

# Clean Energy Aggregation (CEA)

## Reasons to be Part of the Program

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1. The CEA provides at least 30% of your energy from **clean, renewable sources**

*Clean energy reduces emissions and air pollution caused by burning fossil fuels, and is good for the environment*

2. You can **save money** while protecting the environment

*The average household in Piscataway using 750kWh/month will save \$23/yr in the 30% renewable energy option versus PSE&G*

3. **It is easy** to save money and protect the environment

*If you take **no action**, you will **automatically be enrolled** in the 30% renewable option to start saving – you can opt-out at any time*

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## Reasons to be Part of the Program

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1. The CEA provides at least 30% of your energy from **clean, renewable sources**

**Note: The referendum voters passed last November requires that the CEA uses only Class 1 Renewables: wind, solar, geothermal, hydro and other sustainable sources. Contrary to some recent claims, nuclear is NOT a part of the renewable sources requirement**

➤ It is clear that using renewable sources for energy production is **better for the environment** than burning fossil fuels. What may be less clear is how you will save money by being part of the CEA. To understand why it is a fact that you will save money with the CEA vs. PSE&G, you need to compare the CEA rates to the PSE&G rates set to take effect June 1, 2020.

# Clean Energy Aggregation (CEA)

## Understanding Your PSE&G Bill

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The electricity on your PSEG is broken out into two separate charges: electricity delivery, and electricity supply

Your electricity will still be delivered by PSE&G - with CEA you have a choice about where your electricity supply comes from

There are **two important things to understand** about the electricity supply portion of your current PSE&G bill:

1. The rate you are charged is variable – as your use more electricity, you are charged increasingly more per kilowatt hour
2. PSE&G changes its rates each year and each season – the charge or Price to Compare (PTC) you are seeing on you bill now is **not the rate** you will be charged starting June 1, 2020.

# Clean Energy Aggregation (CEA)

## Understanding Your PSE&G Bill

The rate you are charged is variable – there are separate rates for the first 600 kilowatt hours of usage and for usage above 600 kWh.

| <b>Delivery charges</b>                 |                      |                 |
|---|----------------------|-----------------|
| Monthly service charge                  |                      | \$4.95          |
| Charges for delivering electric to you: |                      |                 |
| kWh charges                             |                      |                 |
| For the first                           | 600 kWh x \$0.044200 | \$26.52         |
| For the next                            | 478 kWh x \$0.044205 | \$21.13         |
| <b>Total electric delivery charges</b>  |                      | <b>\$52.60</b>  |
| <b>Supply charges</b>                   |                      |                 |
| Cost of electric supplied by PSE&G:     |                      |                 |
| Charges                                 |                      |                 |
| For the first                           | 360 kWh x \$0.126778 | \$45.64         |
| For the next                            | 286 kWh x \$0.126783 | \$36.26         |
| For the next                            | 240 kWh x \$0.134875 | \$32.37         |
| For the next                            | 192 kWh x \$0.134896 | \$25.90         |
| <b>Total electric supply charges</b>    |                      | <b>\$140.17</b> |

# Clean Energy Aggregation (CEA)

## Understanding Your PSE&G Bill

PSE&G changes its rates each year and each season – the charge you are seeing on you bill now is not the rate you will be charged starting June 1, 2020. To see the proposed PSE&G rates as of June 1, 2020, go to:

<https://tinyurl.com/PSEGRates2020>

This is what you will find:

**PUBLIC SERVICE ELECTRIC AND GAS COMPANY**

**XXX Revised Sheet No. 75**

**B.P.U.N.J. No. 16 ELECTRIC**

**Superseding  
XXX Revised Sheet No. 75**

**BASIC GENERATION SERVICE – RESIDENTIAL SMALL COMMERCIAL PRICING (BGS-RSCP)  
ELECTRIC SUPPLY CHARGES**

**APPLICABLE TO:**

Default electric supply service for Rate Schedules RS, RHS, RLM, WH, WHS, HS, BPL, BPL-POF, PSAL, GLP and LPL-Secondary (less than 500 kilowatts).

**BGS ENERGY CHARGES:**

Applicable to Rate Schedules RS, RHS, RLM, WH, WHS, HS, BPL, BPL-POF and PSAL

Charges per kilowatt-hour:

| Rate Schedule             | For usage in each of the months of<br><u>October through May</u> |                          | For usage in each of the months of<br><u>June through September</u> |                          |
|---------------------------|--|--------------------------|---|--------------------------|
|                           | Charges  | Charges<br>Including SOT | Charges   | Charges<br>Including SOT |
| RS – first 600 kWh        | \$0.126003   | \$0.134351               | \$0.12416   | \$0.132390               |
| RS – in excess of 600 kWh | 0.126003   | 0.134351                 | 0.133120  | 0.141939                 |

# Clean Energy Aggregation (CEA)

## Understanding Your PSE&G Bill

| Rate Schedule             | <u>October through May</u> |                              | <u>June through September</u> |                              |
|---------------------------|----------------------------|------------------------------|-------------------------------|------------------------------|
|                           | <u>Charges</u>             | <u>Charges Including SUT</u> | <u>Charges</u>                | <u>Charges Including SUT</u> |
| RS – first 600 kWh        | \$0.126003                 | \$0.134351                   | \$0.124164                    | \$0.132390                   |
| RS – in excess of 600 kWh | 0.126003                   | 0.134351                     | 0.133120                      | 0.141939                     |

- The proposed PSE&G charge for October – May is **\$0.134351** per kWh
- The proposed PSE&G charge for June – September is **\$0.132390** per kWh for the first 600 hours of usage, and **\$0.141939** for usage over 600 hours.
- Every single one of those PSE&G numbers is **HIGHER** than the fixed rate **\$0.1319** per kWh you will be charged under the CEA program
- You will be ***paying less for every single kWh you use with the CEA*** – by definition this has to save you money

# Clean Energy Aggregation (CEA)

## Calculating the Savings – (Just a Little) MATH

The CEA Program estimate for the average electric supply charge from PSE&G for a household using an average of 750kWh per month is \$0.1345 per kWh.\* The CEA fixed rate is \$0.1319 per kWh.

PSEG Yearly Charge =  
 $\$0.1345 \times 750 \times 12 = \$1210.50$

CEA Yearly Charge  
 $\$0.1319 \times 750 \times 12 = \$1187.10$

Savings =  $\$1210.50 - \$1187.10 = \$23.40$

\*Note: We double-checked this estimate and we think it is very, very, close, but not exactly right. At PSE&G June-Sep rates of \$0.1329 for the first 600 kWh and \$0.141939 thereafter, the weighted average cost for a household using 750 kWh is  $(.8 \times 0.1329) + (.2 \times 0.141939) = \$0.13430$  for June-Sep. The Oct-May PSE&G charge is \$0.13451. The weighted average of those numbers equals  $(2/3 \times 0.13451) + (1/3 \times 0.13430) = 0.134334$ . Using the \$0.1343334 per kWh number yields a yearly savings of \$21.91 for the CEA instead of \$23.40

# Clean Energy Aggregation (CEA)

## Summary

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- By participating in the CEA program you **help protect the environment** by getting more of your energy from clean and renewable sources
- By participating in the CEA program you save money
- The CEA program **CHARGES YOU LESS** PER kWh, regardless of how much energy you use
  - ✓ Paying less for each kWh means you **WILL SAVE MONEY BY DEFINITION**
  - ✓ The amount you save will depend on your energy usage – households that have greater energy usage will realize greater saving

Politicians may lie, but math doesn't -

This is a win-win for all Piscataway residents.