you. You may disregard this second letter.

Are Concord Energy Services (CES) and Commercial Utility Consultants (CUC) energy suppliers? No. They are independent consultants that work with all the energy suppliers licensed to do business in New Jersey by the Board of Public Utilities. CES and CUC obtain the energy contract and work through the process to put the Aggregation program in place for your municipality.

Do I have to be in this program? No. You can choose not to participate by going to www.njaggregation.us/SWAEC, calling 877-292-3904 or by returning the enclosed response card.

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 our program, you are free to stay with your current utility or choose your own Third Party Supplier.

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 pay one bill each month and remit your payment to JCP&L as you always have.

Who will now read my meter? JCP&L will still be reading your meter.

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 set up the municipality's program.

Sussex Warren Area Energy Cooperative

KNOWLTON TOWNSHIP
628 Route 94
Columbia, NJ 07832
908-496-4816

Dear Knowlton Township Resident:

Since 2016, Knowlton Township 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. Knowlton Township combined the electricity consumption of all residential customers in conjunction with 11 other Sussex and Warren County municipalities 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.¹ This program offers a flat rate and is designed to offer a reduced rate without the risk of rate increases; unlike other variable Third Party Supply (TPS) contracts. This means the rate will remain flat for the entire term of the contract.

Electricity Auction Results: 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 **December 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 your initial savings on the electric bill you receive in April 2019.

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, billing² 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 Knowlton Township resident you will be automatically enrolled in the program unless you opt-out by **1/31/2019**. Once enrolled, **you may leave at any time and you will never have to pay any fees associated with joining or leaving the program.**³

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 attached response card by **1/31/2019**. You may also call **877-292-3904** toll free to opt out or visit www.njaggregation.us/SWAEC. Please note that wait times may be longer during high call time periods and please have your bill handy. **For all other questions or more detailed information, or if you received this letter in error, 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 cycle.

IDT Energy, INC (IDTE) Third Party Supplier Contract Summary

SUSSEX-WARREN AREA ENERGY COOPERATIVE - MUNICIPAL AGGREGATION PROGRAM PARTICIPANTS

<p>Third Party Supplier Information</p> <p>By entering into this contract, you are agreeing to purchase your electric supply from this supplier</p>	<p style="text-align: center;">State of New Jersey License Number: ESL-0081 (Electric), GSL-0090 (Gas) IDT Energy, Inc., 520 Broad Street, Newark, NJ 07102 855-823-9309 - contactus@idtenergy.com - www.IDTEnergy.com</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>Price Structure</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 December 2020 Meter Read Date.¹</p>
<p>Generation/ Supply Price</p>	<p>The supply price you will be charged for the electricity supplied during the Term of the Municipal Aggregation Program will be \$0.0886 per kWh (8.86 cents/kWh).</p>
<p>Statement Regarding Savings</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>Amount of time required to change from TPS back to default service or to another TPS</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>Incentives</p>	<p>N/A</p>
<p>Right to Cancel/Rescind</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 calling 877-292-3904, visiting www.njaggregation.us/swaec or returning the enclosed response card. You may cancel this agreement at any time without Penalty.</p>
<p>Contract Start Date</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 2/28/2019.</p>
<p>Contract Term/Length</p>	<p>The Term of this Municipal Aggregation Program will end on or about 12/31/2020.</p>
<p>Cancellation / Termination Fees</p>	<p>There are no early termination fees associated with this Municipal Aggregation Program.</p>
<p>Renewal Terms</p>	<p>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.</p>
<p>Distribution Company Information</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"> • JCPL: 1-888-LIGHTSS (544-4877)

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

SUSSEX-WARREN AREA CORPORATIVA ENERGETICA – PARTICIPANTES DEL PROGRAMA DE AGREGACION MUNICIPAL

<p>Información de Terceros Proveedor</p> <p>Al entrar en este contrato, usted acepta comprar su suministro eléctrico a este proveedor.</p>	<p>Numero de Licencia del Estado de Nueva Jersey: ESL-0081 (Electric), GSL-0090 (Gas) IDT Energy, Inc., 520 Broad Street, Newark, NJ 07102 855-823-9309 - contactus@idtenergy.com - www.IDTEnergy.com</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>
Precio Estructurado	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 la fecha de lectura del medidor de diciembre de 2020. ¹
Generación / Precio de Suministro	La tarifa de suministro que se le cobrara por la electricidad durante el término del Programa de Agregación Municipal será \$0.0886 por kW (8.86 cents/kWh) .
Declaración sobre ahorros	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.
Cantidad de tiempo necesario para cambiar de suplidor al servicio predeterminado o a otro suplidor	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.
Incentivos	N/A
Derecho a cancelar /Rescindir	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 en el aviso de exclusión, o en cualquier momento durante el término del contrato sin penalización, llamando al 877-292-3904, visitando www.njaggregation.us/swaec o devolver el formulario incluido que desprende a la dirección designada. Usted puede cancelar este acuerdo en cualquier momento sin penalización.
Fecha de inicio de contrato	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 2/28/2019 .
Termino de contrato/ Duración	Los términos de este Programa de Agregación Municipal terminaran en o alrededor del 12/31/2020 .
Cancelación / Cargos de Terminación	No hay cargos de terminación anticipada asociados con este Programa de Agregación Municipal.
Términos de Renovación	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.
Información de la compañía de distribución	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: <ul style="list-style-type: none"> • JCPL: 1-888-LIGHTSS (544-4877)

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.