

RESOLUTION NO. 2012-169

RESOLUTION AUTHORIZING THE TOWNSHIP OF BARNEGAT TO SEEK THE QUALIFICATIONS OF ENERGY AGENTS AND ENERGY CONSULTANTS FOR THE PURPOSE OF INVESTIGATING THE FEASIBILITY OF DEVELOPING A “GOVERNMENT-PRIVATE” ENERGY AGGREGATION PROGRAM WITH A LICENSED ELECTRIC POWER SUPPLIER AND A LICENSED GAS SUPPLIER FOR ALL RESIDENCES LOCATED WITHIN THE GEOGRAPHIC BOUNDARIES OF BARNEGAT TOWNSHIP, FOR ALL NON-RESIDENTIAL CUSTOMERS THAT DESIRE TO OPT-IN AND FOR ALL TOWNSHIP OWNED FACILITIES AND DIRECTING THE APPROPRIATE TOWNSHIP OFFICIALS AND STAFF TO EXPLORE AND INVESTIGATE ALL ASPECTS OF CREATING SUCH A PROGRAM

WHEREAS, in 2003 the Legislature of the State of New Jersey enacted P.L. 2003, C.24 entitled the Government Energy Aggregation Act of 2003 (“GEAA”) which has paved the way for money-saving opportunities for government, residential and non-residential customers throughout New Jersey; and

WHEREAS, the intended result of the implementation of a “Government-Private” Government Energy Aggregation program is the utilization of collective buying power to purchase low-cost energy for government owned facilities, as well as for residential and non-residential customers; and

WHEREAS, the Township Committee of the Township of Barnegat is desirous of reducing the energy and utility costs for electric and gas for all Township owned facilities; and

WHEREAS, the Township Committee of the Township of Barnegat is further desirous of extending the collective buying power vested in the Township as a government aggregator to the residential and non-residential electric and gas utility customers of Barnegat Township; and

WHEREAS, the Township Committee of the Township of Barnegat preliminarily believes that there is a potential to achieve substantial savings in electric and gas energy costs for each residential, non-residential and government owned facility in the Township of Barnegat, given the current state of deregulation of the industry, through bulk energy

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purchases at a fixed rate determined by the competition presently existing between Board of Public Utilities (“BPU”) licensed electric and gas suppliers; and

WHEREAS, the Township Committee of the Township of Barnegat further preliminarily believes that even greater savings can be achieved through larger bulk energy purchases, making the exploration of a multi-government energy aggregation program as part of any program for energy aggregation adopted by the Township of Barnegat prudent; and

WHEREAS, the Township Committee of the Township of Barnegat is desirous of having a Government Energy Aggregation Program investigated and explored in order to determine if the above mentioned goals are achievable and, to this end, desires that the current utility bills of each residential customer and non-residential customer within the geographic boundary of Barnegat Township, as well as the utility bills of each of the Township owned facilities examined and analyzed and, where appropriate, inquiries made to the licensed energy and gas suppliers within Barnegat Township concerning the rates they offer; and

WHEREAS, the Township Committee of the Township of Barnegat believes that the expertise provided by a Registered Energy Agent/Consultant would prove beneficial in examining the aforementioned utility bills and in engaging in communications with the BPU licensed energy and gas suppliers of Barnegat Township; and

WHEREAS, the Township of Barnegat is deemed, pursuant to N.J.A.C. 14:4-1.2, to be a “Government Aggregator” as the Township meets each of the following criteria: (1) it is subject to the Local Public Contracts Law and (2) it is interested in entering into a contract with either another government aggregator or with a Third Party Supplier (“TPS”) to purchase electric generation service, electric related service, gas supply service, and/or gas related service for one or more of the following purposes: (i) for the Township of Barnegat’s own use; (ii) for the use of other government aggregators; and/or (iii) for use by residential and non-residential customers within the Township’s geographic boundaries; and

WHEREAS, the rules promulgated by the Board of Public Utilities pursuant to the Electrical Discount and Energy Competition Act (EDECA), permit a municipality to retain

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consultants to analyze current billing and to seek out interested electric and gas suppliers based on the following definitions:

“Energy Agent means a person that is registered with the Board...and is thereby authorized to arrange the retrial sale of electric...gas supply...between government...and electric or gas power suppliers....”

Energy Consultant means an energy agent that is registered with the Board and is therefore authorized to receive certain customer information from an [Local Distribution Company] “LDC” through electronic data interchange.”, and

WHEREAS, the establishment of an energy aggregation program is permitted pursuant to N.J.A.C. 14:4-6.3(a) which states, in pertinent part:

“A government aggregator may establish an energy aggregation program to purchase electric generation service, electric related service, gas supply service or gas related service... The energy aggregation program may purchase these services for use by one or more of the following:

1. The government aggregator’s own facilities (stand alone program);
2. Facilities of other government aggregators (multi-government program); and/or
3. If the government aggregator is a municipality, residential and/or non-residential customers (government-private program)”;

NOW THEREFORE, BE IT RESOLVED, by the Township Committee of the Township of Barnegat, County of Ocean and State of New Jersey as follows:

1. The Township Committee of the Township of Barnegat desires to explore the feasibility of the Township of Barnegat becoming a Government Aggregator for the purpose of developing and adopting a “Government-Private” energy aggregation program with a licensed electric supplier and/or licensed gas supplier.
2. The Township Committee of the Township of Barnegat desires to explore the feasibility of the Township of Barnegat developing and adopting such a program for the purpose of reducing the energy costs to

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the Township of Barnegat and the residents of the Township of Barnegat through the utilization of lower price bulk purchases occurring through the process of energy competition among suppliers so as to achieve an acceptable fixed-rate which, over the course of time, will produce a cost savings greater than that which would occur based on the utilization of the daily fluctuations of rates.

3. The Township Committee of the Township of Barnegat hereby directs the appropriate Township officials and staff to explore, investigate and analyze all aspects of creating a Government-Private energy aggregation program, including the preparation of and advertisement of Requests for Qualifications with the intention of locating and retaining a BPU registered agent/consultant and the eventual awarding of contracts to BPU licensed electric and gas suppliers pursuant to the (EDECA) and the rules promulgated thereunder by the BPU. If deemed appropriate and in response to submissions received, the Township Committee of the Township of Barnegat may choose to award a Professional Service Agreement to a BPU registered agent/consultant for the purpose of arranging the retail sale of electricity, electric related services, gas supply and/or gas related services from electric or gas power suppliers to the Township of Barnegat as a government aggregator.
4. Upon completion of the investigative, exploratory process described above, which shall include (not by way of limitation) examination and analysis of past and current utility bills and investigation concerning the aforementioned licensed electric and gas energy suppliers, analysis of their present and anticipated prospective market rates. The Township Committee shall determine if the aforementioned energy-saving goals are achievable and whether a solicitation of bids and an award of contract pursued in accordance with the Local Public Contracts Law should follow.
5. A certified copy of this resolution shall be forwarded by the Township Clerk to the following:
 - (a) Honorable Alfonso Cirulli, Mayor;
 - (b) Barnegat Township Committee Members
 - (c) David Breeden, Township Administrator;
 - (d) Jerry J. Dasti, Esquire

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CERTIFICATION

I, Sharon L. Auer, Acting Municipal Clerk of the Township of Barnegat, hereby certify that the foregoing Resolution was duly adopted by the Township of Barnegat at a meeting held on March 5, 2012, a quorum being present and voting in the majority.

SHARON L. AUER, ACTING MUNICIPAL CLERK

Prepared by:

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