

Fellow Trustees:

Background

Over the last several months, together with Jim Hays and other members of the Climate Smart Community Task Force, we have been exploring various options to increase the supply of renewable electricity in our community. The Town of Tuxedo has been pursuing a similar exploratory process. As a result, the Town of Tuxedo recently formed the Town of Tuxedo Community Power energy program. This community choice aggregation (CCA) program will enable the Town to provide residents and small businesses with the benefits of renewable energy.

After an RFP process, the Town's program was formed in partnership with Joule Community Power, a division of Joule Assets Inc ("Joule"). The CCA program will enable the Town to pool electricity demand to leverage the collective buying power of their residents and small businesses to secure more favorable terms on their energy supply, protect consumers from spikes in energy prices, and choose renewable energy sources.

The Town is planning to participate in an upcoming bid for a CCA electricity supply rate with an expected program launch date in spring summer 2023. If the Town selects an electricity supplier, eligible residents and businesses will receive a letter in 2023 with information about their program, their choices and info about how to opt-out.

Public information sessions will be scheduled over the next two months. These sessions will provide general information, explain the benefits of participation by Town residents and small businesses, and answer questions. Joule, as CCA administrator, will be managing this process for the Town.

Recommendation

After exploring various alternatives, I recommend that the Village also hire Joule as its CCA Administrator. Why?

1. There are significant synergies associated with working in parallel and in collaboration with the Town. These synergies include incremental buying power as well as efficiencies in educating the public about the CCA process.
2. Other potential administrators are primarily focused on other geographies, such as Sustainable Westchester (Westchester), Municipal Electric & Gas Alliance (northern NY counties) and Good Energy (multi-state). Joule is an administrator for over 50 municipalities in the Hudson Valley.

I do not believe an RFP process is necessary. The agreement with Joule only commits us to pay Joule for the work it has done IF AND ONLY IF we enter in agreement with an energy supplier. The Village has no obligation to ever do that. Further, the Town has conducted an RFP process and selected Joule. As noted above, there are benefits to us working with the same administrator. Lastly, the alternatives are limited, again, as noted above.

Next Steps

A representative from Joule will provide a brief (10 minute) presentation at the November 16, 2022 meeting and answer any questions that the Trustees and public have. If the Trustees vote to move forward with Joule without an RFP, then we would negotiate and execute the attached agreement with Joule (see Tuxedo Park CCA Administrator Agreement). I've also attached an excel file which provides a list of Joule's clients; you will see that most of these municipalities entered into an agreement with Joule without an RFP for reasons explained above.

Josh Scherer

Muni	Utility	RFP?
Beacon, C	CenHud	No
Clinton, V	CenHud	No
Cold Spring, V	CenHud	No
Fishkill, T	CenHud	No
Gardiner, T	CenHud	No
Marbletown, T	CenHud	No
Nelsonville, V	CenHud	No
New Paltz, T	CenHud	No
New Paltz, V	CenHud	No
Philipstown, T	CenHud	No
Poughkeepsie, C	CenHud	Yes
Redhook, T	CenHud	No
Rhinebeck, T	CenHud	No
Saugerties, V	CenHud	No
Black Brook, T	NatGrid	No
Brockport, V	NatGrid	No
Canton, V	NatGrid	No
Honeoye Falls, V	NatGrid	No
Kendall, T	NatGrid	No
Lima, V	NatGrid	No
North Tonawanda, C	NatGrid	Yes
Potsdam, T	NatGrid	Yes
Richmond, T	NatGrid	Yes
Roseboom, T	NatGrid	No
Rush, T	NatGrid	No
Saranac Lake, V	NatGrid	Yes
Waddington, T	NatGrid	No
Geneva, C	NYSEG	No
Geneva, T	NYSEG	No
Clarkstown, T	ORU	No
Grand View-on-Hudson, V	ORU	No
Haverstraw, V	ORU	No
Highland Falls, V	ORU	No
Highlands, T	ORU	No
Montebello, V	ORU	No
Nyack, V	ORU	No
Orangetown, T	ORU	No
Piermont, V	ORU	Yes
Pomona, V	ORU	No
Suffern, V	ORU	No
Tuxedo, T	ORU	Yes
Upper Nyack, V	ORU	No
West Haverstraw, V	ORU	No
Southampton, T	PSEG	Yes
Brighton, T	RGE	Yes
Cananadigua, T	RGE	Yes

