

Manchester Township Community Energy Aggregation Program

**A Local Services Program for
Lowering Energy Costs**

Consultants:

Gabel Associates, Inc.

www.gabelassociates.com



MCEA Program: How does it work?

- Program is permitted and implemented under the Government Energy Aggregation (GEA) law and Board of Public Utilities (BPU) rules. GEA is intended to allow a municipality to pool its residents together to create 'purchasing power' and obtain power supply at a better price, and under more favorable terms and conditions, than residents could obtain when shopping on their own.
- Under State rules, a municipality first must pass an ordinance to establish a Community Energy Aggregation Program. The Manchester Community Energy Aggregation (MCEA) was formed by the Township as the result of an ordinance that was passed in October 2013. Manchester initially joined a purchasing cooperative with Stafford and Lacey Townships. The Township later decided to seek energy supply independently.
- * The next step in the process is to conduct a public, competitive bid process. The first step in that process is the submission of draft bid documents to the BPU and Division of Rate Counsel for review, to assure compliance with the BPU's rules.
- After the BPU review process, a Request for Proposals (RFP) was issued in January 2017 to all New Jersey licensed third party suppliers, requesting competitive offers to supply electricity to Township residents who are not currently being served by a third party supplier.
- **Under BPU rules, the Township could only award a contract if the bid price was below the current tariff price charged by JCP&L. If there were no savings, then no contract could be awarded.**

MCEA Program: Bid Result

- In February 2017 proposals were received as a part of that competitive process, and it was determined that the proposal from TriEagle Energy (TriEagle), for a 24-month contract beginning June 2017, provides the most overall value, considering price, long-term price stability and the qualifications of TriEagle. Therefore a contract was awarded to TriEagle.
- The contract price is \$.07994/kwh, which is approximately 20% lower than the current, average JCP&L tariff price for power supply, and 15% lower than the projected JCP&L tariff price for power supply beginning in June 2017. This level of savings translates into savings of about \$13 per month, or nearly \$300 over the 24-month contract term.

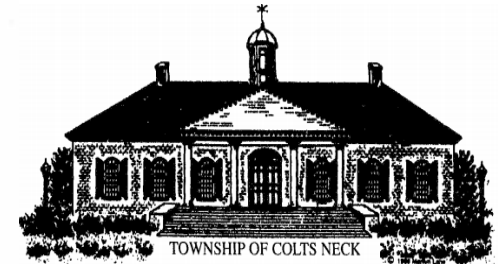


Benefits of the MCEA Program

- Reduced Energy Prices
 - Competitive process encourages lower rates
- Consumer Protection
 - Township and consultants manage risk by designing the contract and bid specifications to protect consumers. Contract terms are reviewed by BPU and Rate Counsel. The price is established and known for the full contract term; no ‘bait and switch’ on price; no ‘market-based’ variable prices; no hidden fees. Length of contract is specifically defined. No fine print for customers to worry about. Contract allows the Township to renegotiate the price or terminate the contract and have all participants returned to JCP&L tariff power supply if the JCP&L tariff price drops below the contract price.
- Transparency
 - * Residents are informed of price, contract term and comparative savings vs. utility tariff
- Customer Choice
 - Customers may opt out at any time with no exit fee
- No Hassle
 - Third party supplier charge shows up on JCP&L bill- no change
- Local purchasing
 - Currently the utility, through a wholesale auction overseen by the State, selects the supplier for residential accounts. The MCEA program allows the municipality to shop on behalf of the residents.


MCEA Program: Following Other Programs' Success

- Dozens of municipalities across NJ have explored and implemented GEA programs.
 - A number of municipalities have implemented a second round program after the first program expired, and one municipality (Plumsted) is on its 3rd round.
- Since 2012, GEA Programs we have implemented for NJ municipalities, including those listed below, have saved residents \$50 million in total.





Overview of MCEA: How does it work?

- On April 1, 2017, a Notification Package was mailed out by TriEagle to the list of Township residents provided by JCP&L who do currently receive power supply service from JCP&L (customers who have third-party supply independent of the MCEA program are, by rule, not included in this mailing). Those residents who have solar systems or who requested to be placed on a 'Do Not Disturb' list were also removed from the list and excluded from this mailing.
- The Notification Package includes a short introductory letter, a Program Summary table, and a 1-page FAQs. The package also includes an 'opt-out' card.



**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 than the supply price charged 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. Manchester Township's program is called the Manchester Community Energy Aggregation (MCEA).

Who has Manchester Township selected as the MCEA program supplier?
TriEagle Energy was selected by the Township as the qualified supplier with the lowest proposed price in a public, competitive procurement. TriEagle Energy is an electric power supplier licensed by the New Jersey Board of Public Utilities.

