



LCEA/Sustainable Essex Alliance 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, and/or has more renewable energy than the power supplied 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. Livingston, along with neighboring Essex County municipalities Glen Ridge, Maplewood, Montclair, South Orange and Verona, as well as the Borough of Glen Rock in Bergen County, have joined together into a single purchasing cooperative, which has been named the Sustainable Essex Alliance (SEA).

Has this type of program been implemented previously?

Yes. Beginning in 2012, a growing number of NJ municipalities have implemented Community Energy Aggregation programs. Over the past couple years, these programs have been increasingly focused on obtaining power supply with enhanced renewable energy content, in addition to cost savings, in order to address concerns regarding air quality and climate change. In 2019 the Township of Livingston implemented the Livingston Community Energy Aggregation (LCEA). The Township awarded a contract under Round 1 of the LCEA that provided electricity cost savings and enhanced renewable energy content to participating Township residents. That contract recently expired in October 2020. For Round 2 of the LCEA program, the Township joined with the six other municipalities, under the SEA program, to obtain even greater joint purchasing power.

Who has been selected as the SEA program supplier for Round 2 of the SEA program?

The SEA recently completed a competitive process under which it solicited proposals from competing suppliers. Energy Harbor submitted the lowest proposed price in the public, competitive procurement process, and was selected by the SEA as the supplier for Round 2 of the SEA program. Energy Harbor is an electric power supplier licensed by the New Jersey Board of Public Utilities. It serves tens of thousands of residential customers in New Jersey, and hundreds of thousands nationwide, through energy aggregation programs like the SEA.

When does the program with Energy Harbor begin?

Service will begin with the April 2021 meter read date and will continue for 17 months – until September 2022.

How does the SEA program contract price compare to the PSE&G tariff price for electricity supply?

The price of \$0.12696 per kilowatt-hour (kWh) is below the current average PSE&G Basic Generation Service tariff price for power supply. While the net PSE&G price-to-compare does fluctuate on a monthly basis (as compared to the steady and predictable price for the SEA program contract), and therefore actual savings will vary by month and cannot be guaranteed, the typical resident in Livingston and the other SEA-participating municipalities is still projected to save about \$20 over the full contract as compared to the average PSE&G tariff price-to-compare over that period. Additionally, **the energy supply procured through the SEA program contains 40% renewable energy content** - nearly double the amount of renewable energy content provided by PSE&G default energy supply!

What makes the SEA electricity content renewable?

The additional renewable energy content residents will receive consists of the renewable energy that all NJ suppliers are required to supply based on New Jersey' Renewable Portfolio Standards (RPS) plus an additional amount of RPS-compliant PJM Class I Renewable Energy Certificates (RECs) to reach 40% renewable energy in total. PJM Class I RECs are sourced mainly from wind power in our region. The voluntary 100% 'OPT-UP' product consists of an additional 60% RPS-compliant PJM Class I RECs above the base SEA product. For more information about RECs, NJ's Renewable Portfolio Standards and other terms in this FAQ, go to <https://www.livingstonnj.org> where additional program information is posted.

Can I receive 100% renewable energy through the SEA program? And what is the deadline to 'OPT-UP'?

Yes. **Individual residents can voluntarily 'OPT-UP' to a high-quality PJM Class-I based 100% renewable energy product**, at a slightly higher price of \$0.13437/kWh, or approximately \$6 a month on average more than the default baseline 40% renewable energy product under the SEA program. This 'OPT-UP' is entirely voluntary but, if you wish to do so, you must 'OPT-UP' by March 7, 2021. **Please note, while residents will always retain the right to opt-out of the SEA program at any time without fees, residents interested in the 100% renewable option must 'OPT-UP' within the initial 30-day window that ends March 7, 2021.** To 'OPT-UP' call the supplier, Energy Harbor, at: (866)-636-3749.

Does the SEA contract price vary as energy market conditions change?

No. This is a non-variable price that does not change with market conditions. Unlike some third-party supply contracts, the price is locked in through a contract with the SEA and will not fluctuate after an initial 'teaser' period.

If I participate in the program, how does this affect my utility bill and service?

Your PSE&G bill includes separate charges for delivery service and for power supply service. PSE&G will still provide delivery service and read your meter, and you will still receive a single bill from PSE&G which will continue to include the PSE&G delivery charges. Power supply charges for SEA's chosen supplier, Energy Harbor, will appear as a separate line item on your PSE&G bill. Even if you participate in the program, PSE&G will still be responsible for service reliability and restoration.

Is participation mandatory or am I able to Opt Out?

Participation is never mandatory. Residents who do not currently have a third-party supply contract (i.e., take power supply service from PSE&G under the utility's Basic Generation Service tariff) or who were recent participants in the LCEA Round 1 program are included in the initial eligibility pool. However, residents can opt out of the SEA program by mail, phone or electronically using the information in the Program Summary. If you opt out within the 30-day opt-out period (by March 7, 2021), you will not be enrolled in the program at all. Even after enrollment you can opt out any time, effective with the next meter read cycle, and there are no penalties or fees to do so.

Will I receive any other notifications?

Yes. If you do not opt out of the program, several weeks after receipt of this Information Package you will receive a notification letter from PSE&G indicating that Energy Harbor has enrolled your account for third-party supply and informing you of the date you will be switched to Energy Harbor. This is just an added notification; no further action is required in order to participate.

Will I ever be requested to provide information to a door-to-door solicitor for enrollment in this program?

No. This program does not include any door-to-door solicitation. Neither Energy Harbor, nor the Township will solicit residential participation via door-to-door means. Energy Harbor has the necessary information already, subject to strict confidentiality. If you are solicited by someone, please do not provide them with your information – alert the Township, the SEA's energy consultant, Gabel Associates or Energy Harbor immediately.

Will Energy Harbor ever call me unsolicited?

No. Energy Harbor will not contact residents unprompted via telephone. Residents who receive such unsolicited telephonic communications representing themselves as part of the Township's program are encouraged to report such to Gabel Associates and Energy Harbor.

Who do I call if there is a power outage?

PSE&G will still provide delivery service. If the lights go out, you would still call PSE&G at 1-800-436-7734.

Will I still be able to receive budget billing (Equal Payment Plan)?

Yes. If you currently have a budget billing plan with PSE&G, the selected supplier is required to provide you with an equal payment plan for your power supply charges. PSE&G will continue to bill a levelized amount each month for delivery service, and Energy Harbor will also bill a levelized amount each month (through the PSE&G bill) for power supply. You may experience a "true-up" on your bill from PSE&G prior to enrollment and Energy Harbor may periodically adjust your levelized monthly amount during the contract term if your electricity consumption totals vary significantly from your prior history. You will also receive a final "true-up" on your last bill with Energy Harbor to account for any net differences between what you paid for along the way under the budget plan and the value of electricity actually used over the contract term. If you wish at any time to find out where your budget 'true-up' balance stands, and to discuss possible adjustments to the monthly payment amount with Energy Harbor, their representatives can be reached at: 866-636-3749.

What happens at the end of the SEA's contract with the supplier?

There is no automatic rollover. If the SEA decides to continue the program, it will conduct a new competitive bid for a new contract, and you will be advised of the new contract. If the SEA discontinues the program, you will simply be returned to PSE&G power supply at the PSE&G tariff price.

How do I obtain more information?

Program details are provided in the Program Summary enclosed with this package. You can also contact Energy Harbor using the contact information provided in the Program Summary enclosed in this information package or Gabel Associates at 855-365-0770. Additional information regarding the program, including more detailed FAQs, can be found on the Township's website at: <https://www.livingstonnj.org>.