Canandaigua, C	RGE	Yes
Henrietta, T	RGE	No
Irondequoit, T	RGE	Yes
Pittsford, T	RGE	Yes
Pittsford, V	RGE	Yes
Rochester, C	RGE	Yes
Victor, V	RGE	No

CCA Administrator Agreement

This CCA Administrator Agreement (the “**Agreement**”) is entered into as of [date of this agreement] (the “**Effective Date**”) by and between the Village of Tuxedo Park, a municipal corporation of the State of New York, having its principal offices at 80 Lorillard Road, Tuxedo Park, NY 10987 (“**Municipality**”) and Joule Assets Inc. a Delaware corporation having its principal offices at 2875 Route 35 (a.k.a. One Pepsi Way) Katonah, NY 10536 (“**Joule**”) (Municipality and Joule are referred to individually as a “**Party**” and collectively as the “**Parties**”).

RECITALS

WHEREAS, Joule is in the business of, among other things, providing consulting and program administration services for Community Choice Aggregation (“**CCA**”) Programs for municipalities and the residents and business located therein;

WHEREAS, the New York State Public Service Commission has authorized municipalities to participate in CCA pursuant to the CCA Orders (as defined below);

WHEREAS, effective March 16, 2018, the PSC issued an “Order Approving Joule Assets’ Community Choice Aggregation Program with Modifications” in Case 14-M-0224 authorizing Joule, as CCA Administrator, to implement its Community Choice Aggregation Program with opt-out Community Distributed Generation (“**CDG**”)

WHEREAS, the Municipality is exploring whether a CCA Program is appropriate for the Municipality and its residents and businesses and has passed enabling legislation or intends to pass enabling legislation;

WHEREAS, Municipality desires to engage Joule in role as CCA Administrator and Joule desires to provide CCA Administrator Services to Municipality in accordance with this Agreement;

NOW, THEREFORE, in consideration of the mutual covenants set forth herein, the Parties hereto agree as follows:

ARTICLE 1. DEFINITIONS

1.1 Capitalized terms that are used but not defined elsewhere this Agreement, shall have the meanings ascribed below:

(a) “**Applicable Law**” means the CCA Orders, and all statutes, ordinances, laws, rules and regulations that are related or applicable to the CCA Program, this Agreement, or the Parties to this Agreement.

(b) “**CCA**” means community choice aggregation as defined in the CCA Orders.

(c) “**CCA Administrator**” means the third-party duly authorized to administer the CCA Program including without limitation program organization, administration, procurement, communications, and for meeting all requirements for program implementation specified in the CCA Orders, unless

otherwise specified.

(d) “**CCA Enabling Legislation**” means a local law adopted by Municipality according to Municipal Home Rule Law and in compliance with the CCA Orders that authorizes Municipality to implement a CCA Program.

(e) “**CCA Orders**” mean the PSC’s “Order Authorizing Framework for Community Choice Aggregation Opt-Out Program,” issued on April 21, 2016 in Case 14-M-0224, “Proceeding on Motion of the Commission to Enable Community Choice Aggregation Programs,” as it may be amended from time to time, including subsequent orders of the Public Service Commission issued in connection with, or related to, Case No. 14-M-0224.

(f) “**CCA Program**” means the framework that Municipality uses to aggregate eligible customers located within the Municipality to provide access to default Energy Offerings on an opt-out basis and other Energy Offerings on an opt-in basis, as permitted or authorized by the CCA Orders.

(g) “**Compliant Bid**” means a bid for Energy Offering(s), submitted in compliance with the requirements set forth by the Parties in a solicitation, the terms of which are agreed upon by Municipality and Joule.

(h) “**Default Customer**” means a customer of electricity and/or natural gas services eligible to participate on an opt-out basis in the CCA Program or a customer who subsequently becomes eligible to participate in the CCA Program.

To the extent permitted by the CCA Orders, the Municipality may further limit Default Customers to specific geographic areas, specific service classes or otherwise defined segments of the Municipal population.

