



Legislation Text

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**AN ORDINANCE AUTHORIZING THE ESTABLISHMENT OF A GOVERNMENT ENERGY AGGREGATION PROGRAM (OPTION TWO) PURSUANT TO THE GOVERNMENT ENERGY AGGREGATION ACT OF 2003, N.J.S.A. 48:3-92 - N.J.S.A. 48:3-95 AND THE NEW JERSEY BOARD OF PUBLIC UTILITIES RULES GOVERNING SUCH PROGRAMS, N.J.A.C. 14:4-6.1 et seq.**

Deferred 8-a 091813

Deferred 9a (s) 092413, Public Hearing Open

**No Action Taken 9-d 100213**

**No Action Taken 9-d 101013**

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**WHEREAS**, the Government Energy Aggregation Act of 2003, N.J.S.A. 48:3-92N.J.S.A. 48:3-95 ("GEA Act"), governs the establishment of a government energy aggregation program, which is a government-operated purchasing cooperative through which multiple energy consumers may purchase electric generation service, electric-related service, gas supply service and/or gas related service, either separately or bundled; and

**WHEREAS**, the New Jersey Board of Public Utilities has promulgated rules, N.J.A.C. 14:4-6.1 et seq., for the implementation of government energy aggregation programs ("BPU rules"); and

**WHEREAS**, pursuant to the Act and the BPU rules, the City of Newark wishes to establish a Government Energy Aggregation Program ("GEA Program") in order to provide electric generation service, electric related service, gas supply service and/or gas related service, either separately or bundled, for use by residential customers within the City of Newark's geographic boundaries, for the purpose of obtaining supply cost savings for City of Newark's residential customers; and

**WHEREAS**, the type of Program that the City of Newark intends to establish is an "Option 2" Government-Private Energy Aggregation Program, as defined by N.J.A.C. 14:4-6.4 and 6.6, which provides the procedures that a municipality must follow to solicit proposals and enter into one or more contracts for the provision of electric generation service, electric related service, gas supply service and/or gas related service, either separately or bundled, for use by residential customers (who do not opt-out) within the City of Newark's geographic boundaries; and

**WHEREAS**, the City of Newark hereby finds that it is in the interest of the citizens of Newark

to create a GEA Program, pursuant and subject to the Act and the BPU rules; and

**WHEREAS**, the Act and BPU rules require that the Program to be established by ordinance.

**NOW, THEREFORE, BE IT ORDAINED BY THE MUNICIPAL COUNCIL OF THE CITY OF NEWARK, NEW JERSEY, THAT:**

Section 1. The City of Newark hereby establishes a Government Energy Aggregation Program (“Program”), in accordance with the provisions of the Government Energy Aggregation Act, N.J.S.A. 48:3-93.1 et seq. (“Act”) and the rules of the New Jersey Board of Public Utilities, N.J.A.C. 14:4-6.1 et seq. (“BPU rules”).

Section 2. The type of Program established herein shall be an “Option 2” Government-Private Energy Aggregation Program, as defined by N.J.A.C. 14:4-6.4 and 6.6, which provides the procedures that a municipality must follow to solicit proposals and enter into one or more contracts for the provision of electric generation service, electric related service, gas supply service and/or gas related service, either separately or bundled, for use by residential customers (who do not opt-out) within the City of Newark’s geographic boundaries.

Section 3. The City of Newark shall serve as Lead Agency of the Program and as such, shall manage said Program in accordance with the Act and the BPU rules.

Section 4. Pursuant to the BPU rules, the City of Newark, as the Lead Agency of the Program, shall advertise for the receipt of bids from Third Party Suppliers (“TPS”) interested in supplying electric generation service, electric related service, gas supply service and/or gas related service, either separately or bundled, to the Program within the City of Newark’s geographic boundaries, and award and enter into one or more contracts for the supply of said services to the Program, subject to approval by the City of Newark Municipal Council.

Section 5. The City of Newark is hereby authorized to take any and all steps to submit the necessary documentation to the New Jersey Board of Public Utilities and to provide any and all notices to residential customers to opt-out of the Program should they wish, in accordance with the Act and the BPU rules.

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 upon final passage and publication as required by law.

### **STATEMENT**

This ordinance authorizes the City of Newark to Establish a Government-private Energy Aggregation Program (Option Two) in the City of Newark pursuant to the Government Energy Aggregation Act of

2003 (N.J.S.A 48:3-92 - N.J.S.A. 48:3-95) and the rules and regulations of the New Jersey State Board of Public Utilities (N.J.A.C. 14:4-6) in order to provide electric generation service, electric related service, gas supply service and/or gas related services for residential customers (who do not opt-out) within the City of Newark's geographic boundaries.