



Sustainable Energy Alliance Energy Procurement Cooperative ("SEAEPC") Update

Round 3 Renewable Energy Aggregation Program contract expires in September 2022. PSE&G will notify participants. New round estimated to begin early-mid 2023.

As you may be aware, the Borough of Glen Ridge ("Borough") is a member of the Sustainable Essex Alliance Energy Procurement Cooperative ("SEAEPC") in which the following seven member municipalities collectively procure energy on behalf of their residents: Maplewood, Glen Ridge, Montclair, Verona, Livingston, South Orange and Glen Rock.

The SEAEPC launched its second round 17-month energy aggregation program in 2020, under which it signed a contract with Energy Harbor, LLC ("Energy Harbor"). This contract has been providing participating Borough residents with power supply with enhanced renewable energy content, while also providing participating residents with some savings on their electric bills, since April 2021.

The current 17-month contract with Energy Harbor will be ending in September 2022.

SEAEPC is working on a new round for residents. The SEAEPC conducted a competitive bid process in May 2022 for a new contract under Round 3 of the SEA program. However, given the current volatile state of energy market prices, it was very difficult to obtain a favorable bid pricing. The bid prices came in much higher than PSE&G's tariff prices and therefore did not produce any savings to justify the award of a new contract.

The SEAEPC concluded that it was in residents' best interests in the short-term, to be returned to PSE&G Basic Generation Service for power supply at the end of the current contract with Energy Harbor.

The SEAEPC will be monitoring market conditions for improved opportunities to award a contract, in consultation with its energy consultant, Gabel Associates, Inc., and expects to go back out to bid within the next 12 months. If the SEAEPC awards a new contract for a third round of the SEA program, the new contract would most likely start in early-to-mid 2023.

We appreciate your understanding and look forward to working diligently with our consultant in the near future to procure a Round 3 contract for our residents.

FAQs

What do I have to do?

The transition from Energy Harbor, LLC back to the PSE&G tariff in September 2022 will be seamless and there is nothing that residents need to do to effectuate this change.

This month, PSE&G will send notices to residents informing them that service with Energy Harbor, LLC will be ending effective on your September 2022 meter read date. Effective on your September meter read, PSE&G will resume as your power supplier. Starting with your October PSE&G bill, you will notice that Energy Harbor power supply charges will be replaced with a line item for PSE&G 'Basic Generation Service' power supply. For those of you who have had a budget billing (equal payment) plan with Energy Harbor, your October 2022 PSE&G bill will include a final true-up of your budget payments with Energy Harbor. This true-up will be a credit if your total budget payments have been greater than the charges for actual electricity consumed during the past 17 months. Alternatively, this true-up will be a charge if your budget payments have totaled to less than actual charges for electricity consumed during the past 17 months.

When will I be able to re-register for this energy aggregation program?

The SEAEPCC is committed to this program and will be monitoring market conditions for improved opportunities to award a contract, in consultation with its energy consultant, Gabel Associates, Inc. If the SEAEPCC awards a new contract for a third round of the SEA program, the new contract would most likely start in early-to-mid 2023. In such event, eligible residents (all residents except those that have their own solar generating system or their own third-party supply contract, or those residents who have requested to be placed on the program's 'Do Not Disturb' list), will be made aware of the details of the new contract. Thereafter, residents would have the choice of opting-out of the new program if they do not wish to participate or opting-into a 100% renewable content option if that is offered. Please note that there was also a gap for enrollment between Round 1 and Round 2 of the program.

In the meantime, will I be receiving renewable content from PSE&G?

PSE&G is mandated by law to provide a certain percentage of its supply from renewable sources and increase that each year. Currently that is 25% renewable content. By 2023, 38% of its supply will be from renewable content, increasing to 53% by 2027. In the meantime, the SEA will strive to stay above this percentage in the next round.

I have specific questions, who should I contact?

Feel free reach out to the SEAEPCC energy consultant, Gabel Associates at SEA-info@gabelassociates.com. Ask for Michaela.