

MIDDLESEX REGIONAL EDUCATIONAL SERVICES COMMISSION
COOPERATIVE PRICING SYSTEM #65MCESCCPS

DEMAND RESPONSE

BID #MRESC 13/14-51

DATE: 12/11/13

Extended to 5/30/19

That the Board of Directors award the Demand Response Bid #MRESC 13/14-51 to Constellation NewEnergy, Inc., 100 Constellation Way, Suite 1200c, Baltimore, MD 21202 for a term of three years from 5/31/14 to 5/30/17 with an option to extend for up to two additional years.

Bids received from:

ENERNOC

Johnson Controls

Constellation NewEnergy, Inc.

Evaluation:

ENERNOC provided the most aggressive revenue sharing proposal. However, they have requested major changes to the bid specifications and included several exceptions to the bid documents. ENERNOC also included a \$200.00 per month/per meter charge that reduces the revenue distribution by \$2,400.00 per meter/per year. In addition, ENERNOC is only passing on 76% of the "Full Emergency Rate" payments received for participation in called events.

Johnson Controls proposed the second most aggressive revenue sharing proposal. However, they also included a \$125.00 per month/per meter charge that reduces the revenue distribution by \$1,500.00 per meter/per year. In addition, Johnson Controls is not passing on any of the "Full Emergency Rate" payments received for participation in called events.

Constellation NewEnergy, Inc. provided the lowest revenue sharing proposal. However, they do not have any recurring monthly charges. There are no meter charges for existing participants or members located in the PSE&G territory. In addition, Constellation is passing on 100% of the "Full Emergency Rate" payments received for participation in called events.

Based on an evaluation of the impact of recurring fees and the potential benefit of receiving 100% of the "Full Emergency Rate" payments a recommendation is made to award a three year contract to Constellation NewEnergy, Inc., as attached.