

New Jersey Government Energy Aggregation Programs

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The **Government Energy Aggregation Act of 2003** (L. 2003, c. 24, "GEA Act") authorizes municipalities and/or counties of New Jersey to establish Government Energy Aggregation (GEA) programs after passing an ordinance or a resolution. A GEA program allows municipalities, working alone or in a group, to aggregate the energy requirements of residential, commercial and municipal accounts so that the GEA program can purchase energy supply from non-utility sellers of electricity and gas supply (Third Party Suppliers or TPS) at prices lower than the average utility price, with the possibility of added benefits such as higher renewable energy content.

The GEA is a realistic means for counties and municipalities to provide their residents and local businesses with a lower-cost utility option, and keep those savings within their local community. This program is ideal for counties and municipalities in New Jersey that are concerned about sustaining the quality of life for their residents for years to come. Under the current legislation, all eligible residents currently not under contract with an existing Third Party Supplier within the boundaries of a participating municipality are automatically enrolled. Residents who do not wish to participate may "opt-out." Non-residents are not automatically enrolled however may participate by an "opt-in." GEA programs offer municipalities and counties the opportunity to pro-actively assist and support programs that produce substantial savings and keep more money in the local community.



HOW DOES GEA WORK?

- ◆ The local government must first pass the ordinance (or resolution) and assigns Administrator or Lead Agency
- ◆ Local government passes resolution retaining services of Concord Energy Services
- ◆ Concord assists local government in executing agreement with Licensed Distribution Company (LDC), or Utility establishing a GEA program
- ◆ Concord drafts RFP to include specifications and contract terms and conditions for energy supply in accordance with New Jersey Administrative Code and Local Procurement Law.
- ◆ NJBPU (New Jersey Board of Public Utilities) reviews and approves RFP
- ◆ Concord will then seek competitive bids from Third Party Suppliers (TPS) to obtain competitive electricity and/or natural gas rates for the participants
 - Via Traditional Bid Process or Real Time Online Bidding Platform (Reverse Auctions)
- ◆ Administrator or Lead Agency executes electricity and/or natural gas supply contract with selected TPS
- ◆ Concord notifies LDC
- ◆ Concord and selected supplier send out Opt-Out Notices – Option #2
- ◆ A resident will be able to Opt-Out of the municipality's program if they do not wish to take advantage of the program. Small Businesses have the ability to Opt-In the GEA program. Residents and small businesses have a 30 day opt-in or opt-out period.
- ◆ Concord continuously operates a Marketing and Public Outreach Campaign to promote awareness and educate residents and non-residents throughout the entire process.

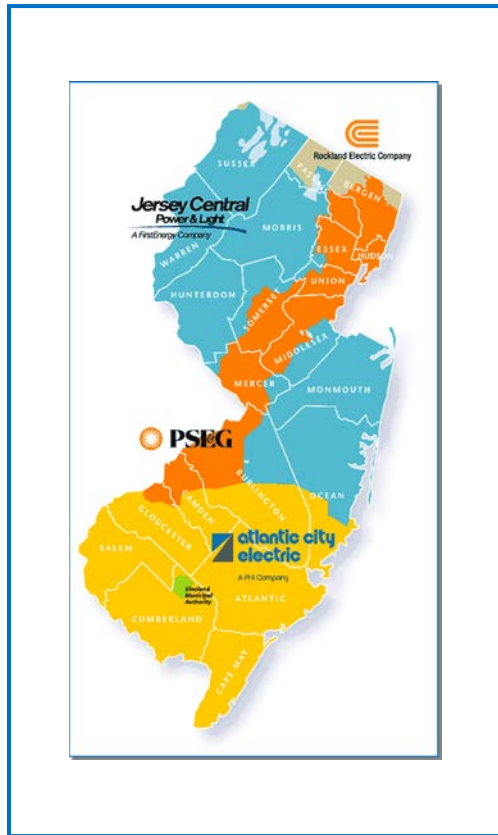
Concord is a NJPBU licensed Private Aggregator #PA-0077 for residential and a DCA approved vendor for Power Supply and Online Bidding Services to include reverse online auctions and online bid receipt :
<http://www.state.nj.us/dca/divisions/dlgs/programs/lpci.html>

www.concord-engineering.com/energyservices.html



Visit <http://www.state.nj.us/bpu/about/divisions/energy/governmentenergyaggregation.html> or contact Vicki Molloy, CEP at (609) 304-4071 or vmolloy@concord-engineering.com for more information about New Jersey's Government Energy Aggregation Program.

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Why Establish a GEA program?

Potential – Current NJ legislation (NJS 48:3-92 Government Energy Aggregation Programs) allows municipalities and counties to procure electricity and natural gas supply services on behalf of their community (residents and non-residents) to secure greater savings and contract terms and conditions otherwise not available.

Benefits – Municipalities and Counties offering GEA programs obtain greater leverage, increase buying power and secure substantially better pricing and contract terms from third party suppliers for their communities. Projected savings per account is 5%-25% depending on the utility and bid structure. A community with 15,000 residents and 50% participation in the GEA program would represent approximately \$1.1 million in energy savings annually.

Stewardship – Government acceptance and administration of a GEA program promotes the safeguarding of the Community as a whole. Challenging economic times allows municipalities and counties to proactively assist their community in realizing savings and keeping more money in the local economy.

BENEFITS OF UTILIZING CONCORD ENERGY SERVICES

Expertise – We are a licensed NJBPU Energy Consultant, Energy Agent and Private Aggregator. Our team of energy experts is currently engaged and serving other Energy Aggregation Programs with counties and municipalities that are realizing both electricity and natural gas energy savings.

Community Price Protection – We offer a 100% Price Risk Guarantee to the community participating members that their contracted energy supply rates will never be higher than the respective utility price to compare.

Community Outreach and Marketing Awareness – Concord will work with each county and municipality to design a professional, informative and results oriented marketing and outreach program.

WHY NOW?

In the past few years a number of third party suppliers have entered the marketplace, mainly to address the needs of large-scale commercial users, but more recently also offering various plans and discounts to residential consumers. Since these competing plans can sometimes be confusing and have hidden clauses, consumers have been slow to accept them. State regulations have recently been modified to provide a clearer path for municipalities and counties to offer a community energy aggregation program, and thereby use bulk purchasing power to obtain better pricing and better terms than residents and small businesses can obtain on their own. Our number one goal is to inform and educate consumers on the opportunities available, minimize consumers risk on pricing and confusing terms and conditions and offer a comprehensive and robust GEA program that achieves maximum savings.

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