

Community Energy Aggregation Program - Program Information and Instructions for Resident Participation

Mayor Zach Rich and the Township Committee are pleased to inform you that the Township of West Amwell has joined up with the City of Lambertville to create a bulk purchasing opportunity that will enable you to lower your energy costs starting with the March 2014 meter reading.

By Ordinance No. 12, 2013 passed in September 9, 2013, the established the South Hunterdon Renewable Energy Cooperative Community Energy Aggregation Program (SHREC CCEA) with Lambertville . The City of Lambertville passed a similar ordinance in October 2013. This program takes advantage of a State law that allows municipalities to group residential customers together and to then utilizing the bulk purchasing power created by the group to solicit competitive bids from licensed residential energy suppliers for power supply.

The Township and the City recently conducted a competitive public bid and accepted the bid of First Energy Solutions, a subsidiary of FirstEnergy Corp., who bid a fixed price of \$0.08941 per kilowatt hour for a fifteen month contract from March 2014 to June 2015. The Township's residential customers currently pay JCP&L an average price of about \$0.103 per kilowatt hour¹, a rate that is 13% higher than the bid price submitted by First Energy Solutions. The contracted price of \$0.08941 will remain fixed over the entire fifteen month contract term. Even with the anticipated reduction in JCP&L's rates next June, SHREC CEA participants (rate class RS) are still expected to save approximately 10% over the contract term. The typical Township resident is expected to save about \$100 over the contract term with no change to the level of service.

The aggregation program is only for the energy supply portion of your electric service. The delivery portion will continue to be provided by JCP&L at regulated rates and JCP&L will continue to provide all emergency and safety services. JCP&L will also continue to provide customer services such as meter readings, billing² and service restoration. This program will not affect existing consumer protections and rights.

Participation in this program is **not** mandatory. If you do not wish to participate you can opt-out of the program, with no penalties.

Moreover, if you are on a JCP&L budget billing plan and choose to take advantage of the lower prices in this program, you **will** continue to receive that service³. See footnote below.

Also, for residents interested in green energy, the Township has built a 100% renewable energy option into the SHREC CEA program, on a strictly voluntary basis. See further instructions below.

¹ JCP&L tariff prices can vary by season and, for some customers with time-of-use meters, by time of day; however this is the average annual price paid for power supply by residential customers under JCP&L's posted BGS-FP tariffs. Further information regarding the price to compare may be found at https://www.firstenergycorp.com/content/customer_choice/new_jersey_tariffs.html.

² Other billing arrangements may apply for customers who do not remain current with their utility payments.

⁴ *There will be an initial true-up by JCP&L if you have a budget billing arrangement with the utility. There will be a final true-up at the end of the 15-month contract by First Energy Solutions for budget billing customers, to reconcile between the amount of electricity actually used and the amount paid for under the budget billing plan. First Energy Solutions will calculate your budget amount based on your average historical electric usage over the last 12 months. The budget billing amount may vary from the level of your current budget payment.*

Residents Who Do Not Currently Purchase Power Supply from a Third Party Supplier

In accordance with New Jersey Board of Public Utilities rules governing Community Energy Aggregation rules, all residents of the Township of West Amwell and the City of Lambertville who do not currently receive power supply from a third party supplier and instead receive power supply from JCP&L under the utility's Basic Generation Service tariff are included in the initial eligibility pool for the SHREC CEA program.

Such residents will be receiving a Notification Letter from First Energy Solutions, which will be mailed out at the end of December, when the program will 'go live.' The Notification Letter will provide program details, and also provide instructions for residents who do not wish to participate to 'opt-out' of the program. Starting with the mailing of the Notification Letter, there will be a 30-day period for residents to opt-out of the program, if they so choose. The opt-out period will end on January 31, 2014. Any resident who has not submitted an 'opt-out' request to FirstEnergy Solutions by the end of the 30-day opt-out period will be enrolled in the program effective with the March 2014 meter read date.

Eligible customers will be AUTOMATICALLY ENROLLED in this program unless they submit an 'opt-out' request within 30 day opt-out period.

Please note that, once First Energy Solutions enrolls you in the program, JCP&L will send you letter notifying you of the request by First Energy Solutions to enroll your electric account for their service. You will receive this letter from JCP&L in mid-February 2014. Be advised that this letter is simply a notification that the utility is required by the State to provide to you. There is nothing further that you need to do to be enrolled in the SHREC CEA program.

Please also note that, even if you do not opt out within the initial 30-day period, you have the right to leave the SHREC CEA program at any time with no penalties or exit fees assessed, upon 30 days' notice⁴, by simply calling First Energy Solutions toll-free at **1-866-636-3749** or by sending an email to: njcea@fes.com (Subject line: SHREC CEA Opt-Out).

Residents Who Wish to Select the 100% Renewable Energy Option

The power being supplied by First Energy Solutions at the \$.0891 per kilowatt hour contract price contains the State-mandated amount of about 13% renewable energy. The SHREC CEA program also allows interested residents to select, on a voluntary basis, a 100% renewable energy product at a somewhat higher price. The contract price for this Voluntary SHREC CEA Renewable Energy Product Option is \$.1041 per kilowatt hour. As such, selection of the 100% renewable energy product will result in a price that will be just slightly higher than the JCP&L tariff price, but will contain 100% renewable energy as compared to the 13% renewable energy content for JCP&L power supply. Residents who wish to select the 100% renewable energy option must contact First Energy Solutions during the month of January, after the program 'goes live,' at their toll-free: **1-866-636-3749**.

Residents Who Currently Purchase Power Supply from a Third Party Supplier

Residents who currently receive power supply from a third party supplier are not in the initial eligibility pool and, therefore, will not be on the list to receive the program Notification Letter from FirstEnergy Solutions. However, such residents will have the opportunity to join the SHREC CEA program by affirmatively 'opting-in' to the program. This window of opportunity will commence in January 2014. Beginning in January, Township of West Amwell and City of Lambertville residents who are currently purchasing power supply from a third party supplier but wish to join the program beginning in March 2014 can contact First Energy Solutions toll-free at **1-866-636-3749** and indicate their desire to affirmatively 'opt-in' to the SHREC CEA program at the contract price of \$0.08941 per kWh. You must contact First

⁴ A notice to 'opt-out' of the SHREC CEA program is effective on the next available meter read date in accordance with State-approved processes implemented by JCP&L.

Energy Solutions no later than January 31, 2014, in order to ensure that your enrollment in the program will take effect in March 2014.

Please note that this program is only available to and for the benefit of residents of West Amwell and Lambertville. When contacting First Energy Solutions to affirmatively “opt-in’ to the SHREC CEA Program, you must have a copy of your recent JCP&L bill available to confirm your account and customer numbers, and you may also be asked to provide your service address to confirm your eligibility for the program.

Important: Before you decide whether you wish to drop your current supplier and join the SHREC CEA program, it is extremely important that you carefully review the pricing terms and other terms and conditions of your current supply arrangement to determine whether the pricing under the SHREC CEA program is advantageous to you, and to ensure that termination of your current arrangement will not expose you to penalties or early termination fees.