For the avoidance of doubt, a Default Customer must reside or be otherwise located within the geographic boundaries of the Municipality, as such boundaries exist as of the effective date of the applicable Energy Contract.

(i) “**DER Provider**” means a provider of products and/or services related to Distributed Energy Resources.

(j) “**Distributed Energy Resources**” or “**DER**” means local renewable energy projects, community distributed generation (e.g., community renewables), energy storage, peak demand management, energy efficiency, demand response, community resilience microgrid projects, and other clean energy projects and initiatives that reduce cost of service for Participating Customers, optimize system benefits, and/or address infrastructure and demand challenges within the geography of the CCA Program.

(k) “**Distribution Utility**” means the owner or controller of the means of distribution of electricity or natural gas in the Municipality. The Distribution Utility also serves as the default supplier of electricity or natural gas preceding the establishment of a CCA Program.

(l) “**Effective Date**” shall have the meaning set forth in the preamble to this Agreement.

(m) “**Energy Contract**” means an agreement to provide an Energy Offering to Participating Customers as entered into by and between the Energy Supplier, Municipality and/or Joule.

(n) “**Energy Offering**” means any product or service authorized by the CCA Orders to be part of

a CCA Program or otherwise permitted to be offered by Joule, including without limitation electricity or natural gas supply; community distributed generation, demand response or load management; energy efficiency; other DERs; and financing in connection therewith.

(o) “**Energy Supplier**” means an ESCO, DER Provider, or a provider of other energy products or services.

(p) “**ESCO**” means an entity duly authorized to conduct business in the State of New York as a generator of electricity and/or natural gas or other entity that procures and resells electricity or natural gas.

(q) “**Municipality**” means the municipality set forth in the preamble to this Agreement.

(r) “**Participating Customer**” means a Default Customer of the CCA Program who has not opted out, and a non-Default Customer of any service class who has voluntarily enrolled in the CCA Program.

(s) “**Public Service Commission**” or “**PSC**” means the New York State Public Service Commission or the New York State Department of Public Service acting as staff on behalf of the Public Service Commission.

ARTICLE 2. APPOINTMENT OF JOULE AS CCA ADMINISTRATOR

2.1 Municipality hereby appoints Joule, and Joule agrees to serve, as CCA Administrator in connection with the Municipality’s CCA Program for the term of this Agreement as permitted by, and in accordance with, the terms and provision of this Agreement, the CCA Orders and other Applicable Law. Municipality shall not hire another CCA Administrator for the term of the Agreement.

ARTICLE 3. RESPONSIBILITIES OF THE PARTICIPATING MUNICIPALITY

3.1 Municipality agrees to investigate with Joule the benefits and desirability of implementing a CCA Program.

3.2 Municipality has enacted, or will enact, CCA Enabling Legislation.

3.3 Municipality shall, with Joule’s support, promote and advocate for the CCA Program and educate the public, including without limitation:

- (a) Supporting the scheduling and facilitation of public meetings to disseminate educational information; and
- (b) Allowing use of municipal logo or seal and letterhead for CCA Program promotion; and
- (c) Supporting the promotion of the CCA Program through use of municipal website, social media, municipal newsletter and other municipal communication tools and press outlets.

3.4 Municipality shall, in collaboration with Joule, support CCA Program implementation, including without limitation:

- (a) Participating in the solicitation, review, selection and award of a Compliant Bid to one or more Energy Supplier(s); and

- (b) If requested by Joule, approving a municipal resolution in advance of any solicitation approving the terms and conditions of an Energy Contract relating to such solicitation, subject to the approval of such Energy Contract by the Municipality and its legal counsel; and
- (c) Executing one or more approved Energy Contract(s) with one or more Energy Supplier(s); and
- (d) Reviewing and approving of opt-out letter; and
- (e) Directing CCA Program questions to Joule.

3.5 Municipality shall comply with all Applicable Laws.

3.6 Nothing in this Agreement shall obligate Municipality to enter into any Energy Contract.

ARTICLE 4. RESPONSIBILITIES OF JOULE

4.1 As CCA Administrator, Joule shall be responsible for CCA Program organization, administration, procurement, communications, and implementation described in the CCA Orders, and as described herein.

