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Morris Township introduced to community energy aggregation

By ARIELLE MOSS Contributing Writer
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MORRIS TWP. – A government relations executive discussed the Community Energy Aggregation (CEA) plan the Township Committee is considering, how to opt in or out, and how it could affect their energy bills at the Environmental Commission’s Thursday, Sept. 8 meet

Lisa Hibbs, the vice president of operations and government relations at Commercial Utility Consultants Inc., said at the meeting that if the Township Committee should decide to move forward with the CEA program, they will need to pass an ordinance. If the township would like to join the Energy Aggregation Cooperative, it will also need to adopt a resolution in order to do so.

The Morris Township Environmental Commission and the Township Committee officials said it important to inform residents about the program before they take any steps to establish the CEA program and/ or join the Energy Aggregation Cooperative, which is being a part of a program with other municipalities.

If Morris Township decides to offer a program to residents, eligible residents will be notified in writing and the township will schedule public information sessions.

Community aggregation replaces residents' default energy usage rate with a price that's based on the community's local usage, Hibbs said.

Communities are able to obtain rate reductions on their energy costs, but month-to-month savings are not guaranteed. Consumer protections are not normally available in individuals' contracts with third-party suppliers, Hibbs said.

The energy aggregation process works parallel to the state's process. The New Jersey Basic Generation Service (BGS) auction is held every February. The process sets each utility's default rate and new rates take effect each year.

The state Board of Public Utilities and the New Jersey Division of Rate Counsel review all program documents.

"In order for a supplier's bid to be considered in an auction, their rate must be lower than utility basic generation service rate at the time of that bid," Hibbs said.

The auction process is repeated at the conclusion of the program.

Outreach to residents will begin by mailing, video and a customized web page for the program.

When a supplier is rewarded, there will be an initial 30-day window for residents to decide if they would like to opt-out of the program and anyone who decides not to opt-out of the program will be enrolled in the program.

Residents can decide at any time after the program begins to discontinue participation with the program without any termination fees or other penalties. The program contains a permanent opt-out feature.

“Residents can decide any time after the program begins so you missed the 30-day window—you can still opt out—you can opt in and out of this program at any time during the contract term,” Hibbs said. “No fees, no penalties.

“All current services such as delivery, meter readings, billing, payments and emergency services are serviced through the utility. Residents will continue to call their utility for service-related questions and outages. Residents will still receive one bill every month from their utility. Along with this, budget billing is offered in the program. There are no fees to be a part of the program.

“No one from the program will be calling or knocking on any resident’s door.”

Residents will not be forced to join the program.

The benefits of the program include consumer protections: there will not be any predatory contracting, no fees of any kind and there will be protection against seasonal or short term fixed and variable rates.

The program will have reduced rates and budget stability, flexible participation for residents and there will be renewable and green energy options.