



E.A.G.E.R.

ENCOURAGING ALTERNATIVE GREEN ENERGY for RIDGEWOOD

What is Encouraging Alternative Green Energy for Ridgewood (E.A.G.E.R.)?

Public Service Electric & Gas (“PSE&G”) is the default electricity supplier in northern Bergen County. However, New Jersey law¹ allows towns to pass an ordinance establishing a government energy aggregation (“GEA”) program for its residents. Through this program, the local government can negotiate a contract with non-PSE&G sellers known as “third-party suppliers” to obtain greener sourced electricity at a potentially better price. All residents can benefit from an electricity supply that is more sustainable, often less expensive, with better and more secure terms than individuals can typically achieve on their own.

Green Ridgewood, an advisory committee to the Ridgewood Village Council, has recommended the Council pass an ordinance endorsing the E.A.G.E.R. program – a proposed GEA program for our Ridgewood residents. If the ordinance is approved by the Council, the Village can work with an Energy Consultant to:

- Bundle residents’ collective energy demand across the Village
- Create a financial incentive for third-party suppliers
- Entice third-party suppliers to give us a better, fixed price below PSE&G’s price for basic generation supply
- Encourage growth of the renewable energy sector

Together, the Village Council and Ridgewood residents can foster the generation of electricity from renewable sources rather than from fossil fuels. The result? Our whole Village would support the fight against climate change. Let’s join New Jersey neighbors like Glen Rock, Maplewood, and Montclair who are already strengthening their buying power to create financial incentive for third-party suppliers, lowering their price for a product with a large renewable component. We are EAGER to implement this program!

¹ Gov’t Energy Aggregation Act, N.J.S.A. 48:3-92 to 3-95 (2003); Board of Public Utility Rules, N.J.A.C. 14:4-6.

How would energy aggregation work in Ridgewood?

- Residents are automatically enrolled in the GEA program
- By law, membership in a GEA is through an *opt-out* program²
- Residents with solar panels on their homes are automatically opted-out
- Residents with current third-party supplier contracts are automatically opted-out
- Residents can easily opt-out with a simple phone call
- Residents can opt-out at any time, before or during the term of the contract, without any penalty
- GEA third-party supply contracts run no longer than 24 months

What are RECs?

- A REC is a Renewable Energy Certificate
- As part of the product they provide, third-party suppliers may use RECs
- RECs are tradable, non-tangible energy commodities that represent proof 1 megawatt hour of electricity was generated from a renewable energy resource
- RECs provide a mechanism for the purchase of renewable energy added to the electrical grid
- RECs can be sold, traded or bartered. The REC owner can claim a purchase of renewable energy

What is the role of the Energy Consultant?

Green Ridgewood recommended the Village enlist an Energy Consultant to work on behalf of our residents:

- Energy supply is a complicated industry
- An expert's advice is important to secure the **greener product** we want at a **good price**
- The Consultant is paid only if the Village executes a contract
- The third-party supplier pays the Consultant fee. **Not the Village. Not the residents**

Green Ridgewood recommends the Village solicit Energy Consultant proposals and select a firm based on:

- Experience procuring and managing GEA contracts for New Jersey towns with renewable components we want (*e.g.*, solar, wind, *etc.*).
- Outreach and customer service to residents.
- Expertise in analyzing current market conditions for renewable energy.
- Ability to customize a contract for Ridgewood's needs

Will you support us?

² [N.J.S.A. 48:3-94\(e\)](#).