

August 18, 2015  
Municipal Building  
121 Evergreen Road  
New Egypt, NJ 08533

The Special Meeting of the Plumsted Township Committee was called to order by Mayor Trotta.

**STATEMENT:** "This meeting is being held in compliance with the Open Public Meetings Act. It was presented for publication in the Asbury Park Press, Trenton Times and posted on the bulletin board."

**THOSE OFFICIALS PRESENT WERE:**

COMMITTEEMAN LOTITO	COMMITTEEMAN MARINARI	MAYOR TROTTA
DEPUTY MAYOR SORCHIK	ADMINISTRATOR DANCER	DAVID LEUTWYLER, CDC
CLERK HENDRICKSON		

Committeeman Wysong was traveling and was excused.

The meeting was opened with a flag salute and a Moment of Silence.

Mayor Trotta said the first item on the agenda was comments from the PMUA. Chairman Walter Bronson said the MUA took action on bids received regarding the Energy Aggregation Program. Ed Weirsky is the Subcommittee Chairman and was very successful along with Bob Minter in initiating this program several years ago. There was another successful bid today. Weirsky was asked to outline the results of the bids and the MUA's recommendation. It was noted Bob Chilton of Gabel Associates asked if there were any questions.

Weirsky explained that the MUA went out for energy aggregate proposals which was done in two methods; one to follow up with the expiring contract which ends in November 2015. Another option was that the MUA may be able to get a better deal by waiting until the contract lapses and rebid for a contract starting in March 2016 after the winter season. Two proposals were for November continuation, which would have been for a 13 month, 19 month and 25 month the second option would be starting back up in March 2016 with either a 9 month or 21 month agreement. The 9 month option was to see what kind of price advantage with avoiding the winter months, this seemed to be of the highest cost for energy due to the constraints with the natural gas during the winter months. There were three proposals, Consolation New Energy, who decided not to bid on all options, Tri Eagle Energy who bid on all options, and Verde Energy USA only bid on the November 2015 start date. Verde Energy is the current provider.

After evaluating all of the bids, it is the MUA's recommendation to select Tri Eagle Energy for the 21 month duration of the contract. The price would be .08752 cents per kilowatt and evaluating it based on the JCP&L kilowatt this is an estimated savings of 14.1%. He said the 21 month is a little higher than the 9 month but the 21 month proposal puts the Township through one of the winter seasons which total up the savings across the winter season which is an overall advantage to the residents. Mr. Weirsky said the MUA recommended the 21 month proposal with Tri Eagle Energy at a kilowatt of .08752 starting in March 2016.

Chairman Bronson said this has been one of two successful bids obtained and it was the MUA's opinion that awarding a bid this time before going into another potentially cold winter would have a drastic effect on pricing so it was the MUA's recommendation to award this now even though it is not starting until March 2016. The MUA will notify all residents currently in the program that they will be reverting temporarily back to JCP&L between November and March and there is no change in their billing except that the name of the energy supplier and the rate will change in November and again in March of next year. He said a press release will be done regarding the results and what the MUA intentions were in the event the Township Committee moves forward with this. Bob Chilton of Gabel Associates was in attendance for any questions.

Committeeman Lotito questioned the 9 month proposed rate which was explained to him. He asked what the current rate was and the proposed rate change in November, it was explained that it goes back to JCP&L rate. He was told the current contract rate was 8.6 cents so the customers will temporarily go back to JCP&L rate at 10.2 cents in November until March 2016.

Committeeman Marinari said Chairman Bronson already answered his request regarding notifying the residents what the changes will be in their bill.

Mr. Weirsky noted that electric goes up in the winter. For years it did not really go up, the demand was during the summer when there is air conditioning, but now due to the fact that natural gas is starting to become a high priority fuel to generate power and during the winter months when everyone is using natural gas to heat their homes, there are times when the supply gets constrained. During those key months is when the price gets bid up and then you are paying double. Mr. Chilton explained why and how this process changed. He said it was disappointing about the break in service but this contract was more savings than was expected.

Deputy Mayor Sorchik asked if the opt-out option was still available and how many residences opted out, he was told it was required and it would be offered again. Peter Ylvisaker of the MUA said there were about 2,000 of the 2,800 residences that participate. It was explained that the major pro for this kind of a program for a residential supplier is that they get a large batch of customers without going around knocking on doors or mailing out fliers, this saves them a ton in transaction costs. One of the down sides is the risk that people can get out of the program whenever they want because there is no worry of the fine print of a penalty for canceling or opting out before the end of their contract. It was noted that this was a little more risky for the suppliers but this risk is factored in.