4.2 Joule shall perform outreach and education activities on behalf of the Municipality for the CCA Program, including without limitation:

- (a) Provide Municipality with information concerning the benefits and desirability of implementing a CCA Program at public meetings, work sessions, phone calls and otherwise; and
- (b) Provide public outreach and education for the CCA Program for a minimum of the duration and breadth required by the PSC.

4.3 Joule shall implement the CCA Program on behalf of the Municipality, including without limitation;

- (a) Prepare, or have prepared, a CCA Program implementation plan and a data protection plan in accordance with the CCA Orders; and
- (b) Provide to the PSC, requested information and documentation of the actions undertaken by the Municipality in connection with the CCA Program and receive required regulatory approvals from the PSC; and
- (c) Manage the procurement process, including without limitation, preparing bid specifications, procuring competitive bids, reviewing responses and negotiating Energy Contract(s) with selected Energy Supplier(s) that are most advantageous to the CCA Program and Municipality; and
- (d) Secure the release of data from the Distribution Utility and manage data in compliance with all national, state and local laws, regulations and other government standards including a data security agreement executed with the Distribution Utility; and
- (e) Prepare opt-out letter and manage printing and mailing of letter to eligible customers; and

- (f) Manage the opt-out process including staffing of a call center to respond to questions or requests to opt-out; and
- (g) Conduct public outreach and education, on at least an annual basis, for the purpose of maintaining public support and awareness for the CCA Program; and
- (h) Provide reports to Municipality and PSC as required by the CCA Orders; and
- (i) Support communications between the Distribution Utility, Energy Supplier(s) and DPS, as required to enable a successful CCA Program.

4.4 Joule shall comply with all Applicable Laws.

ARTICLE 5. PROGRAM ADMINISTRATION FEE

5.1 As consideration for providing services as CCA Administrator, Joule shall be paid by the Energy Supplier(s) a fee or commission. Such fee or commission shall either be described in the applicable solicitation or shall be approved in writing by the Parties.

5.2 In no event shall Municipality be required to make a payment to Joule for Joule's CCA Program Administration or other services, or for any expenses in relation to the CCA Program, except as agreed in writing by the Municipality.

ARTICLE 6. TERM AND TERMINATION

6.1 Commencement. This Agreement shall commence on the Effective Date.

6.2 Term.

(a) Except as provided in 6.2(b), this Agreement shall have a term of eighteen (18) months, and shall auto renew for an additional eighteen (18) months, unless terminated in writing 30 days prior to such eighteen (18) month period.

(b) In the event that one or more Energy Contract(s) is executed by the Municipality during the term (including during any renewal or extended term), the term of this Agreement shall extend until one (1) year following the expiration or termination of any such Energy Contract that is last in effect; provided, further, that the Municipality may terminate this Agreement during such one (1) year period upon 30 days written notice for any reason.

6.3 Termination for Cause. This Agreement may be terminated for cause by either Party (the "**Non-breaching Party**") upon a material breach of the other Party (the "**Breaching Party**") if such Breaching Party has failed to cure such material breach within thirty (30) days of receiving written notice of such breach from the Non-breaching Party.

ARTICLE 7. INSURANCE AND INDEMNIFICATION

7.1 Upon execution of an Energy Contract and for the balance of the term of this Agreement, Joule shall secure and maintain, at its own expense, errors and omissions insurance in an amount not less than one million dollars (\$1,000,000.00) per claim/annual aggregate for claims arising out of the

performance of professional services and caused by negligent acts or omissions, with a deductible not to exceed \$50,000 without prior written approval of Municipality.

