

CITY OF MARGATE, NEW JERSEY

RESOLUTION NO. 197 of 2013

**RESOLUTION OF THE CITY COMMISSION OF
THE CITY OF MARGATE, COUNTY OF ATLANTIC,
NEW JERSEY AUTHORIZING A GOVERNMENTAL
ENERGY AGGREGATION PROGRAM AND
APPOINTING COMMERCIAL UTILITY
CONSULTANTS, INC. AS ENERGY AGENT TO
ASSIST THE CITY IN THE IMPLEMENTATION OF
THE CITY'S ENERGY AGGREGATION PROGRAM
AND MAKING OTHER DETERMINATIONS IN
CONNECTION THEREWITH**

WHEREAS, the State of New Jersey has been engaged in a process to establish a competitive market place through deregulation and restructuring the electric and natural gas utility markets; and

WHEREAS, the establishment of a governmental energy aggregation program ("GEA Program") to purchase electric generation service and natural gas pursuant to the Government Energy Act of 2003, *N.J.S.A. 48:3-93.1 et seq.* ("Act") and the New Jersey Board of Public Utilities' implementing rules at *N.J.A.C. 14:4-6.1 et seq.* ("Rules") will increase competition for the provision of electric power and natural gas to residential and non-residential electricity and gas ratepayers, thereby increasing the likelihood of lower electric rates and natural gas rates for these users without causing an interruption in service; and

WHEREAS, under a GEA Program the residential and non-residential electricity and gas ratepayers may have the opportunity to receive a direct reduction in their electric bills and gas bills through the bulk purchase of energy from a third-party energy supplier; and

WHEREAS, the realization of energy costs savings is in the interests of the health, safety and welfare of the residents of the City of Margate, County of Atlantic, New Jersey ("City of Margate"); and

WHEREAS, pursuant to a resolution adopted by the City of Margate on September 19, 2013 ("Prior Resolution"), the City of Margate publicly declared its intent to commence a GEA Program within the City of Margate and to become an aggregator of electric power and natural gas on behalf of its residential and non-residential electricity and gas ratepayers pursuant to the Act and the Rules; and

WHEREAS, pursuant to the "Local Unit Electronic Technology Pilot Program and Study Act" (P.L. 2001, c.30) ("E-Procurement Act"), administered by the New Jersey Department of Community Affairs ("DCA"), the State of New Jersey has established a pilot program for the electronic purchase of certain commodities and services; and

WHEREAS, the E-Procurement Act allows municipalities in the State of New Jersey to purchase commodities and services, including energy supply, through online bidding and reverse auction programs approved by the DCA without the requirement of the traditional public advertisement and bidding requirements contained in the New Jersey Local Public Contracts Law (*N.J.S.A. 40A:11-1 et seq.*); and

WHEREAS, pursuant to the Prior Resolution, the City of Margate appointed Commercial Utility Consultants, Inc. ("CUC") to assist the City of Margate with the selection of a third-party energy supplier in connection with its energy aggregation

program through the use of CUC's Reverse Energy Auction Platform pursuant to the E-Procurement Act; and

WHEREAS, the City of Margate believes that it will benefit from the assistance of CUC, which has been approved by the New Jersey Board of Public Utilities ("BPU") to serve as an Energy Agent as defined in the Rules, with the GEA Program; and

WHEREAS, CUC has agreed to serve as the Energy Agent for the City of Margate's GEA Program at no cost to the City of Margate; and

WHEREAS, the City of Margate hereby finds that it is in the best interests of residential and non-residential electricity and gas ratepayers of the City of Margate to appoint CUC to serve as Energy Agent in connection with the GEA Program pursuant to the E-Procurement Act.

NOW, THEREFORE BE IT RESOLVED, by the City Commission of the City of Margate in the County of Atlantic, New Jersey, duly assembled in public session, as follows:

1. The City of Margate hereby appoints CUC to serve as Energy Agent to assist the City of Margate with the administration of its energy aggregation program, all at no cost to the City of Margate.

2. The Mayor, Chief Financial Officer, Treasurer or other municipal officer is hereby authorized and directed to execute, on behalf of the City, any documents necessary to carry out the purpose of this Resolution.

3. All resolutions, or parts thereof, inconsistent herewith are hereby repealed and rescinded to the extent of any such inconsistency.

4. This resolution shall take effect immediately upon adoption.

DATE: October 3, 2013

I, THOMAS D. HILTNER, Clerk of Margate City, Atlantic County, do hereby certify the foregoing to be a true and correct copy of a resolution adopted by the Commissioners of the City of Margate City at a meeting of said Commission held on October 3, 2013 and said resolution was adopted by not less than a two-thirds vote of the members of the Commission.

_____ Thomas D. Hiltner, RMC, City Clerk