Committeeman Marinari asked if the press release that goes have something in it that lets the residents know they would be receiving a follow-up letter from JCP&L. It was noted that this would be put in the opt-out letter notifying them about the JCP&L letter. He was concerned because in today's world a lot of stuff gets switched and the resident may not want to switch. He felt this notification to the residents was very important.

Deputy Mayor Sorchik said his personal experience was that as soon as the energy aggregate program started he received about 15 calls from different companies. What he didn't want to see was residents to find out they were going to 11 cents and then get hammered with phone calls and sign up with one of the mandatory two-year contracts that they can't get out of and take advantage of this program that was put together for the residents of Plumsted. He felt this was an important issue to notify them of the date in March 2016 and the company's name.

Mayor Trotta also suggested that a member of the MUA meet with the Jensen residents at their monthly meeting to make them aware of the changes with the energy aggregate contract, Ylvisaker said he would do that.

Business Administrator Ron Dancer said as Assemblyman he sponsored legislation for energy aggregation to try to reduce or eliminate confusion with the utilities sending out the notice but that legislation had not moved. He will retry again in the fall. He asked if the payment plan will continue again, he was told it would. Dancer said the Finance Office brought up there was a billing issue for the Municipal accounts. Mr. Ylvisaker explained that this contract was for residential customers only and would not impact the Township at this time. Mr. Dancer also told Mr. Chilton that Committeeman Marinari was president of the Plumsted Business and Merchants Association and that he may want to attend one of their meetings to explain the Energy Aggregation Program to them.

Mayor Trotta said Resolution No. 2015-237 would approve the Plumsted Community Aggregation Program supplier for a 21 month plan with Tri Eagle Energy at .08752 cents per kilowatt. Mr. Dancer said the MUA has provided a packet from Gabel Associates and suggested attaching it as a "Schedule A" which gives documentation which he felt would be appropriate.

ON MOTION OF DEPUTY MAYOR SORCHIK, SECONDED BY COMMITTEEMAN LOTITO, RESOLUTION NO. 2015-237, A RESOLUTION OF THE TOWNSHIP OF PLUMSTED, COUNTY OF OCEAN, STATE OF NEW JERSEY, AUTHORIZING THE AWARD OF A CONTRACT TO A THIRD PARTY POWER SUPPLIER TO PROVIDE ELECTRIC GENERATION SERVICE TO THE PLUMSTED COMMUNITY ENERGY AGGREGATION (PCEA) PROGRAM PARTICIPANTS AND TO PROVIDE GOVERNMENT ENERGY AGGREGATION SERVICES IN CONNECTION WITH THE PCEA PROGRAM PURSUANT TO N.J.A.C. 14:4-6, WAS ADOPTED. ROLL CALL VOTE: ALL AYES

The Committee took a short recess to complete paperwork for the Energy Aggregation Program. The Committee returned from recess.

## **RESOLUTIONS:**

ON MOTION OF DEPUTY MAYOR SORCHIK, SECONDED BY COMMITTEEMAN MARINARI, RESOLUTION NO. 2015-235, A RESOLUTION OF THE TOWNSHIP OF PLUMSTED, COUNTY OF OCEAN, STATE OF NEW JERSEY, RATIFYING THE SUBMITTAL OF THE NEW JERSEY RADIOLOGICAL EMERGENCY RESPONSE GRANT. ROLL CALL VOTE: ALL AYES

Mayor Trotta said Resolution No. 2015-236 was pulled from the agenda and will be voted on at a later meeting.

REPORTS FROM PROFESSIONALS AND DEPARTMENTS

ON MOTION OF COMMITTEEMAN MARINARI, SECONDED BY COMMITTEEMAN LOTITO, THE BILL LIST FOR AUGUST 18, 2015 WAS APPROVED AS SUBMITTED. ROLL CALL VOTE: ALL AYES

Mayor Trotta asked for any public comment. There was none.

ON MOTION OF COMMITTEEMAN MARINARI, SECONDED BY COMMITTEEMAN LOTITO, THE SPECIAL MEETING WAS ADJOURNED. ROLL CALL VOTE: ALL AYES

Respectfully Submitted,

Dorothy J. Hendrickson, RMC  
Municipal Clerk