

**TOWNSHIP OF MILLBURN
ORDINANCE NO. 2501-18
AN ORDINANCE OF THE TOWNSHIP OF MILLBURN, COUNTY OF ESSEX,
STATE OF NEW JERSEY, AUTHORIZING THE ESTABLISHMENT OF A GOVERNMENT
ENERGY AGGREGATION PROGRAM**

***Statement of Purpose:** The purpose of this ordinance is to establish a Government Energy Aggregation Program in the Township of Millburn as required by N.J.S.A. 48:93.1 et seq. in order to benefit from price reduction advantages associated with aggregating residential and business electric service for consumers and increasing the Township's use of renewable energy sources. As required by statute, Millburn must pass a Government Energy Aggregation (GEA) ordinance. This ordinance fulfills the statutory requirement and allows the Millburn Township Committee to act as Lead Agency for the Government Energy Aggregation Program in Millburn. Once passed, this ordinance allows Millburn to move forward, along with neighboring municipalities forming the Sustainable Essex Alliance, in implementing the proposed Community Choice Aggregation recommend by accepted consultants, Gabel Associates.*

WHEREAS, the Township of Millburn wishes to take advantage of the Government Energy Aggregation Program established by statute for the purposes of increasing the Township's use of renewable energy sources and reducing the cost of electricity for the benefit of participating residential consumers and businesses within the Township; and

WHEREAS, the Government Energy Aggregation Act, N.J.S.A. 48:3-93.1 et seq. governs the establishment of a Government Energy Aggregation Program, which is a government-operated purchasing cooperative through which multiple energy consumers purchase energy together under the auspices of a government aggregator; and

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

WHEREAS, pursuant to the Government Energy Aggregation Act, N.J.S.A. 48:3-93.1 et seq., the Township seeks to establish a Government Energy Aggregation Program ("Program") for the provision of electricity within the Township, for the purpose of obtaining power supply cost savings for residential and business participants in the Township; and

WHEREAS, the Millburn Township Committee intends to serve as the Lead Agency conducting a Government Energy Aggregation Program in the Township of Millburn and, in that capacity and consistent with applicable rules, to solicit proposals and enter into a contract for the provision of electric generation services on behalf of residential and business customers within the boundaries of the Township, to the extent that such a contract will produce power supply cost savings to residents and businesses; and

WHEREAS, the Millburn Township Committee will from time to time during the Effective Period as defined below solicit proposals from electric power suppliers for electric generation services through the Program in which the Millburn Township Committee will act as Lead Agency of the Millburn Sustainable Energy Aggregation ("MSEA"); and

WHEREAS, the Millburn Township Committee will from time to time during the Effective Period as defined below issue one or more Request for Proposals for electric generation services and energy aggregation services on behalf of the MSEA pursuant to the Local Public Contract

Law Regulations, the Government Energy Aggregation Act and the Electric Discount and Energy Competition Act; and

WHEREAS, the Millburn Township Committee is interested in mandating that a fraction of the energy provided by MSEA come from renewable energy sources, and will therefore include provisions for the inclusion of renewable energy in the Request for Proposals for electric generation services and energy aggregation services on behalf of the MSEA; and

WHEREAS, the Millburn Township Committee will only award contracts for said electric generation service and energy aggregation services to electric power suppliers that are deemed qualified and that submit price bids lower than the prevailing price for utility-provided basic generation service; and

WHEREAS, pursuant to applicable BPU rules, the Township needs to enter into an Electric Distribution Company Aggregation Agreement with Jersey Central Power and Light (“JCP&L”) Company; and

WHEREAS, N.J.S.A. 48:3-93.1 et seq. requires the Program to be established by ordinance.

NOW, THEREFORE, BE IT ORDAINED by the governing body of the Township of Millburn, Essex County, State of New Jersey as follows:

SECTION 1. The Township hereby establishes a Government Energy Aggregation Program, in accordance with the provisions of the Government Energy Aggregation Act, N.J.S.A. 48:3-93.1 et seq.

SECTION 2. The Mayor is authorized to execute and the Clerk to attest to the execution of and Electric Distribution Aggregation Agreement, in a form acceptable to the Township, with JCP&L.

SECTION 3. The Millburn Township Committee will act as Lead Agency of the MSEA and, in that capacity, and consistent with applicable rules, will solicit proposals for electric generation service and energy aggregation services on behalf of Township residents and businesses, and enter into a contract for such services provided that the lowest qualified bid price is below the prevailing price for utility-provided basic generation service.

SECTION 4. As Lead Agency the Millburn Township Committee will execute a master performance agreement that obligated the participants in the MSEA to purchase electricity at terms and conditions stated therein with a third party supplier who has been awarded the contract by the Lead Agency on behalf of participating members of the MSEA, and provided that such contract shall be at prices reasonably forecast and estimated by the Millburn Township Committee to provide savings to participants relative to the price charged for basic generation service by JCP&L.

SECTION 5. The authorization provided to the lead agent shall be valid until December 31, 2021 (the “Effective Period”), at which time the MSEA will be subject to renewal at the discretion of the Millburn Township Committee.

SECTION 6. All ordinances or parts of ordinances inconsistent herewith are hereby repealed.

SECTION 7. If any section, subsection, sentence, clause, phrase or portion of this ordinance is for any reason held to be invalid or unconstitutional by a court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision, and such holding shall not affect the validity of the remaining portions hereof.

SECTION 8. This ordinance shall take effect after final passage and publication as provided by law.

Introduced: 4/17/2018

Published: 4/26/2018