

WEST AMWELL TOWNSHIP COMMITTEE SPECIAL JOINT  
SESSION WITH LAMBERTVILLE CITY MAYOR & COUNCIL

December 5, 2013 – 7:00 p.m.

The West Amwell Township Committee meeting was called to order at 7:13 p.m. by Deputy Mayor Fisher who announced that this special joint meeting was called pursuant to the provisions of the Open Public Meetings Act with notices faxed to the Hunterdon County Democrat and the Trenton Times on December 3, 2013. A copy of this notice is and has been available to the public and is on file in the office of the Municipal Clerk.

The meeting was recorded via digital recording system.

Mayor DeVecchio of the City of Lambertville called his meeting to order and announced their compliance with the statute.

The assembled group joined together in the pledge to the nation's flag.

Roll Call was taken by Clerk Olsen as follows: Committeeman Dale, present; Deputy Mayor Fisher, present; Mayor Rich, excused. A quorum is present to conduct business. Roll Call was taken by Clerk Ege. Present for the City of Lambertville were Councilmen Stegman and Sanders, Councilwoman Warner, and Mayor DeVecchio.

Also in attendance were Ken Esser and Bob Chilton of Gabel Associates.

Mayor DeVecchio overviewed by history of the local endeavor to provide for community aggregation. Bob Chilton relayed that the process mandates adherence to BPU rules; that in approximately three weeks, the supplier will send letters to all residents without a third party supplier using a list provided by JCP&L; and, that the letter will provide details concerning the opt out period, outline the deal that has been made, provide an estimate of savings as well as instructions on how to opt out of the program. A postage paid card will be included in the mailing that residents can sign and return within the prescribed 30 day time frame. A notice for placement on the website will also be provided. Mr. Chilton also reviewed various steps in the bid process; spoke on the green energy component; how the winning bid and time frame were determined; and, estimated that residents would realize an average savings of \$100/year. If public sentiment is positive with this first initiative, a re-bid could take place at the tenth month for a second year contract.

The following resolution was presented for consideration by the Township Committee:

RESOLUTION #183-2013

WHEREAS, Gabel Associates were retained by the SHREC for the purpose of providing for a Community Energy Aggregation program to benefit residents of the participating municipalities with reduced electricity costs; and,

WHEREAS, a RFP was developed by Gabel Associates and six electrical suppliers qualified for participation in the bid process; and,

WHEREAS, bids were received on December 5, 2013 and evaluated by Gabel Associates with the recommendation that an award be made to First Energy Solutions @ \$.08910; and

WHEREAS, the award of the bid is to be made by the City of Lambertville, as Lead Agency for the SHREC, with concurrence from West Amwell Township

THEREFORE BE IT RESOLVED, that the West Amwell Township Committee hereby agrees with the recommendation from Gabel Associates and authorizes the City of Lambertville, as Lead Agency for the SHREC, to enter into a contract with First Energy Solutions for the purpose of acquiring reduced energy generation rates

*The Resolution was unanimously approved on motion by Dale, with a second from Fisher.*

The Lambertville Mayor & Council proceeded to adopt their resolution to accept the bid for Community Aggregation. (See attached.)

**OPEN TO THE PUBLIC:** There was no public in attendance.

**ADJOURNMENT:**

There being no further business, the meeting was unanimously adjourned at 7:30 p.m. on motion by Dale.

Respectfully submitted,

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Lora L. Olsen, RMC  
Township Clerk

**APPROVED:**

**CITY OF LAMBERTVILLE, HUNTERDON COUNTY**

**RESOLUTION NO. 168-2013**

**RESOLUTION OF THE CITY OF LAMBERTVILLE, COUNTY OF HUNTERDON, STATE OF NEW JERSEY, AUTHORIZING THE AWARD OF A CONTRACT TO A THIRD PARTY POWER SUPPLIER TO PROVIDE ELECTRIC GENERATION SERVICE TO SOUTH HUNTERDON RENEWABLE ENERGY COOPERATIVE COMMUNITY ENERGY AGGREGATION (SHREC CEA) PROGRAM PARTICIPANTS AND TO PROVIDE GOVERNMENT ENERGY AGGREGATION SERVICES IN CONNECTION WITH THE SHREC CEA PROGRAM PURSUANT TO N.J.A.C. 14:4-6**

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**WHEREAS**, the Government Energy Aggregation Act of 2003 (PL. 2003, C24) governs the establishment of a government energy aggregation program, which is a government-operated purchasing cooperative through which multiple energy consumers join together for the purchase of electric utility services by a government aggregator; and

**WHEREAS**, the New Jersey Board of Public Utilities has promulgated rules (N.J.A.C. 14:4-6) for the implementation of government energy aggregation programs; and

**WHEREAS**, the City of Lambertville passed an ordinance dated October 10, 2013 (Ordinance No. 19-2013) authorizing the formation of a Government Energy Aggregation in the City of Lambertville, New Jersey, named the South Hunterdon Renewable Energy Cooperative Community Energy Aggregation ("SHREC CEA") Program; and

**WHEREAS**, the Township of West Amwell passed an ordinance dated September 9, 2013 (Ordinance No. 12, 2013) authorizing the formation of a Government Energy Aggregation in the Township of West Amwell, New Jersey, and authorizing the City of Lambertville to act as the Lead Agency for the program named the South Hunterdon Renewable Energy Cooperative Community Energy Aggregation ("SHREC CEA") Program

**WHEREAS**, the City of Lambertville is acting as the Lead Agency of the SHREC CEA; and

**WHEREAS**, the residents of Lambertville and West Amwell are included in the SHREC CEA on an "opt-out" basis, and the businesses of the City of Lambertville are included in the SHREC CEA on an "opt-in" basis, as set forth in applicable rules (N.J.A.C. 14:4-6); and