Manchester Community Energy Aggregation (MCEA) Program Summary



TriEagle Energy Information:	TriEagle Energy LP (BPU License # ESL-0134) Toll Free Telephone Number: 1-888-893-6581 Website: www.trieagleenergy.com Address: 2620 Technology Forest Dr., The Woodlands, TX 77381 Email Address: customerservice@trieagleenergy.com
Price Structure:	Non-Variable Price ¹
Generation/Supply Price:	\$0.07994 per kilowatt-hour (kWh)
Statement Regarding Savings:	MCEA program supply price is about 20% below the current average JCP&L tariff price for power supply of \$0.10054/kWh, and is estimated to be about 15% below the JCP&L tariff price that will go into effect on 6/1/17. Estimated savings for the typical Township resident are about \$13 per month, or about \$300 over the contract term. While highly unlikely, if the average



TriEagle Energy, LP
2620 Technology Forest Blvd. 20473
The Woodlands, TX 77381-9931
Return Service Requested



**DO NOT DISCARD. Urgent Notice
Reduced Electricity Prices for
Manchester Township Residents**



**Manchester Community Energy Aggregation Program
Program Announcement**

Dear Manchester Township Resident:

The Mayor and Township Council are pleased to announce that the Township of Manchester has recently awarded a contract for the Manchester Community Energy Aggregation (MCEA). The MCEA - originally authorized by the Township Council via Ordinance No. #2013-009 in October 2013 - allows the Township to seek competitive proposals from State-licensed, third-party power suppliers to provide electric power supply to Manchester residents at a price lower than that offered by Jersey Central Power & Light (JCP&L).

Overview of MCEA: (Continued)

- All residents who are included in the initial eligibility list have the option to ‘Opt-Out’ of the program. “Opt-out” is fast and easy. Residents can either sign and drop the postage-paid “opt-out” card in the mail, can call TriEagle’s toll-free program phone number, e-mail TriEagle’s MCEA address or visit Gabel’s website: gabelassociates.com/GEA (case sensitive). The initial opt-out period concludes on May 3rd. Residents that mail back the card or call or email TriEagle by May 3rd will not be enrolled in the program. Customers can also call or email Gabel Associates, and we will pass along your opt-out request to TriEagle.
- After May 3rd, TriEagle will begin enrolling residents for service beginning with your June 2017 meter read date. This will be reflected on the JCP&L bill you receive in July.
- ❖ **If you do not opt-out by May 3rd and your account is enrolled by TriEagle, prior to your June 2017 meter read date with the third-party supplier, you will receive a separate notice from JCP&L in mid-May informing you that the supplier has enrolled your account. No further action is required if you wish to participate.**
- Even after the initial enrollment, if residents change their mind they may opt-out at ANY time without penalty or termination fee

Overview of MCEA: (Continued)

- Residents who have their own third party supply contract or who have their own solar power systems and who are therefore excluded from the initial eligibility pool and do not receive the Notification Letter mailing may still participate in the program, by deciding to 'opt-in' to the program. You can opt-in by contacting TriEagle or Gabel Associates.
- Customers with their own third party supply contract will be urged, before deciding to opt-in to the MCEA program, to compare prices and to read your existing contract language very carefully, to assure that there will be no penalties assessed by your current supplier for terminating the contract prematurely (unlike the MCEA program which prohibits termination fees, some third party supply contracts include provisions for early termination penalties).

Who is TriEagle Energy?

- TriEagle Energy is a licensed electric power supplier that is active in the state and affiliated with Crius Energy, a leading, nationally recognized energy supplier.
- TriEagle has been in business serving retail electricity and natural gas customers in NJ for many years. TriEagle is currently providing electricity to over 100,000 residents via energy aggregation programs in a number of municipalities in New Jersey, including Toms River, Plumsted, Plainsboro, Montgomery, Raritan, and Flemington, Monroe.
- If you have any questions regarding the program, if you wish to opt-out of the program, or if you did not receive the Notification Letter and wish to become a MCEA program participant, you can reach TriEagle Energy in the following manners:
 - Call toll-free at: (888)-893-6581
 - Email to: customercare@trieagleenergy.com



TRIEAGLE
ENERGY®

Who is Gabel Associates?

- Gabel Associates is an independent energy consulting firm and State-registered energy agent awarded the contract to assist with the implementation of the MCEA program by the Township through a competitive solicitation process.
- Gabel Associates is not affiliated with any retail energy supplier. Gabel Associates works for the Township, impartially assists with the implementation of the competitive bid process for energy supply and selection of the winning bidder, and is available to answer questions from Township residents and assist with opt-outs or opt-ins.
- If you have any questions regarding the program, if you wish to opt-out of the program, or if you did not receive the Notification Letter and wish to become a MCEA program participant, you can contact Gabel Associates for assistance in the following manners:
 - * Call toll-free at: 855-365-0770
 - * Website: gabelassociates.com/GEA
 - * Email to: MCEA-info@gabelassociates.com



