



MCEA – Montgomery Community Energy Aggregation

Do not discard; this notice contains important information regarding the opportunity for reduced electricity prices for residents of the Township of Montgomery.

Please read below for more information.

Dear Montgomery Township Resident:

The Township of Montgomery passed Ordinance No. 13-1434 on April 4, 2013, to establish the Montgomery Community Energy Aggregation (MCEA), allowing the aggregation of all residential customers in the Township of Montgomery for the purpose of purchasing electricity at rates lower than currently available from your electric utility, PSE&G. Subsequently, the Township of Montgomery combined the load of all residential customers in the Township and sought competitive bids from licensed suppliers to provide this supply service. Following a competitive bidding process and extensive evaluation, the Township of Montgomery accepted the bid submitted by ConEdison *Solutions*.

ConEdison *Solutions* will provide electric supply at a rate of \$0.10427 per kWh from December 2013 to December 2015. ConEdison *Solutions* is part of Consolidated Edison, Inc., a public utility holding company that also owns utility companies in New York, New Jersey, and Pennsylvania.

Currently, residential service customers in the Township of Montgomery (rate class RS) pay PSE&G an average price (so-called 'price to compare') of approximately \$0.116 per kWh¹. The PSE&G rate for electric supply will remain at its current rate until May 31, 2014, when new rates go into effect. The ConEdison *Solutions* contracted price of \$0.10427 is approximately 10% below the average current PSE&G rate, and will remain in effect from December 2013 until December 2015. Furthermore, though PSE&G's tariff rates for power supply are anticipated to decrease modestly on June 1, 2014, MCEA participants (rate class RS) are still expected to save about 8.5% relative to the PSE&G tariff rates for the entire 24-month contract term. PSE&G has indicated that you are currently in the RS rate class.

The aggregation program is only for the energy supply portion of your electric service. The delivery portion will continue to be provided by PSE&G at regulated rates and PSE&G will continue to provide all emergency and safety services. PSE&G will also continue to provide customer services such as meter reading, billing² and service restoration. Furthermore, you will continue to have all existing consumer protections and rights.

The MCEA program has been structured to provide residential customers with savings on their energy supply purchases at a minimum of risk. The program with ConEdison *Solutions* will last for 24 months and will begin with your December 2013 meter read date. The contracted price of \$0.10427 will remain fixed over the entire term. The typical Montgomery Township resident will realize annual cost savings estimated at about \$110, or \$220 over the full 24-month contract term, with no change to their level of electric service from PSE&G.

¹ PSE&G 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 PSE&G's posted BGS-FP tariffs. Further information regarding the price to compare may be found at http://www.pseg.com/family/pseandg/tariffs/electric/pdf/electric_tariff.pdf

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

If you are on a PSE&G budget billing plan, you will continue to receive that service³. See below.

IMPORTANT: You do not need to take any action to participate in the Montgomery Community Energy Aggregation program.

Eligibility criteria are as follows:

- 1) That your residence is located within the Township of Montgomery;
- 2) That you do not currently have a contract with a third party supplier for electricity; and
- 3) That you have a history of timely payments of electric bills to PSE&G.

Eligible customers will be **AUTOMATICALLY ENROLLED** in this program unless you indicate your desire not to participate by submitting an 'opt-out' request within 30 days of the postmark on this notice.

Please note that you will receive another notice from PSE&G in approximately 30-45 days, confirming that you wish to switch to a third party supplier. Again, NO ACTION needs to be taken regarding this notice from PSE&G in order to participate in the MCEA Program.

HOW TO OPT OUT

If you choose not to participate and "opt out," please fill out, sign and return the enclosed postage paid card, or call ConEdison *Solutions* toll free at 855-884-9794 within 30 days of the postmark on this notice. If you do not opt out within that initial 30-day period, you will still have the right to leave the MCEA program at any time that you choose with no penalties or exit fees assessed, upon 30 days' notice⁴; simply call ConEdison *Solutions* toll-free at 855-884-9794.

If this notification reaches you and your address happens to be outside the municipal boundary of the Township of Montgomery, please contact ConEdison *Solutions* and we will remove your name from the program.

FOR FURTHER INFORMATION

Additional information about government energy aggregation in general and the MCEA program in particular can be obtained from the following:

- The Township of Montgomery's website: <http://www.twp.montgomery.nj.us/energyagg.asp>
- PSE&G toll-free at 800-436-PSEG
- ConEdison *Solutions* Customer Operations Team, toll-free at 855-884-9794 or by email at aggregation@conedsolutions.com
- The NJ Board of Public Utilities website: www.state.nj.us/bpu/pdf/energy/NJ_Gov_Energy_Aggregation_Summary.pdf

³ There will be an initial true-up by the utility of your current budget billing arrangement with the utility, and a final true-up at the end of the contract by ConEdison Solutions for budget billing customers, to reconcile between the amount of electricity actually used and the amount paid for under the budget billing plan. ConEdison 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.

⁴ The request to switch out of the MCEA program will become effective on the next available meter read date in accordance with State-approved processes implemented by PSE&G.