**WHEREAS**, by virtue of Ordinance No. 19-2013 and 12, 2013 and in accordance with New Jersey Board of Public Utilities rules (N.J.A.C. 14:4-6) and applicable law (PL. 2003, C24), the City of Lambertville is authorized to award a contract for electric generation service and government energy aggregation services on behalf of participating residential and business customers; and

**WHEREAS**, the City of Lambertville, in its capacity as Lead Agency, publicly noticed and issued on November 15, 2013 a Request for Proposals (RFP) for the provision of electric generation service and government energy aggregation services for the SHREC CEA Program and has solicited bids from qualified suppliers in New Jersey; and

**WHEREAS**, the RFP provided for a two stage process that included: Stage 1 for the submission of supplier questions and comments and the submission of qualification documents by interested New Jersey Board of Public Utilities (NJBPU) -licensed electric power suppliers; and Stage 2 for the submission of bid prices; and

**WHEREAS**, the RFP provides for the submission of separate pricing for electric generation service for two distinct bid groups, including: 1) Participating Residential Accounts; and 2) Participating Business Accounts, for potential contract terms of fifteen (15) and twenty-one (21) months, and the RFP provides for the award of a contract for all, none or some of the bid groups at the discretion of City of Lambertville and in accordance with the evaluation criteria set forth in the RFP; and

**WHEREAS**, during Stage 1 non-binding Notices of Intent and other qualification documents were received from six (6) NJBPU-licensed electric power suppliers; and

**WHEREAS**, a number of supplier questions and comments were received and, as a result, on November 25, 2013, Addendum No.1 to the RFP was issued and distributed to all suppliers that had submitted a Notice of Intent to Bid; and

**WHEREAS**, Stage 2 price bids and accompanying Transmittal Letters were submitted by six (6) NJBPU-licensed electric power suppliers by the 2:00 p.m. December 5, 2013 deadline set forth in the RFP; and

**WHEREAS**, the City of Lambertville, in consultation with its energy agent, has conducted extensive and in-depth evaluation of qualifications and analysis of bid prices, in accordance with the evaluation criteria set forth in the RFP and Addendum No.1; and

**WHEREAS**, as a result of the evaluation of qualifications and proposals and analysis of bid prices submitted, the City of Lambertville has determined that the proposal submitted by FirstEnergy Solutions for the 15-month term: 1) provides the most overall benefit for the SHREC CEA residential participants; 2) will provide for contract power supply prices that are lower than the applicable Jersey Central Power and Light Co. ("JCP&L") Basic Generation Service tariff prices for power supply, making it feasible to award a contract for the Residential Account bid group; and 3) provides the opportunity for residents currently receiving budget billing from JCP&L to continue to receive that service from the third party supplier; and

**WHEREAS**, as a result of the evaluation of qualifications and proposals and analysis of bid prices submitted, the City of Lambertville has determined that the proposal submitted by FirstEnergy Solutions for the 15-month term: 1) provides the most overall benefit for the SHREC CEA Business participants; 2) will provide for contract power supply prices that are lower than the applicable Jersey Central Power and Light Co. ("JCP&L") Basic Generation Service tariff prices for power supply, making it feasible to award a contract for the Business Account bid group; and

**NOW, THEREFORE, BE IT RESOLVED** that the City of Lambertville Council hereby awards a contract for the provision of electric generation service to the Participating Residential Accounts bid group and the Participating Business bid group and the provision of government energy aggregation services in connection with the SHREC CEA Program to FirstEnergy Solutions in accordance with the terms and conditions of the RFP (including the form of Master Performance Agreement included therein), as amended pursuant to Addendum No. 1 to the RFP; and

**FURTHER RESOLVED** that government energy aggregation services to be provided by FirstEnergy Solutions, including implementation of the opt-out process for residential customers as set forth in the RFP and applicable NJBPU rules, shall commence immediately upon execution of the Master Performance Agreement, and that electric generation service to be provided by FirstEnergy Solutions to the SHREC CEA-participating customers shall commence with the March 2014 meter read date for each electric account served, and shall continue for a 15-month term; and

**FURTHER RESOLVED** that the following contract prices are awarded for electric generation service for the 15-month term beginning in March 2014:

<u>Bid Group</u>	<u>Bid Price</u>	<u>Term</u>
Residential Accounts	\$0.08910/kwh	15 months
Business Accounts	\$0.08910/kwh	15 months

**FURTHER RESOLVED** that FirstEnergy Solutions will offer a Voluntary SHREC CEA Renewable Energy Product Option which allows residential customers the option to voluntarily select a 100% renewable energy product at a fixed 'green premium' of \$0.015/kWh added to the awarded bid price. As such, for residential customers who select the Voluntary SHREC CEA Renewable Energy Product Option, the power supply contract price for such customers shall be \$0.1041/kWh; and

**FURTHER RESOLVED** that the Mayor of the City of Lambertville is authorized to execute a Notice of Award Letter to FirstEnergy Solutions, and Mayor of the City of Lambertville is authorized to execute and the Clerk to attest to the execution of the Master Performance Agreement, in the form included in the RFP (as amended pursuant to Addendum No. 1).

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David M. DelVecchio, Mayor

#### **CERTIFICATION**

I, **Cynthia L. Ege**, Clerk of the City of Lambertville, do hereby certify that the foregoing resolution was duly adopted by the Lambertville Council at the Special Meeting held on the **5th** day of **DECEMBER, 2013**.

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Cynthia L. Ege, City Clerk