



Case Study: Rahway Valley Sewerage Authority

PRODUCT:
EMEX™ Reverse Auction

SAVINGS:
Direct to the bottom line –
Approximately \$25,000
between PJM handling
fees and staff time.

LOCATION:
Rahway, NJ

UTILITY:
PSEG

TERM:
12 months

kWh:
16 M

BACKGROUND

The Rahway Valley Sewerage Authority (RVSA) is an autonomous agency that owns and operates a trunk sewer system and a wastewater treatment facility in Rahway, New Jersey. The RVSA currently serves more than 250,000 residents and 3,500 industrial and commercial customers in 14 communities in central New Jersey. The RVSA is governed by a Board of Commissioners, which includes one representative from each member municipality. The day-to-day operations of the RVSA are handled by a full-time Executive Director, along with a staff of approximately 50 employees. The RVSA currently serves Member Municipalities of Clark, Cranford, Garwood, Kenilworth, Mountainside, Rahway, Roselle Park, Scotch Plains, Springfield, Westfield, and Woodbridge and User Municipalities of Winfield Park, portions of Fanwood and Linden.

THEIR CHALLENGE

In 2011, the Rahway Valley Sewerage Authority procured an amazing rate for their electric at a time when the market was depressed. Over the latter half of 2011, continuing into 2012, electricity prices had been steadily increasing. RVSA's Electricity Contract was expiring in the spring of 2013 and they were looking at the following cost increases: an estimated 10% increase in wholesale

energy costs and a 5% increase in capacity and transmission tags from the utility. Another challenge the RVSA faced was the internal costs associated with the traditional bidding process. In 2011, RVSA went through the bid process and only received one response from a vendor, meaning they were either going to have to rebid the contract in the hopes of receiving additional competitive bids, or accept the price of the sole vendor that replied. In 2013, when it was time to again go out for bids, the RVSA knew that market conditions were going to make it challenging to find a rate lower than what they were paying currently, but their goal was still to find the best rate attainable in a market where electric costs were quickly rising. RVSA decided to look at New Jersey Department of Community Affairs (NJDC) approved firms that specialize in energy procurement and found EMEX.

The bid process takes up valuable staff time. EMEX helped to streamline the process, enabling the RVSA to realize a savings of approximately \$25,000 in PMJ handling fees and staff time.



OUR SOLUTION

EMEX's Expert Government Relations Team—consisting of Government Relations Managers, Market Analysts, Pricing Managers, Contract Managers and an in-house legal team—was able to guide RVSA through a complete assessment of their electricity procurement options. This unique approach with EMEX's integrated Reverse Auction technology helped realize the lowest possible rate for electricity as well as a substantial savings to their bottom line through internal budgetary savings.

By using EMEX's Expert Government Relations Team and the EMEX™ Reverse Auction online platform, RVSA was able to attain their goal. The online procurement process brought six suppliers to fiercely compete for their energy contract, putting the power to save money

in their own hands and capitalizing on finding the absolute lowest rate for their facilities and immediately locking it in for 12 months. Savings for Rahway Valley Sewerage Authority through EMEX is clearly reflected in their bottom line. There was no longer a need to go through the long and tedious traditional bid process again, nor incur legal expenses. EMEX's Reverse Auction cut down the staff meeting time and lawyer fees while procuring a highly competitive bid that provided maximum value. "We knew we were in good hands with EMEX's Government Relations Team and Lawyers. They were constantly monitoring the market and working on our behalf to get us the lowest energy rate possible," said Rahway Valley Sewerage Authority's Executive Director James Meehan.

"We know that time is money. We saved an incredible amount of our employees' time as well as relieved the stress and aggravation seen from the traditional bid process by using EMEX's Team and Reverse Auction platform."

THEY WERE
CONSTANTLY
MONITORING
THE MARKET AND
WORKING ON
OUR BEHALF TO
GET US THE
LOWEST ENERGY
RATE POSSIBLE.

About EMEX, LLC

EMEX, LLC is a privately-held firm specializing in energy procurement risk management consulting in deregulated regions of the U.S. EMEX's complete portfolio of services and proprietary, online platforms are entirely focused on reducing the cost of energy in real-time for business and government consumers. EMEX's mission is to put the Power to manage energy spending in the hands of its clients with smart, groundbreaking technology designed to dramatically simplify energy procurement. Core to EMEX is the Flagship product brand EMEX™ Reverse Auction Platform, recognized for its Innovation and Excellence. For more information, please visit: www.EnergyMarketExchange.com

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