

CHRIS CHRISTIE Governor

KIM GUADAGNO Lt. Governor



## State of New Jersey

DIVISION OF RATE COUNSEL 140 EAST FRONT STREET, 4<sup>TH</sup> FL P.O. BOX 003 TRENTON, NEW JERSEY 08625 RECEIVED

JUN 1 3 2016

BOARD OF PUBLIC UTILITIES MAIL ROOM

> STEFANIE A. BRAND Director

June 9, 2016

## Via Electronic Mail and Regular U.S. Mail

Mayor Robert Parisi Township of West Orange 66 Main Street, Room 106 West Orange, NJ 07052 Members of the Township Council Township of West Orange 66 Main Street West Orange, NJ 07052

Mr. John Gross, CFO Township of West Orange 66 Main Street West Orange, NJ 07052

RE:

I/M/O Government Energy Aggregation Programs Educational Services Commission of New Jersey Township of West Orange – Round 2 BPU Dkt. No. EO15101203

Dear Mayor Parisi, Council Members and Mr. Gross:

Gabel Associates, Inc., ("Gabel"), the Energy Agent for the Township of West Orange, has advised us that the Township intends to continue its Option 2 energy government aggregation program pursuant to N.J.A.C. 14:4-6.1 et seq., with a second round of the West Orange Community Energy Aggregation Program ("WOCEA-Round 2"). According to the Energy Agent, the Township has bundled the load of qualifying residential accounts located within West Orange's municipal boundaries and solicited bids for electric generation service from duly licensed electric power suppliers through a Request for Proposal process, and selected Talen Energy Marketing, L.L.C. as the third-party supplier for the Program.

Pursuant to N.J.S.A. 48:3-94b(1):

Thirty days prior to the commencement of public bidding the governing body shall transmit the bid notice and all bidding documents to the board and the Division of the Ratepayer

J. Kane

Mayor and Council Members Township of West Orange June 9, 2016 Page 2

Advocate<sup>1</sup> for review. The board and the Division of the Ratepayer Advocate shall have 15 days to review the bid notice and bidding documents and provide comments to the governing body, which may accept or reject the comments.

On June 2, 2016, in accordance with N.J.S.A. 48:3-94b(1) and on behalf of the Township's governing body, Gabel filed with Rate Counsel and the Board of Public Utilities ("BPU") a draft opt-out notice letter for the WOCEA-Round 2 Program. Pursuant to State statute, Rate Counsel is required to review and comment on the draft notice and bidding documents of an Option 2 government energy aggregation program for the governing body's consideration. The following are Rate Counsel's comments on the draft opt-out notice letter.

## Price Structure

c:

The Price Structure should say either "Fixed" or "Variable," not "Non-Variable." If the price may change, the Third Party Supplier Contract Summary should specify the conditions under which the price may change.

## **Public Information Session**

Please ensure the notice letter contains the date and time of the public information session (now indicated with blank spaces on the draft).

Subject to the comments above, the attached opt-out notice letter appears to comply with the Sept. 30, 2014 Board Order in <u>IMO Third-Party Suppliers NJAC 14:4 et seq. Board Review of Consumer Protection Provisions of its Rules Concerning TPSs</u>, Dkt. No. EX14060579.

Please have a municipal attorney review the draft opt-out notice letter and Rate Counsel's comments herein for further guidance on this matter.

Respectfully submitted, STEFANIE A. BRAND DIRECTOR, DIVISION OF RATE COUNSEL

By:

Brian Week

Deputy Rate Counsel

Service List (via Electronic Mail and Regular U.S. Mail)

<sup>&</sup>lt;sup>1</sup> The Division of Rate Counsel ("Rate Counsel") is a New Jersey State agency that is a successor to the Division of Ratepayer Advocate.

I/M/O Government Aggregation Program, Township of West Orange, New Jersey - Round 2 BPU Dkt. No. EO15101203

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