7.2 In addition to any other remedies available to the Municipality at law or equity, and notwithstanding any other provision contained herein, Joule shall indemnify, defend and hold harmless the Municipality and the Municipality's elected officials, officers, and employees, agents, representatives and independent contractors (the "**Municipal Indemnified Parties**"), from and against any and all costs, claims, liabilities, damages, expenses (including reasonable attorneys' fees), causes of action, suits or judgments, incurred by, on behalf of or involving any one of the Municipal Indemnified Parties to the extent arising directly from or in connection with a claim by a third-party (i.e., a person other than the Municipal Indemnified Parties) arising out of (i) any material breach of this Agreement by Joule (including its obligations, covenants, representations or warranties); or (ii) any material action or omission taken or made by Joule in connection with Joule's performance of this Agreement; which material breach, material action or omission is found in a final judgment by a court of competent jurisdiction or by arbitration to constitute Joule's material breach, negligence or willful misconduct, and excepting from both (i) and (ii) claims resulting from the actions (or omissions where there is a duty to act) of the Municipality or its respective elected officials, officers, employees, agents, representatives or independent contractors.

7.3 In addition to any other remedies available to Joule at law or equity, and notwithstanding any other provision contained herein, Municipality shall indemnify, defend and hold harmless Joule and its officers, and employees, agents, representatives and independent contractors (the "**Joule Indemnified Parties**"), from and against any and all costs, claims, liabilities, damages, expenses (including reasonable attorneys' fees), causes of action, suits or judgments, incurred by, on behalf of or involving any one of the Joule Indemnified Parties to the extent arising directly from or in connection with a claim by a third-party (i.e., a person other than the Joule Indemnified Parties) arising out of (i) any material breach of this Agreement by Municipality (including its obligations, covenants, representations or warranties); or (ii) any material action or omission taken or made by Municipality in connection with Municipality's performance of this Agreement; which material breach, material action or omission is found in a final judgment by a court of competent jurisdiction or by arbitration to constitute Municipality's material breach, negligence or willful misconduct, and excepting from both (i) and (ii) claims resulting from the actions (or omissions where there is a duty to act) of Joule or its respective officers, employees, agents, representatives or independent contractors.

ARTICLE 8. CONFIDENTIAL INFORMATION.

8.1 During the term of this Agreement, either Party (as the "**Disclosing Party**") may disclose or make available to the other Party (as the "**Receiving Party**") information about its business affairs, products/services, confidential intellectual property, trade secrets, third-party confidential information and other sensitive or proprietary information, whether orally or in written, electronic or other form or media, and whether or not marked, designated or otherwise identified as "confidential" (collectively, "**Confidential Information**"). Confidential Information shall not include information that, at the time of disclosure: (i) is or becomes generally available to and known by the public other than as a result of, directly or indirectly, any breach of this Section 8.1 by the Receiving Party or any of its representatives; (ii) is or becomes available to the Receiving Party on a non-confidential basis

from a third-party source, provided that such third party is not and was not prohibited from disclosing such Confidential Information; (iii) was known by or in the possession of the Receiving Party or its representatives prior to being disclosed by or on behalf of the Disclosing Party as demonstrated by written records; (iv) was or is independently developed by the Receiving Party without reference to or use of, in whole or in part, any of the Disclosing Party's Confidential Information as demonstrated by written records; or (v) is required to be disclosed pursuant to applicable federal, state or local law, regulation or a valid order issued by a court or governmental agency of competent jurisdiction (the "Order"), provided that in such event the Receiving Party shall give the Disclosing Party prompt written notice of the Order and shall reasonably cooperate with the Disclosing Party prior to disclosure to provide the Disclosing Party with the opportunity, at Disclosing Party's expense, to interpose any and all objections it may have to disclosure of the information required by the Order, or to otherwise limit any disclosure required by the Order to the maximum extent permitted by law and all information disclosed shall otherwise remain Confidential Information until another exception exists described in this Section 8.1. The Receiving Party shall: (A) protect and safeguard the confidentiality of the Disclosing Party's Confidential Information with at least the same degree of care as the Receiving Party would protect its own Confidential Information, but in no event with less than a commercially reasonable degree of care; (B) not use the Disclosing Party's Confidential Information, or permit it to be accessed or used, for any purpose other than to exercise its rights or perform its obligations under this Agreement; and (C) not disclose any such Confidential Information to any third party, except to the Receiving Party's representatives, or approved subcontractors, who need to know the Confidential Information to assist the Receiving Party, or act on its behalf, to exercise its rights or perform its obligations under the Agreement, and who are under confidentiality obligations at least as protective as this Agreement. The Receiving Party shall be responsible for any breach of this Section 8.1 caused by any of its representatives or subcontractors. In the event that a request is known to have been made by anyone seeking a court order disclosing any Confidential Information, the Receiving Party will provide (if permitted by the court order) the Disclosing Party with at least fifteen (15) days notice identifying the information sought to be disclosed, the name, address and telephone number of the third party seeking disclosure, the reason for the requested disclosure, the case style, case number and court having jurisdiction over the action, if any, in which disclosure is sought, and will provide copies of the request for disclosure.