MCEA Program: Anticipated Timeline

Below you'll find a MCEA timeline with important dates to remember:

Manchester CEA Timeline		
	Actions	Dates
1	'Opt-Out Notification Letters Mailed to Residents	Early April
2	Public Information Sessions	April 11 th and April 20 th
3	30 Day Opt-Out Period Concludes	May 3 rd
4	Enrollments Submitted to JCP&L	Early May
5	JCP&L Mails Confirmation Letters to Residents	Mid-May
6	Service Begins	June Meter Read
7	Service Ends	June 2019

Community Energy Aggregation Recap/Facts

- All residents (except those who currently have a third party supplier or who have an installed solar system) are automatically included in the MCEA program, subject to an open-ended ability to opt-out.
- Residents may opt out at 3rd will be removed from the program at the next available JCP&L meter read any time without penalty. If you opt-out by May 3rd you will be removed from the eligibility list and will not be enrolled. Opt-outs occurring after May ate.
- The MCEA contract price is about 20% lower than the current, average JCP&L 'price-to-compare', and 15% lower than the projected JCP&L 'price-to-compare' beginning June 1, 2017 The contract price is 'non-variable.' Supplier cannot vary prices monthly, adjust prices for changed market conditions, or change the rate after an initial 'teaser' period. The price will remain unchanged for the full contract term. The only exception is a one-time contract price adjustment resulting from a change in law that also effects the cost of power supply provided by JCP&L, in which case the contract price adjustment will not adversely impact the level of savings as compared to the JCP&L tariff price for power supply. JCP&L tariff prices for power supply are adjusted modestly from time to time. If the JCP&L tariff prices for power supply drop below the contract price, the Township can renegotiate the price or terminate the contract and have all customers returned to JCP&L tariff power supply.
- JCP&L will continue to provide the delivery of power and reliability. In the case of a power outage, a resident would still reach out to JCP&L to have power restored.
- Residents will still receive **one** bill for electricity; the third party supplier's energy cost will be included on your JCP&L bill in place of the JCP&L power supply line item.
- **Residents who have budget billing (Equal Payment Plan) arrangements with JCP&L will still be able to obtain budget billing for power supply charges.**
- **There will be no effect on financial assistance received on JCP&L bills.**

Sample JCP&L Bill

To report an emergency or an outage, call 24 hours a day 1-888-544-4877. For Customer Service, call 1-800-662-3115. For Payment Options, call 1-800-962-0383. Pay your bill online at www.firslenergycorp.com
 Bill issued by: JCP&L, PO Box 16001, Reading PA 19612-6001

Messages	Account Summary	Amount Due
Se dispone de avisos de terminación en español Mensaje de cuenta. Los usuarios que poseen un balance de cuenta vencido reciben un aviso por correo indicando que se les puede suspender el suministro de electricidad. Si usted necesita recibir esos avisos en español, haga el favor de llamarnos al 1-800-662-3115.	Previous Balance	144.07
The Basic Generation Service price per KWH listed in the charges box is the price to compare. In order to save money, you must buy your electricity from a supplier at a price THAT IS LESS than your JCP&L price to compare.	Payments/Adjustments	-144.07
Your next meter reading is scheduled to occur on or about Oct 08, 2013.	Balance at Billing on Sep 11, 2013	0.00
Before purchasing a natural gas-powered generator to serve as a backup during power outages, please call your natural gas provider to ensure your meter and service line can support the additional usage. The natural gas provider can advise you of any required upgrades and additional costs.	JCP&L - Consumption	109.07
	Amount Due by Sep 26, 2013	\$109.07
	Usage Information for Meter Number	
	Sep 09, 2013 KWH Reading (Actual)	14,498
	Aug 10, 2013 KWH Reading (Estimate)	13,720
	KWH used	778
	Charges From JCP&L	
	When contacting an Electric Generation Supplier, please provide the following Customer Number:	
	Rate: Residential Service JC_RS_01D	
	Customer Charge	2.20
	Basic Generation Service	226 KWH x 0.009735 2.20
		552 KWH x 0.004493 2.48
		778 KWH x 0.092404 71.89
	Delivery Service Charges	778 KWH x 0.038946 30.30
	Current Consumption Bill Charges	109.07
	Detail Payment and Adjustment Information	
	08/29/13 Payment	-144.07

Basic Generation Charges
 (~15% Savings by Participation in the MCEA)

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		778 KWH x 0.092404	71.89
	Delivery Service Charges	778 KWH x 0.038946	30.30
	Current Consumption Bill Charges		109.07
Detail Payment and Adjustment Information			
	08/29/13 Payment		-144.07

Delivery Service Charges
 (Not Impacted by MCEA)

Thank you

Questions?

Visit the Energy Aggregation page of the Township's website at:

www.manchestertwp.org/energy

for more information.