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**EAGER**

**ENCOURAGING ALTERNATIVE GREEN ENERGY for RIDGEWOOD**

***What is Encouraging Alternative Green Energy for Ridgewood (“EAGER”)?***

Public Service Electric & Gas (“PSE&G”) is the default electricity supplier in northern Bergen County. However, New Jersey law[[1]](#footnote-1) 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 electricity generated from wind, solar, or water 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.

On February 9, 2022, the Ridgewood Village Council passed an ordinance that created the EAGER program – a GEA program for our Ridgewood residents. The next step is to engage 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, and
* 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!

***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* program[[2]](#footnote-2)
* Residents with solar panels on their homes will automatically be excluded
* Residents with current third-party supplier contracts will automatically be excluded
* 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 is the role of the Energy Consultant?***

Enlisting an Energy Consultant to work on Ridgewood residents’ behalf is important because:

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

The Village is in the process of soliciting bids from Energy Consultants. We will select a firm based on:

* Experience procuring and managing GEA contracts for New Jersey towns with the 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

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. [↑](#footnote-ref-1)
2. N.J.S.A. 48:3-94(e). [↑](#footnote-ref-2)