8.2 The Parties agree that any Confidential Information disclosed by Disclosing Party shall only be disclosed to those officials, employees, representatives, and agents of the Receiving Party that have a need to know in order to administer the Agreement.

8.3 Compliance by the Municipality with the New York State Freedom of Information Law ("**NY FOIL**") shall not be a violation of this Article and Municipality shall have no duty to litigate or defend any action against it under the NY FOIL; provided, however, if legally permitted Municipality shall provide notice to Joule of any such compliance prior to disclosure which results in the disclosure of information otherwise prohibited by this Agreement.

8.4 The obligations under this Article 8 shall survive the termination or expiration of this Agreement for two (2) years.

ARTICLE 9. MISCELLANEOUS

9.1 The Parties acknowledge and agree that Joule is an independent contractor and is not an employee

of Municipality. Nothing in this Agreement shall be construed to create a relationship between Joule and Municipality of a partnership, association, or joint venture.

9.2 Neither Party may assign this Agreement without obtaining the written consent of the other Party, which consent shall not be unreasonably withheld, conditioned or delayed.

9.3 All notices concerning breach or termination of this Agreement (each, a "**Breach or Termination Notice**") shall be in writing and addressed to the Parties at the applicable Address for Notices set forth on the signature page of this Agreement (or to such other address that may be designated by a receiving Party from time to time in accordance with this Section). All Breach or Termination Notices shall be delivered by personal delivery, nationally recognized overnight courier (with all fees pre-paid), facsimile, or email (with confirmation of transmission) or certified or registered mail (in each case, return receipt requested, postage pre-paid). Except as otherwise provided in this Agreement, a Breach or Termination Notice is effective only (a) upon receipt by the receiving Party, and (b) if the Party giving the Notice has complied with the requirements of this Section.

9.4 This Agreement constitutes the entire understanding of the Parties with respect to the subject matter hereof and supersedes all prior negotiations, discussions, undertakings and agreements between the Parties. This Agreement may be amended or modified only by a writing executed by the duly authorized officers of the Parties. It is understood and agreed that this Agreement may not be changed, modified, or altered except by an instrument, in writing, signed by the Parties.

9.5 Any controversy or claim, whether based upon contract, statute, tort, fraud, misrepresentation or other legal theory, related directly or indirectly to this Agreement, whether between the Parties, or of any of the Parties' employees, agents or affiliated businesses, will be resolved under the laws of the State of New York without regard to conflict of laws principles, in any court of competent jurisdiction.

9.6 If any provision of this Agreement is held invalid or unenforceable, such provision shall be deemed deleted from this Agreement and shall be replaced by a valid, mutually agreeable and enforceable provision which so far as possible achieves the same objectives as the severed provision was intended to achieve, and the remaining provisions of this Agreement shall continue in full force and effect.

9.7 Section headings are inserted in this Agreement for convenience only and are not to be used in interpreting this Agreement.

9.8 This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile, email or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

[Signature page to follow]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized representatives, as required by the applicable laws of the municipality and the laws, rules and regulations of the State of New York as of the date and year first above written.

Joule Assets Inc.

Village of Tuxedo Park

By: _____

By: _____

Name:

Name:

Title:

Title:

Address for Notices:

Address for Notices:

Joule Assets Inc.
2875 Route 35 (a.k.a One Pepsi Way)
Katonah, NY 10536
Attention: Jessica Stromback
jstromback@jouleassets.com

Name:
Address:
Email:
Attention:

With a copy to:

With a copy to:

Stephen Filler, General Counsel
Joule Assets, Inc.
c/o United Corporate Service
10 Bank Street, Suite 560
White Plains, New York 10606
sfiller@jouleassets.com